

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert Chang
Division Director
Oil Conservation Division



Darin Savage
darin@abadieschill.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 9035

**Devon Energy Production Company, L.P. [OGRID 6137]
Chincoteague 8 32 Federal State Com Well No. 732H
API No. 30-025-52977**

Reference is made to your application received on August 1st, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	2318 FNL & 1570 FWL	F	08	24S	32E	Lea
First Take Point	2545 FNL & 2425 FWL	F	08	24S	32E	Lea
Last Take Point	100 FNL & 2425 FWL	C	32	24S	32E	Lea
Terminus	20 FNL & 2425 FWL	C	32	24S	32E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
NW/4 Section 08, T25S, R32E	801.01	Wildcat; Upper Wolfcamp	98270
W/2 Section 05, T25S, R32E			
W/2 Section 32, T24S, R32E			

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

Administrative Order NSL – 9035
Devon Energy Production Company, L.P.
Page 2 of 2

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 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 215 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 08, T25S, R32E, encroachment to the W/2 NE/4
Section 05, T25S, R32E, encroachment to the W/2 E/2
Section 32, T24S, R32E, encroachment to the W/2 E/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 decrease well spacing, minimizing reserves left in the ground to maximize ultimate recovery of reserves within the Wolfcamp formation underlying the NW/4 Section 08, T25S, R32E, W/2 Section 05, T25S, R32E and the W/2 Section 32, T24S, R32E. Approval will prevent waste within the formation.

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.



Albert Chang
Division Director
AC/lrl

Date: 9/2/2025

ID NO. 491432

NSL - 9035

Revised March 23, 2017

RECEIVED: 08/01/25	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: <u>Devon Energy Production Company, L.P.</u>	OGRID Number: <u>6137</u>
Well Name: <u>Chincoteague 8-32 Fed State Com 732H Well</u>	API: <u>30-025-52977</u>
Pool: <u>WC-025 G-08 S253216D; Upper Wolfcamp</u>	Pool Code: <u>98270</u>

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application
Content
Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

July 16, 2025

Darin Savage

Print or Type Name

/s/ Darin Savage

Signature

Date

970-385-4401

Phone Number

darin@abadieschill.com

e-mail Address



For the Pursuit of Energy

ABADIE | SCHILL PC

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

August 1, 2025

Albert C.S. Chang, Director
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 Chincoteague 8-32 Fed State Com 734H Well located in the NW/4 of Section 8 and the W/2 of Section 5, all in Township 25 South, Range 32 East, NMPM, and the W/2 of Section 32, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Director Chang:

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, is seeking administrative approval of an unorthodox well location (“NSL”) for the Chincoteague 8-32 Fed State Com 732H Well (the “732H Well”) (API 30-025-52977) located in the WC-025 G-08 S253216D; Upper Wolfcamp Pool (Pool Code 98270) underlying a standard 801.01-acre, more or less, horizontal spacing unit comprised of the NW/4 of Section 8 and the W/2 of Section 5, all in Township 25 South, Range 32 East, NMPM, and the W/2 of Section 32, Township 24 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): 2318’ from the North line and 1570’ from the West line (Unit F) of Section 8, Township 25 South, Range 32 East;
- First Take Point (FTP): 2545’ from the North line (see Note Re: FTP below) and 2425’ from the West line (Unit F) of Section 8, Township 25 South, Range 32 East;
- Last Take Point (LTP): 100’ from the North line and 2425’ from the West line (Unit C) of Section 32, Township 24 South, Range 32 East;
- Bottom Hole Location (BHL): 20’ from the North line and 2425’ from the West line (Unit C) of Section 32, Township 24 South, Range 32 East.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

- Note Re: FTP: The Survey shows that Section 8 lengthens vertically when moving from East to West across the Section. Thus, the South boundary of the spacing unit lies at 2645' from the North line of Section 8 (see the calibrations on the outer-boundaries of the C-102 Plat of Section 8, H – I 2642.05' and N – M 2651.36'). Accordingly, the First Take Point is planned at a standard location 100' from the South unit boundary and does not encroach toward the SW/4 of Section 8.

Devon has included as Exhibit B, a letter explaining why this application is needed. This well will produce from the WC-025 G-08 S253216D; Upper Wolfcamp Pool (Pool Code 98270). Statewide rules require that the completed interval of an oil well be no closer than 330' to the outer boundary of a horizontal spacing unit.

