## State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Darin Savage darin@abadieschill.com

## ADMINISTRATIVE NON-STANDARD LOCATION

## Administrative Order NSL – 8965

## Devon Energy Production Company, L.P. [OGRID 6137] Gato Grande 9 4 Federal Com Well No. 613H API No. 30-025-51322

Reference is made to your application received on April 29th, 2025.

## **Proposed Location**

	<b>Footages</b>	Unit/Lot	Sec.	Twsp	Range	County
Surface	206 FSL & 2402 FWL	Ν	09	23S	32E	Lea
First Take Point	100 FSL & 2400 FEL	Ο	09	23S	32E	Lea
Last Take Point	100 FNL & 2400 FEL	B/2	04	23S	32E	Lea
Terminus	20 FNL & 2400 FEL	B/2	04	23S	32E	Lea

## **Proposed Horizontal Units**

<b>Description</b>	Acres	Pool	<b>Pool Code</b>
E/2 Section 09	638.93	Wildcat; Upper Wolfcamp	98248
E/2 Section 04			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8965 Devon Energy Production Company, L.P. Page 2 of 2

well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 240 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 09, encroachment to the E/2 W/2 Section 04, encroachment to the E/2 W/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location in order to minimize reserves left in the ground, decreasing the perpendicular setbacks for tighter well spacing, thus increasing recovery of reserves. All while protecting the correlative rights within the Wolfcamp formation underlying the E/2 of Section 09 and the E/2 of Section 04.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.

**GERASIMOS RAZATOS DIRECTOR (ACTING)** GR/lrl

Date: 6-3-2025

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ID NO. 456898	NSL	- 8965		Revised March 23, 2017
	VIEWER:	TYPE:	APP NO:	
04/29/25	ABOV	E THIS TABLE FOR OCD DIVISION	1 USE ONLY	
1220	NEW MEXICO OIL - Geological & E ) South St. Francis E	ngineering B Drive, Santa F	ureau – e, NM 87505	
THIS CHECKLIST IS M	ADMINISTRATIVE			DIVISION RULES AND
	ILATIONS WHICH REQUIRE PRC			
plicant: <u>Devon Energy</u>	Production Comp	any, L.P.	OGRID	Number: <u>6137</u>
II Name: Gato Grande	e 9-4 Fed Com 613	H Well	API: <u>30</u> -	025-51322
ol: <u>WC-025 G-08 S2432</u>	17; UPR Wolfcamp		Pool Co	ode: <u>98248</u>
A. Location – Spacing		Dedication		
DHC [ [ II ] Injection – Dis	- Storage – Measurer CTB PLC posal – Pressure Incre	PC OLS		
NOTIFICATION REQUIRE		/hich apply.		FOR OCD ONLY Notice Complete
·	s or lease holders ling royalty owners, r		rc	
C. Application rec	• • •		15	Application Content
D. Notification and		•		Complete
F. 🔲 Surface owner	d/or concurrent app			
G.■ For all of the ab H. □ No notice requ	oove, proof of notific ired		calion is allache	a, ana/or,
<b>CERTIFICATION:</b> I hereby administrative approva understand that <b>no act</b> notifications are submit	l is <b>accurate</b> and <b>co</b> ion will be taken on	mplete to the	best of my know	ledge. I also
Note: Statemer	nt must be completed by an	individual with ma	nagerial and/or superv	isory capacity.
			April 25, 202	25
arin Savage			Date	

Print or Type Name

/s/ Darin Savage

Signature

970-385-4401

Phone Number darin@abadieschill.com

e-mail Address

#### SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its **Gato Grande 9-4 Fed Com 613H Well** located in the E/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

## **TABLE OF CONTENTS**

Administrative Checklist for NSL

Exhibit A:	C-102 Form, specifically identifying the NSL (19.15.15.13C)
Exhibit B:	A statement discussing the reasons for the unorthodox location
	(19.15.15.13C)
Exhibit C:	Tract map outlining the unit location of the unorthodox well with affected
	area tracts identified (19.15.15.13C)
Exhibit D:	A list of affected persons and parties, with addresses, entitled to notice of
	the application, along with a copy of the notice letter sent to affected
	persons and parties (19.15.15.13C)

**Devon Energy Production Company, L.P.** 

<u>Received by OCD: 4/29/2025 4:18:45 PM</u>



## ABADIE I SCHILL PC

Colorado New Mexico Louisiana Texas Nebraska Kansas Montana Wyoming Oklahoma California North Dakota

