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

Michelle Lujan-Grisham Governor

Melanie A. Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary

Erin Taylor Deputy Secretary Albert Chang Division Director Oil Conservation Division



Mr. Darin Savage darin@abadieschill.com

## **ADMINISTRATIVE NON-STANDARD LOCATION**

## Administrative Order NSL - 8989

## Devon Energy Production Company, L.P. [OGRID 6137] War Club 3 4 Federal Com Well No. 822H API No. 30-015-PENDING

Reference is made to your application received on May 26<sup>th</sup>, 2025.

## **Proposed Location**

-	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	967 FNL & 400 FEL	A/1	03	22S	27E	Eddy
First Take Point	1980 FNL & 100 FEL	Н	03	22S	27E	Eddy
Last Take Point	1980 FNL & 100 FWL	E	04	22S	27E	Eddy
Terminus	1980 FNL & 20 FWL	Е	04	22S	27E	Eddy

## **Proposed Horizontal Gas Units**

Description	Acres	Pool	Pool Code
N/2 Section 03	639.26	Purple Sage; Wolfcamp, Gas	98220
N/2 Section 04			

You have requested to complete this horizontal well as a **gas** well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre **gas** spacing unit.

Administrative Order NSL - 8989 Devon Energy Production Company, L. P. Page 2 of 2

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 First and Last Take Points referenced above within the described Horizontal Spacing Unit.

The well's completed interval is as close as 100 feet to the eastern and western boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 02, encroachment to the NW/4 Section 05, encroachment to the NE/4

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

The Division understands you are seeking this unorthodox location to minimize reserves left in the ground, thus allowing the increase of the horizontal lateral within the Wolfcamp formation underlying N/2 of Section 03 and the N/2 of Section 04 and thereby preventing waste.

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 Subsection B of 19.15.15.13 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 Division deems necessary.

Albert Chang

Date: 7/3/2025

Albert Chang Division Director AC/lrl

•

d by OCD: 5/26/2025 9:43:2	Y AM			1
ID NO. 467073	N	SL - 8989		Revised March 23, 201
RECEIVED: 05/26/25	REVIEWER:	TYPE:	APP NO:	
12	- Geological	ABOVE THIS TABLE FOR OCC DIVISION OIL CONSERVAT I & Engineering B cis Drive, Santa F	<b>ION DIVISION</b> ureau –	Return Returns
	IS MANDATORY FOR ALL AI	DMINISTRATIVE APPLICATIC RE PROCESSING AT THE DIV	INS FOR EXCEPTIONS TO	
oplicant: <u>Devon Energ</u>	ay Production Co	ompany, L.P.		Number: <u>6137</u>
ell Name: <u>War Club 3</u>	-4 Fed Com 822	l Well	API: <u>PE</u>	NDING
ol: <u>Purple Sage Wolfc</u>	<u>amp (Gas) Pool</u>		Pool C	ode: <u>98220</u>
☐ DHC [ II ] Injection – E ☐ WFX ) <b>NOTIFICATION REQUI</b> A.   Offset operat B.   C.  Application r D.   Notification c	g – Storage – Mea CTB PLC Disposal – Pressure PMX SWD RED TO: Check that ors or lease holde riding royalty own equires published and/or concurrent	Isurement PC OLS Increase – Enhand D IPI EOF ose which apply. rs ers, revenue owne notice approval by SLO	ced Oil Recovery C PPR	
F. 🗌 Surface owne	above, proof of ne quired eby certify that the	otification or publi e information subm	nitted with this ap	ed, and/or,
understand that <b>no a</b> notifications are subn			on until the requir	ed information and
Note: Staten	nent must be completed	by an individual with mo	inagerial and/or super	visory capacity.
			May	23, 2025
Darin Savage			Date	
rint or Type Name			970-385-4401	

/s/ Darin Savage

Signature

darin@abadieschill.com

e-mail Address

Phone Number

**Received by OCD: 5/26/2025 9:43:29 AM** 



## ABADIE I SCHILL PC

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

May 23, 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 War Club 3-4 Fed Com 822H Well located in the N/2 of Sections 3 and 4, all in Township 22 South, Range 27 East, NMPM, Eddy 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 War Club 3-4 Fed Com 822H Well (the "822H Well") (API No. Pending) to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying a standard 639.26-acre, more or less, horizontal spacing unit comprised of the N/2 of Sections 3 and 4, Township 22 South, Range 27 East, NMPM, Eddy 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): 967' from the North line and 400' from the East line (Lot 1) of Section 3, Township 22 South, Range 27 East;
- First Take Point (FTP): 1980' from the North line and 100' from the East line (Unit H) of Section 3, Township 22 South, Range 27 East;
- Last Take Point (LTP): 1980' from the North line and 100' from the West line (Unit E) of Section 4, Township 22 South, Range 27 East;
- Bottom Hole Location (BHL): 1980' from the North line and 20' from the West line (Unit E) of Section 4, Township 22 South, Range 27 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 Purple Sage Wolfcamp Pool (Pool Code 98220). The special Division rules for the Purple Sage; Wolfcamp Pool establish 330' foot setback requirements which are laid out in Order No. R-14262. The first and last take points for the proposed well are closer than 330' from the boundary of the spacing unit.