The unorthodox location encroaches toward NE/4 of Section 8 and the E/2 of Section 5, Township 25 South, Range 32 East, and the E/2 of Section 32, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Devon attests that, on or before submission of this application, it satisfied notice to the affected persons/parties in the adjoining horizontal spacing unit toward which covers the NE/4 of Section 8 and the E/2 of Section 5, Township 25 South, Range 32 East, and the E/2 of Section 32, Township 24 South, Range 32 East, NMPM, all in Lea County, New Mexico. It should be noted that Devon is the operator of the adjoining unit, and Devon owns 100% working interest in said adjoining unit and therefore there are no other affected persons/parties. Devon has also provided notice to the Bureau of Land Management ("BLM") and the New Mexico State Land Office ("NMSLO") 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,

A handwritten signature in dark ink, appearing to read 'Darin C. Savage', written over a horizontal line.

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 **Chincoteague 8-32 Fed State Com 732H Well** located in the NW/4 of Section 8 and the W/2 of Section 5, all in Township 25 South, Range 32 East, NMPM, and the W/2 of Section 32, Township 24 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.

Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July, 2024	
		Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number 30-025-52977	Pool Code 98270	Pool Name WC-025 G-08 S253216D;UPPER WOLFCMP
Property Code 326213	Property Name CHINCOTEAGUE 8-32 FED STATE COM	Well Number 732H