April 29, 2025

Gerasimos Razatos, Director (Acting) Oil Conservation Division New Mexico Department of Energy Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Copy to: Leonard Lowe, Division Technical Examiner

Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Gato Grande 9-4 Fed Com 613H Well located in the E/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Acting Director Razatos:

Devon Energy Production Company, L.P., ("Devon"), OGRID No. 6137, is seeking administrative approval of an unorthodox well location ("NSL") for the Gato Grande 9-4 Fed Com 613H (the "613H Well") (API 30-025-51322) located in the WC-025 G-08 S243217P; UPR Wolfcamp Pool (Pool Code 98248) underlying a standard 638.93-acres, more or less, horizontal spacing unit comprised of the E/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

- Surface Location (SL): 206' from the South line and 2402' from the West line (Unit N) of Section 9, Township 23 South, Range 32 East;
- Bottom Hole Location (BHL): 20' from the North line and 2400' from the East line (Lot 2) of Section 4, Township 23 South, Range 32 East;
- First Take Point (FTP): 100' from the South line and 2400' from the East line (Unit O) of Section 9, Township 23 South, Range 32 East;
- Last Take Point (LTP): 100' from the North line and 2400' from the East line (Lot 2) of Section 4, Township 23 South, Range 32 East.

a b a d i e s c h i l l . c o m 214 McKenzie Street, Santa Fe, New Mexico, 87501 O: 970.385.4401 • F: 970.385.4901 Devon has included as Exhibit B, a letter explaining why this application is needed. This well will produce from the WC-025 G-08 S243217P; UPR Wolfcamp Pool (Pool Code 98248). The statewide rules require that the first and last take points shall be no closer than a 100' distance from the outer boundary of the horizontal spacing unit and that the completed interval be no closer than 330', as measured along a line perpendicular to the completed interval, to the outer boundary of the horizontal spacing unit.

The unorthodox location encroaches toward the W/2 of Sections 4 and 9, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

Devon attests that, on or before submission of this application, it sent notice to the affected persons/parties in the adjoining horizontal spacing unit which covers the W/2 of Sections 4 and 9, Township 23 South, Range 32 East, all in Lea County, New Mexico. Devon has also sent notice to the Bureau of Land Management ("BLM") and the New Mexico State Land Office ("SLO") to the extent that federal and state leases are involved, pursuant to NMAC 19.15.2.7A(8)(d); said notice as described satisfies all provisions of NMAC 19.15.4.12A(2); copies of the application and required plat maps were furnished.

Devon provides herein a sectional map of this area, attached as Exhibit C. Proof of mailing, along with a copy of the notice letter sent to the affected persons, is attached hereto as Exhibit D. Devon has informed us that there is no pooling case associated with this application.

Your consideration in this matter is appreciated.