The unorthodox location will encroach towards the NW/4 of Section 2 and the NE/4 of Section 5, all in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico.

Devon attests that, on or before submission of this application, it sent notice to the affected persons in (1) the adjoining spacing unit which covers the W/2 of Section 2; and (2) the adjoining horizontal spacing unit which covers the N/2 of Sections 5 and 6, all in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico; said notice as described satisfies all provisions of 19.15.4.12A (2) NMAC; copies of the application and required plat maps were furnished. Devon has also sent notice to the Bureau of Land Management and to the New Mexico State Land Office to the extent that federal and state leases are involved, pursuant to 19.15.2.7A(8)(d) NMAC. 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 listed affected persons and parties, is attached hereto as Exhibit D. The pooling case associated with this application is Case No. 25258.

Your consideration in this matter is appreciated.

Sincerely,

Darin C. Savage Attorney for Applicant

### SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of Devon Energy Production Company, L.P. for administrative approval of unorthodox well location for its **War Club 3-4 Fed Com 822H Well** located in the N/2 of Sections 3 and 4, all in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico.

## **TABLE OF CONTENTS**

Administrative Checklist for NSL

Exhibit A:	C-102 Forms, 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)
	persons and parties (17.13.13.15C)

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

<u>C-1</u>	02				uls & Natu	ıral	New Mexico Resources Depa			Revised Septe	ember 17, 2024
	Electronically D Permitting			L COL	NSERVA	<b>7</b> .1,	ION DIVISIO	NIC		X Initial Submittal	
	, i crimuing								Submittal Type:	Amended Repor	
										As Drilled	
L			1	W	ELL LOCA	ATIO	ON INFORMATIO	N			
API N	lumber		Pool Cod	e		P	ool Name				
Prope	rty Code		98220 Property	Name	WAR C	<u> </u> 1111	PURPLE SAGE	;wolfc	CAMP (C	AS) Well Number 822H	
OGRIE			Operator							Ground Level	Elevation
	6137					PR	CODUCTION COMPA	NY, L.P.		3140.4'	
Surfa	ce Owner:	□State	Fee □Trib	oal ⊠Fe	deral		Mineral Owner:	□State	⊠Fee □.	fribal 🖾 Federal	
					Su	urfa	ace Location				
UL	Section	Township	Range	Lot	Ft. from	,	S Ft. from E/W	Latitude		Longitude	County
	3	22-S	27-E	1	967' N	V	400'E	32.426	552	104.170303	EDDY
					Bot	tom	Hole Location				
UL	Section	Township	Range	Lot	Ft. from	N/\$	S Ft. from E/W	Latitude		Longitude	County
E	4	22-S	27-E		1980 N	N	20' W	32.423	682	104.203257	EDDY
Dedicat	ed Acres	Infill or Def	ining Well	Defining	well API Ov	verl	apping Spacing Unit	t (Y/N)	Consolid	ation Code	
639.2		INFILL	U						PEND	ING NSL	
Order	Numbers				w	ell	setbacks are under	Common	Ownersh	ip: □Yes □No	
										<u> </u>	
	a u	<b>m</b> 1.	<b>D</b>		1		Point (KOP)			<b>.</b>	<i>a</i> .
UL	Section	Township	Range	Lot	Ft. from	,	S Ft. from E/W 58'E	Latitude		Longitude 104.1692	County
	3	22-S	27-Е		1980' N			32.4237		104.1692	EDDY
	a 1:	m 1.	D	T .			ke Point (FTP)	T 1.1 1		T 11 1	a 1
UL H	Section 3	Township 22-S	Range 27–E	Lot	Ft. from 1980' I		S Ft. from E/W 100'E	Latitude 32.423		Longitude 104.169382	County EDDY
	J	22-3	~1-E					52.425	112	104.109302	EDDI
UL	Section	Township	Damas	Tet	Last Ft. from		ke Point (LTP) S Ft. from E/W	Latitude		Tamaituda	Country
E	4	Township 22-S	Range 27–E	Lot	1980' I		100' W	32.423		Longitude 104.202997	County EDDY
Б	4	~~ 0	~1 1		1300 1	1 1	100 1	08.480	002	104.202337	EDDI
					-		J <b>nit Type Horizon</b> DNTAL	tal Verti	cal G	round Floor Ele	vation:
ODEDA	TOR CERTI	FICATIONS					SURVEYOR CERTIFIC	ATIONS			
I hereby of my kn organiza including location mineral i	certify that the nowledge and b tion either own g the proposed pursuant to a c	e information con pelief, and, if the ns a working inte bottom hole loc contract with an our voluntary pooli	well is a vertic crest or unlease ation or has a r owner of a wor	cal or direct d mineral ir ight to drill king interes		est his d	I hereby certify that the we of actual surveys made by a correct to the best of my be	ll location sho me or under si		nd that the same is true	
consent o interest i	of at least one n each tract (in ed interval will	lessee or owner on the target pool	of a working in or formation) i	terest or un n which any ulsory pooli	tion has received leased mineral y part of the well' ing order from the	's ie				PROTICE	A ROAL
Signa			Date			5	Signature and Seal	of Profes	ssional S	urveyor / ONAL	SU.
Sha	indee Tho	mas									-
	ed Name	<u> </u>				C	Certificate Number	Date of	Survey		
	andee.Tho 1 Address	omas@dvn.	com				23261	4/20	)24		
								-/ 20			