6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Ground Level Elevation 3438.9'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
F	8	25-S	32-E		2318' N	1570' W	32.145731	103.700731	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	32	24-S	32-E		20' N	2425' W	32.181114	103.697386	LEA

Dedicated Acres 801.01	Infill or Defining Well INFILL	Defining Well API 30-025-52976	Overlapping Spacing Unit (Y/N) N	Consolidation Code C
Order Numbers PENDING NSL			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

API NO. 30-025-52976 IS NOT A DEF. WELL. Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
F	8	25-S	32-E		2595' N	2425' W	32.144978	103.697972	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
F	8	25-S	32-E		2545' N	2425' W	32.145116	103.697971	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	32	24-S	32-E		100' N	2425' W	32.180894	103.697385	LEA

Unitized Area or Area of Uniform Interest N	Spacing Unit Type X	Ground Floor Elevation: N/A
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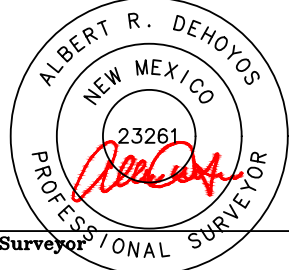
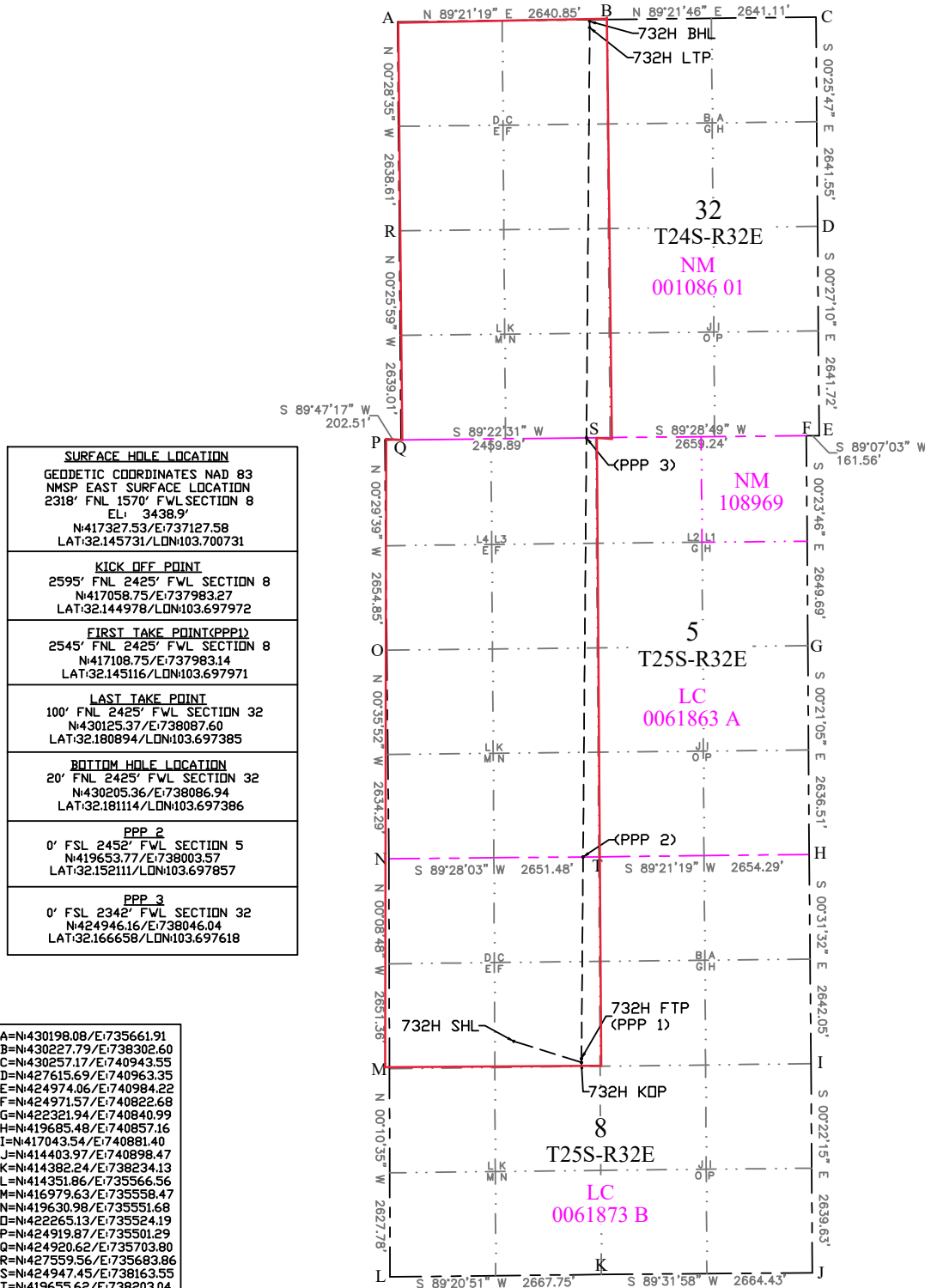
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. 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 mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division. <i>Amy A. Brown</i> 06/12/2025 Signature Date Amy Brown Printed Name amy.brown@dvnm.com Email Address		SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under supervision, and that the same is true and correct to the best of my belief.  Signature and Seal of Professional Surveyor Certificate Number 23261 Date of Survey 06/2025	
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EXHIBIT
A