Sincerely,

Darin C. Savage Attorney for Applicant

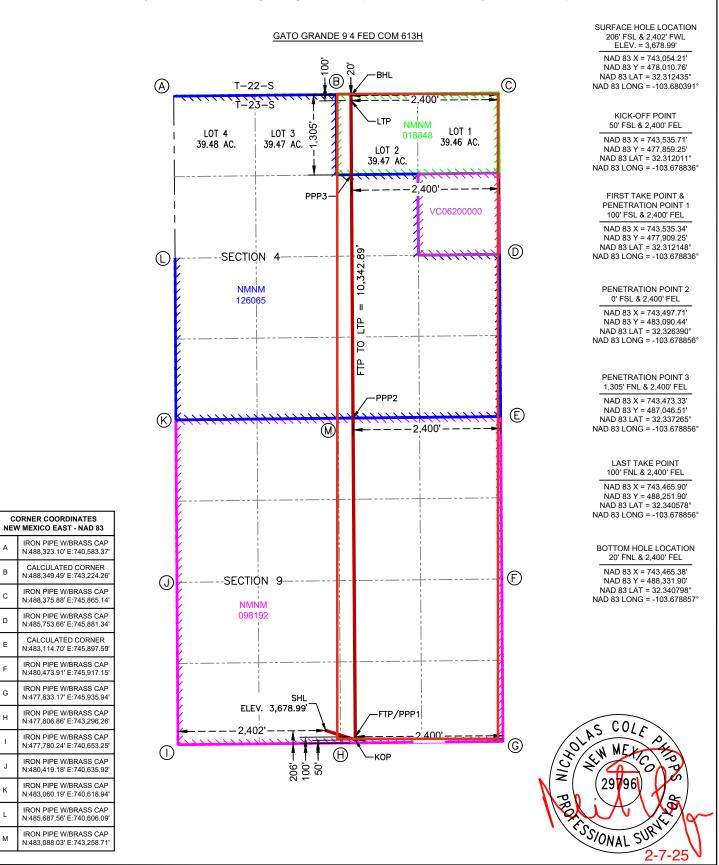
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<u>C-10</u>	2		State of New Mexico Energy, Minerals & Natural Resources Department					l	Revised July 9, 2024		
	Electronicall	y		OIL (	CONSERVA	TION DIVISION					
Via OCD	Permitting							Submittal	Initial Su ☐ Amende		
								Туре:	□ As Drille		
L			WELL LOCATION INFORMATION								
API Nu	mber 30	02551322	Pool Code	[98248	31	Pool Name WC-0	25 G-08 S24	3217P:UPR	WC		
Propert	v Code		Property N	_	-1				Well Numb	er	
		3920			GATO GRA	NDE 9 4 FED COM				613H	
OGRID	No. 6137		Operator N		N ENERGY PR	RODUCTION COMPA	NY, L.P.			vel Elevation ,678.99'	
	Surface C	wner: 🗌 Stat	e 🗆 Fee 🗆	] Tribal 🗹	Federal	Mineral Ow	ner: 🗌 State	e 🗆 Fee 🗆	Tribal 🗹 Fe	ederal	
					Surfo	ce Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Lo	ongitude	County	
N	9	235	32E		206' FSL	2,402' FWL	32.312	435° -10	03.680391°	LEA	
					Bottom	Hole Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Lo	ongitude	County	
LOT 2	4	23S	32E		20' FNL	2,400' FEL	32.340	798° -10	03.678857°	LEA	
Dedicat	ted Acres	Infill or Defir	ning Well		Well API	Overlapping Spacing	g Unit (Y/N)	Consolidat	ion Code		
638.9		Infill		30-02	5-51323						
Order N	lumbers.	Pending NS	L			Well setbacks are u	Inder Comm	on Ownersn		NO	
				L.	Kick O	ff Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Lo	ongitude	County	
0	9	23S	32E		50' FSL	2,400' FEL	32.312	011° -10	03.678836°	LEA	
		·	-	T	*	ake Point (FTP)	<b>.</b>	<u> </u>			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		ongitude	County	
0	9	23S	32E		100' FSL	2,400' FEL	32.312 <sup>,</sup>	148 -10	03.678836°	LEA	
UL	Section	Township	Range	Lot	Last Ta	ake Point (LTP) Ft. from E/W	Latitude		ongitude	County	
LOT 2	<b>4</b>	23S	32E	LOI	100' FNL	2,400' FEL	32.340		03.678856°	LEA	
	4	233	JZE		TOUTINE	2,400 1 22	32.340	576 -10	5.070050	LEA	
Unitized	d Area or A	rea of Uniform	Interest	Spacino	I Unit Type 🗵 Ho	orizontal 🗆 Vertical	Grou	nd Floor Ele	vation:		
OPERA		TIFICATIONS				SURVEYOR CERTIFI	CATIONS				
-				n is true an	d complete to the			auna an thia m	at was platted	from field notes of	
best of n	ny knowledge	e and belief, and	d, if the well is	a vertical o	directional well,	I hereby certify that the w actual surveys made by r	ne or under m				
in the la	nd including t	the proposed bo	ttom hole loca	ation or has	ed mineral interest a right to drill this	correct to the best of my	belief.		150	OLF	
					vorking interest or tor a compulsory	4	n		OLAN	NEXIC IIIO	
pooling	order heretof	ore entered by t	he division.				Y			- C PP	
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased					$\mathbb{N}$ l i $\Lambda$	·Xη.	( -	≤ ( (29	796) ) 🗸		
mineral interest in each tract (in the target pool or formation) in which any part of the well completed interval will be located or obtained a compulsory pooling					NICHOLAS COLE P	HIPPS PS	29796	핑 <	୍ର /୫/		
order from the division. 3/20/2025					COOSA CONSULTIN PO BOX 1583, MIDL		ATION	17C	J. S. S.		
Signature Date					Signature and Seal of Pro		veyor	PROFESSION	AL SUR		
	ren Wat	son						-			
Printed						Certificate Number	Date of Sur	vey			
		son@dvn	.com			29796			2/7/2025		
Email Ad		0	-			20100		2		EXHIBIT	
Note: No	Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved										

#### ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



Released to Imaging: 6/4/2025 4:35:41 PM

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Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 552 8002 Phone www.devonenergy.com

March 19, 2025

Mr. Leonard Lowe New Mexico Oil Conservation Division 1220 South Francis Drive Sante Fe, New Mexico 87505

RE: Application for Non-Standard Location Engineering Statement Devon Energy Production Company, L.P. Gato Grande 9 4 Fed Com 613H E2 of Sections 4 & 9 T23S-R32E Lea County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, LP ("Devon") respectfully requests administrative approval of a nonstandard location for the Gato Grande 9 4 Fed Com 613H (the "Well") referenced above. The Well is in the WC-025 G-08 S243217P; UPR WC (Pool Code 98248) with first and last take points at roughly 2400' FEL. Devon's responsibility as a prudent operator is to minimize reserves left in the ground. Decreasing the perpendicular setback from 330' will allow for tighter well spacing, thereby increasing the ultimate recovery of reserves and thereby preventing the waste of natural resources.

Respectfully,

**Devon Energy Production Company, L.P.** 

Nikki Hardy

Reservoir Engineer



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## Gato Grande 9 4 Fed Com 613H: NSL

205 5	23S - 3 <b>2</b> E - 4	238 - 321	<ol> <li>Horizontal Spacing Unit Devon Operated- Gato Grande 9-4 E2 Sections 4 &amp; 9 T23S-R32E</li> </ol>
- 32E - 5	233 - 32E - 4	233 - 321	2. Affected Offsetting H. Spacing Unit Devon Operated- Gato Grande 9-4 W2 Sections 4 & 9 T23S-R32E
-32E-8	235 - 3 <b>2</b> E - 9	23S - 32E	
- 32E - 17	238 - 32E - 16	23S - 32E	
			EXHI



.

USPSArticleNumber	DateMailed	ReferenceNumber	Name1	Address1	City	State	Zip
9314869904300134589543	4/29/25	4188.82 - NSL - Gato Grande 613H	Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220-6292
9314869904300134589550	4/29/25	4188.82 - NSL - Gato Grande 613H	New Mexico State Land Office	P.O. Box 1148	Sante Fe	NM	87504

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Received by OCD: 4/29/2025 4:18:45 PM





### ABADIE I SCHILL PC

Colorado New Mexico Louisiana Texas Nebraska Kansas Montana Wyoming Oklahoma California North Dakota

April 29, 2025

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

## NOTICE TO AFFECTED PERSONS/PARTIES RE: APPLICATION FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX WELL LOCATION

# Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Gato Grande 9-4 Fed Com 613H Well located in the E/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

To the Parties/Persons this may concern:

Enclosed in this notice are copies of the above-referenced application filed with the New Mexico Conservation Division on the date referenced above.

You are being notified in your capacity as a person or party in an adjoining tract or unit pursuant to our request for approval of an unorthodox location of the above-referenced well. Any objections that you have to the above-referenced application must be filed in writing (by email or letter) with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the application filed for administrative approval by the Division. This Application would have been filed with, and received by, the Division either on the date of this letter as referenced above, or no later than two (2) days after the date referenced above. Email correspondence for this matter can be sent to the Division at OCD.Engineer@emnrd.nm.gov.

If you have any questions concerning this application, please contact:

Aaron Young Sr. Staff Landman Devon Energy Production Company, L.P. (405) 228-2850 Aaron.Young@dvn.com

a b a d i e s c h i l l . c o m 214 McKenzie Street, Santa Fe, New Mexico, 87501 O: 970.385.4401 • F: 970.385.4901 If you have no objections to these applications, please sign the waiver as indicated below and return the original to the address listed on this letterhead. Your assistance and cooperation in this matter are appreciated.

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

## <u>Waiver</u>

hereby waives objection to the above referenced Application for an Unorthodox Location for the Gato Grande 9-4 Fed Com 613H Well located in the E/2 of Sections 9 and 4, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

COMMENTS

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

## State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

COMMENTS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	456898
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

Created By	Comment	Comment Date
llowe	An approved NSP order is needed for the larger HSU pertaining to the Pool/Formation referenced in this order. Unless the HSU can be verified that the HSU is obtained through a confirmed Defining Well.	6/4/2025

COMMENTS

Page 15 of 16

Action 456898

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

## State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	456898
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

#### CONDITIONS

Created By	Condition	Condition Date
llowe	None	5/9/2025

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Action 456898