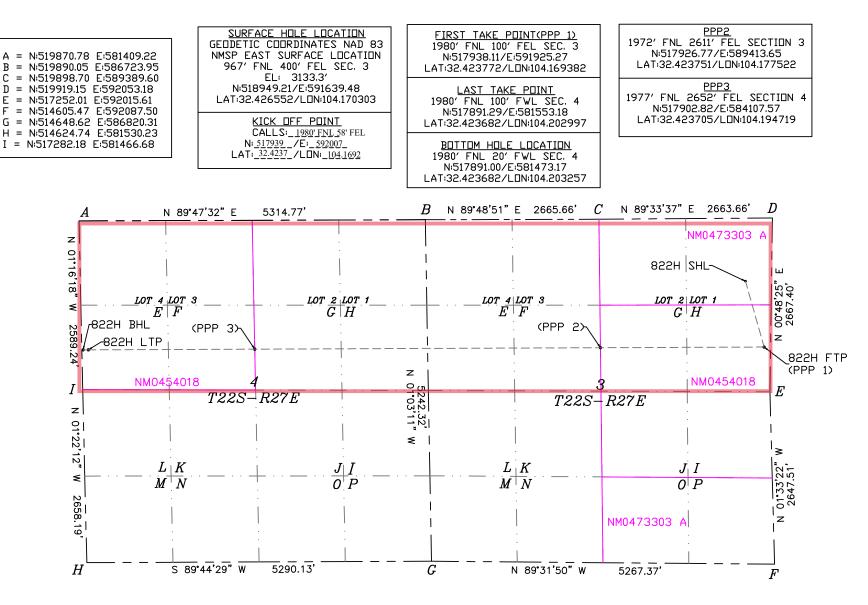


.

#### 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.



Δ

В

С

D

Е

F



Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 228 4214 Phone www.devonenergy.com

March 25, 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.
War Club 3-4 Fed Com 621H, 622H, 821H, & 822H
Lots 1-4 & S/2N/2 of Sections 3 & 4, T22S-R27E
Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, LP ("Devon") respectfully requests administrative approval of non-standard locations for the War Club 3-4 Fed Com 621H, War Club 3-4 Fed Com 622H, War Club 3-4 Fed Com 821H, and War Club 3-4 Fed Com 822H (the "Wells") referenced above. The Wells are in the Purple Sage; Wolfcamp Pool (Pool Code 98220) with first and last take points planned at roughly 100' FEL and FWL, respectively. It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Decreasing the first and last take points from 330' will allow for increase in potential completed horizontal lateral, thereby increasing the ultimate recovery of reserves and thereby preventing waste of natural resources.