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.





Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102-5015

June 17, 2025

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

RE: Application for Nonstandard Location
Engineering Statement
Devon Energy Production Company, L.P.
Chincoteague 8-32 Fed State Com 732H ("Chincoteague well")
W/2 Section 32 - 24S-32E & W2 Sec. 5, NW Sec. 8 - 25S - 32E
Lea County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location ("NSL") for the Chincoteague well referenced above. The Chincoteague well is in the Upper Wolfcamp Pool (Pool Code 98270). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. In order to decrease between well spacing and thereby maximize ultimate recovery of reserves and thereby preventing waste of natural resources, Devon desires to drill the Chincoteague well less than 330' from the eastern boundary of a W/2 horizontal spacing unit established by the drilling of the Chincoteague 8-32 Fed State Com 731H well.

Sincerely,

Camden Selvidge

Camden Selvidge
Reservoir Engineer

EXHIBIT
B

Offset Ownership Plat
Non-Standard Location Application
Chincoteague 8-32 Fed State Com 732H
W/2 Section 32 - 24S - 32E and W/2 Section 5, NW/4 Section 8 - 25S - 32E
Lea County, NM

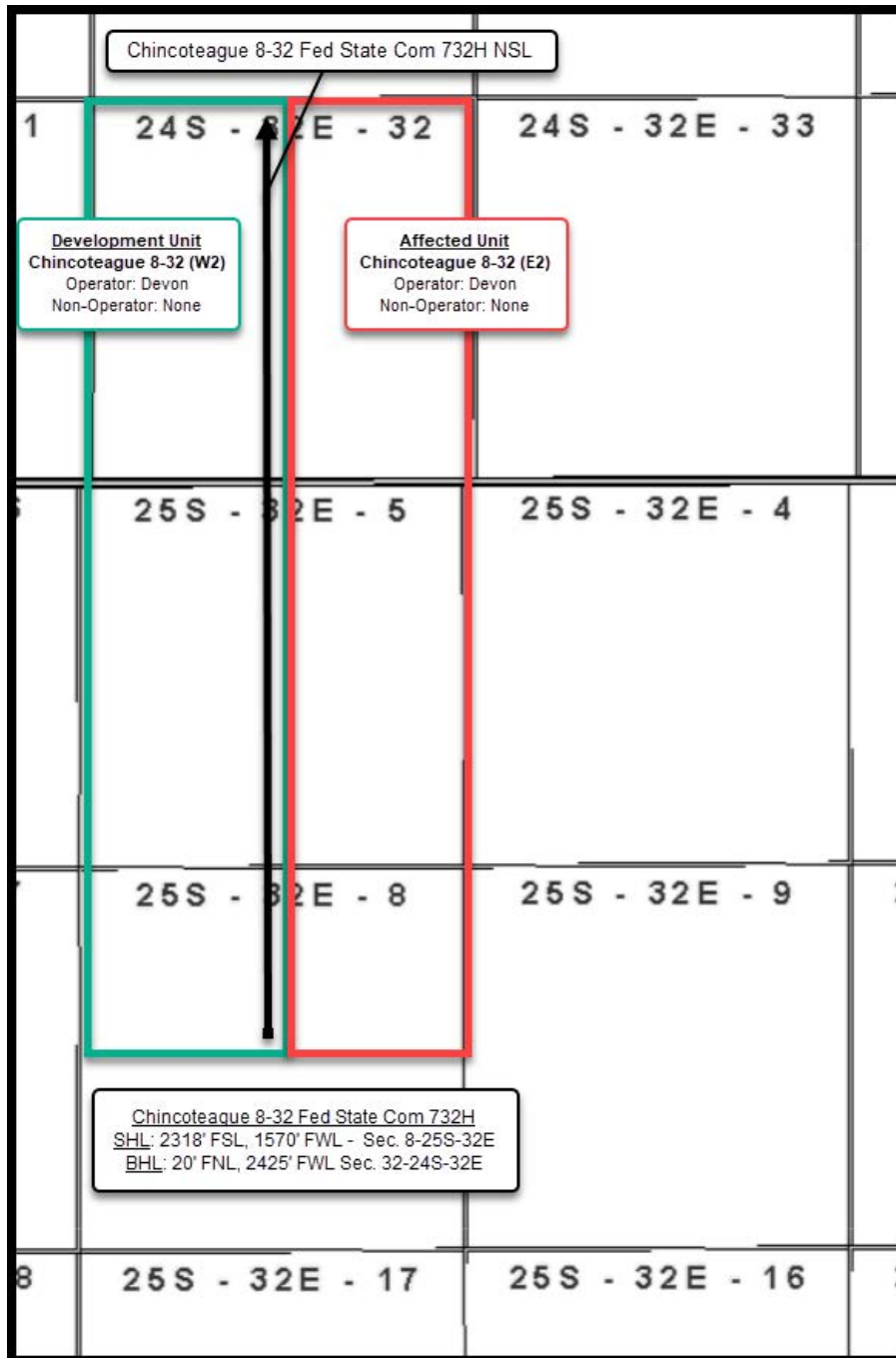


EXHIBIT
C

USPSArticleNumber	DateMailed	ReferenceNumber	Name1	Address1	City	State	Zip
9314869904300138103745	8/1/25	4188.83 - NSL - Chincoteague 732H	Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220-6292
9314869904300138103752	8/1/25	4188.83 - NSL - Chincoteague 732H	New Mexico State Land Office	P.O. Box 1148	Sante Fe	NM	87504

EXHIBIT
D



For the Pursuit of Energy

ABADIE | SCHILL PC

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

August 1, 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 Chincoteague 8-32 Fed State Com 732H Well located in the NW/4 of Section 8 and the W/2 of Section 5, all in Township 25 South, Range 32 East, NMPM, and the W/2 of Section 32, Township 24 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:

Ryan Cloer
Landman
Devon Energy Production Company, L.P.
(405) 228-2448
Ryan.Cloer@dvn.com

abadieschill.com

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,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

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 Chincoteague 8-32 Fed State Com 732H Well located in the NW/4 of Section 8 and the W/2 of Section 5, all in Township 25 South, Range 32 East, NMPM, and the W/2 of Section 32, Township 24 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

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

Action 491432

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 491432
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	On C-102 it notes that API NO. 30-025-52976 is the defining well. This well IS NOT a Defining well to create the entire W/2 (160 acre building blocks) HSU for this well. An approved NSP order is needed to create the larger spacing unit.	8/29/2025