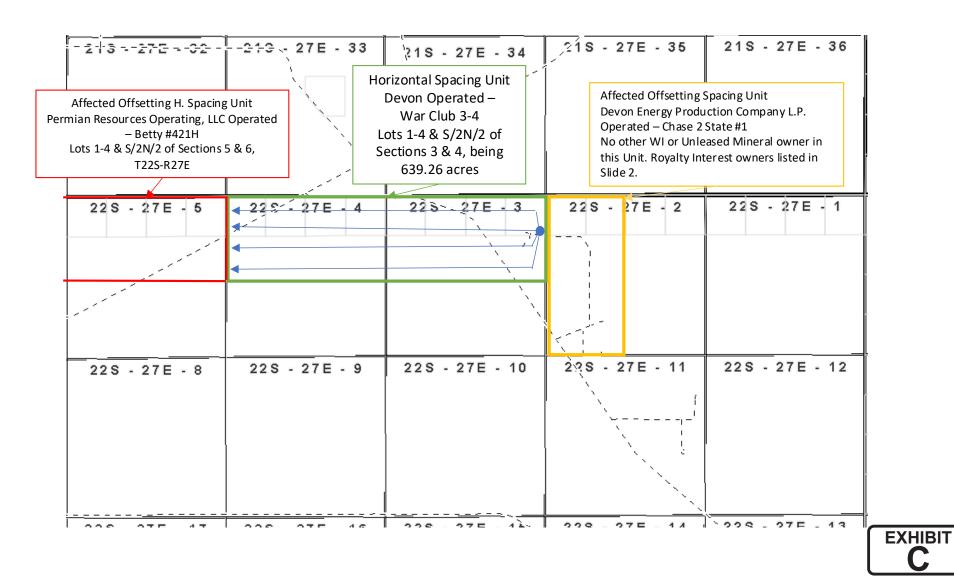
Respectfully,

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

Kyle Laite Reservoir Engineer



# War Club 3-4 Fed Com 621H, 622H, 821H, & 822H: NSL



USPSArticleNumber	DateMailed	ReferenceNumber	Name1	Address1	Address2	City	State	Zip
9314869904300135512922	5/23/25	4188.84 - NSL - War Club WC N2 822H	Bureau of Land Management	620 E. Greene Street		Carlsbad	NM	88220-6292
9314869904300135512939	5/23/25	4188.84 - NSL - War Club WC N2 822H	Mewbourne Oil Company	500 W. Texas Ave.	Suite 1200	Midland	ТΧ	79701
9314869904300135512946	5/23/25	4188.84 - NSL - War Club WC N2 822H	Jessie W. Laman	1419 Eagle Ave.		Carlsbad	NM	88220
9314869904300135512953	5/23/25	4188.84 - NSL - War Club WC N2 822H	The Allar Company	PO Box 1567		Graham	ТΧ	76450
9314869904300135512960	5/23/25	4188.84 - NSL - War Club WC N2 822H	Lula Gray	304 Grassburr Lane		Carlsbad	NM	88220
9314869904300135512977	5/23/25	4188.84 - NSL - War Club WC N2 822H	Ross Duncan Properties LLC	PO Box 647		Artesia	NM	88211
9314869904300135512984	5/23/25	4188.84 - NSL - War Club WC N2 822H	PDIII Exploration LTD.	PO Box 871		Midland	ТΧ	79702
9314869904300135512991	5/23/25	4188.84 - NSL - War Club WC N2 822H	Paloma Mineral Partners LLC	6 Desta Drive	Suite 6400	Midland	ТΧ	79705
9314869904300135513004	5/23/25	4188.84 - NSL - War Club WC N2 822H	Osprey Oil and Gas II LLC	707 N. Carrizo Street		Midland	ТΧ	79701
9314869904300135513011	5/23/25	4188.84 - NSL - War Club WC N2 822H	Olli Energy LLC	2540 King Arthur Blvd.	Suite 209K	Lewisville	ТΧ	75056
9314869904300135513028	5/23/25	4188.84 - NSL - War Club WC N2 822H	Hatch Royalty LLC	600 W. 5th Street	Suite 1250	Austin	ТΧ	78701
9314869904300135513035	5/23/25	4188.84 - NSL - War Club WC N2 822H	Word Oil and Gas Resources LLC	1204 W. Cuthbert Ave.		Midland	ТΧ	79701
9314869904300135513042	5/23/25	4188.84 - NSL - War Club WC N2 822H	Vamos Mineral Partners	1003 N. Big Spring Street		Midland	ТΧ	79701
9314869904300135513059	5/23/25	4188.84 - NSL - War Club WC N2 822H	S. Philip Pinkston Jr.	5340 Longview Street		Dallas	ТΧ	75206-5604
9314869904300135513066	5/23/25	4188.84 - NSL - War Club WC N2 822H	State of New Mexico Land Office	310 Old Santa Fe Trail		Santa Fe	NM	87501
9314869904300135513073	5/23/25	4188.84 - NSL - War Club WC N2 822H	Extex Operating Company	1616 S. Voss Road	Suite 400	Houston	ТΧ	77057



EXHIBIT D •

Received by OCD: 5/26/2025 9:43:29 AM





## ABADIE I SCHILL PC

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

May 23, 2025

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

## NOTICE TO AFFECTED PERSONS/PARTIES RE: APPLICATIONS 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 War Club 3-4 Fed Com 822H Well located in the N/2 of Sections 3 and 4, all in Township 22 South, Range 27 East, NMPM, Eddy 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:

Jake Nourse Staff Landman Devon Energy Corporation (405) 228-2856 Jake.Nourse@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.

## Waiver

hereby waives objection to the above referenced Application for an Unorthodox Location for the War Club 3-4 Fed Com 822H Well located in the N/2 of Sections 3 and 4, all in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico.

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

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

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	467073
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

#### CONDITIONS

Created By	Condition	Condition Date
llowe	None	5/27/2025

Page 15 of 15

Action 467073