

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 – 9036

Devon Energy Production Company, L.P. [OGRID 6137]
Thoroughbred 10 3 Federal Well No. 820H
API No. 30-015-56777

Reference is made to your application received on August 4th, 2025.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	220 FSL & 1610 FWL	N	10	26S	31E	Eddy
First Take Point	100 FSL & 1850 FWL	N	10	26S	31E	Eddy
Last Take Point	100 FNL & 1850 FWL	C	03	26S	31E	Eddy
Terminus	20 FNL & 1850 FWL	C	03	26S	31E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 W/2 Section 10	320	Purple Sage; Wolfcamp	98220
E/2 W/2 Section 05			

You have requested to complete this horizontal 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 spacing unit.

Administrative Order NSL – 9036
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 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 100 feet to the southern and northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 34, T26S, R31E, encroachment to the SW/4
Section 15, T26S, R31E, encroachment to the NW/4

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 increase the ultimate recovery of reserves within the Wolfcamp formation underlying the E/2 W/2 Section 10, and the E/2 W/2 Section 03. Thereby preventing waste of natural resources 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

NSL - 9036

Revised March 23, 2017

ID NO. 491891

RECEIVED: 08/04/25	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: Devon Energy Production Company, L.P. **OGRID Number:** 6137
Well Name: Thoroughbred 10-3 Fed 820H Well **API:** Pending
Pool: Purple Sage; Wolfcamp (Gas) **Pool Code:** 98220

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☐ PPR2) **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.

August 1, 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 4, 2025

Albert 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 Thoroughbred 10-3 Fed Com 820H Well located in the E/2 W/2 of Sections 10 and 3, in Township 26 South, Range 31 East, NMPM, Eddy 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 Thoroughbred 10-3 Fed Com 820H Well (the "820H Well") (API No. 30-015-56777) located in the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying a non-standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 10 and 3, in Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well to be drilled as follows:

- Surface Location (SL): 220' from the South line and 1610' from the West line (Unit N) of Section 10, Township 26 South, Range 31 East;
- First Take Point (FTP): 100' from the South line and 1850' from the West line (Unit N) of Section 10, Township 26 South, Range 31 East;
- Last Take Point (LTP): 100' from the North line and 1850' from the West line (Unit C) of Section 3, Township 26 South, Range 31 East;
- Bottom Hole Location (BHL): 20' from the North line and 1850' from the West line (Unit C) of Section 3, Township 26 South, Range 31 East.

abadieschill.com

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 (Gas) 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 encroaches toward NW/4 of Section 15, Township 26 South, Range 31 East and the SW/4 of Section 34, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

Devon attests that, on or before submission of this application, it sent notice to the affected persons/parties in (1) the adjoining horizontal spacing unit which covers the W/2 of Section 15, Township 26 South, Range 31 East; and (2) the adjoining 160-acre tract comprised of the SW/4 of Section 34 located in the Poker Lake Federal Unit, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico. Devon has also provided notice to the Bureau of Land Management ("BLM") to the extent that federal 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 black 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 **Thoroughbred 10-3 Fed Com 820H Well** located in the E/2 W/2 of Sections 10 and 3, in Township 26 South, Range 31 East, NMPM, Eddy 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:	☒ Initial Submittal
			☐ Amended Report
		☐ As Drilled	

WELL LOCATION INFORMATION

API Number 30-015-56777	Pool Code 98220	Pool Name PURPLE SAGE; WOLFCAMP (GAS)
Property Code 6137	Property Name THOROUGHbred 10-3 FED	Well Number 820H
	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Ground Level Elevation 3244.3'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	10	26-S	31-E		220' S	1610' W	32.050735	103.769457	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	3	26-S	31-E		20' N	1850' W	32.079384	103.768630	EDDY

Dedicated Acres 320.00	Infill or Defining Well INFILL	Defining Well API 30-015-46506	Overlapping Spacing Unit (Y/N) N	Consolidation Code C
Order Numbers NSP #2123, PENDING NSL			Well setbacks are under Common Ownership: ☐ Yes ☒ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	10	26-S	31-E		50' S	1850' W	32.050269	103.768683	EDDY

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	10	26-S	31-E		100' S	1850' W	32.050406	103.768683	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	3	26-S	31-E		100' N	1850' W	32.079164	103.768631	EDDY

Unitized Area or Area of Uniform Interest N	Spacing Unit Type X	Ground Floor Elevation: N/A
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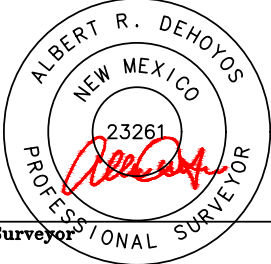
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the 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> 06/11/2025 Signature Date		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	
Printed Name amy.brown@dvn.com Email Address		Certificate Number 23261	Date of Survey 02/2025

EXHIBIT
A

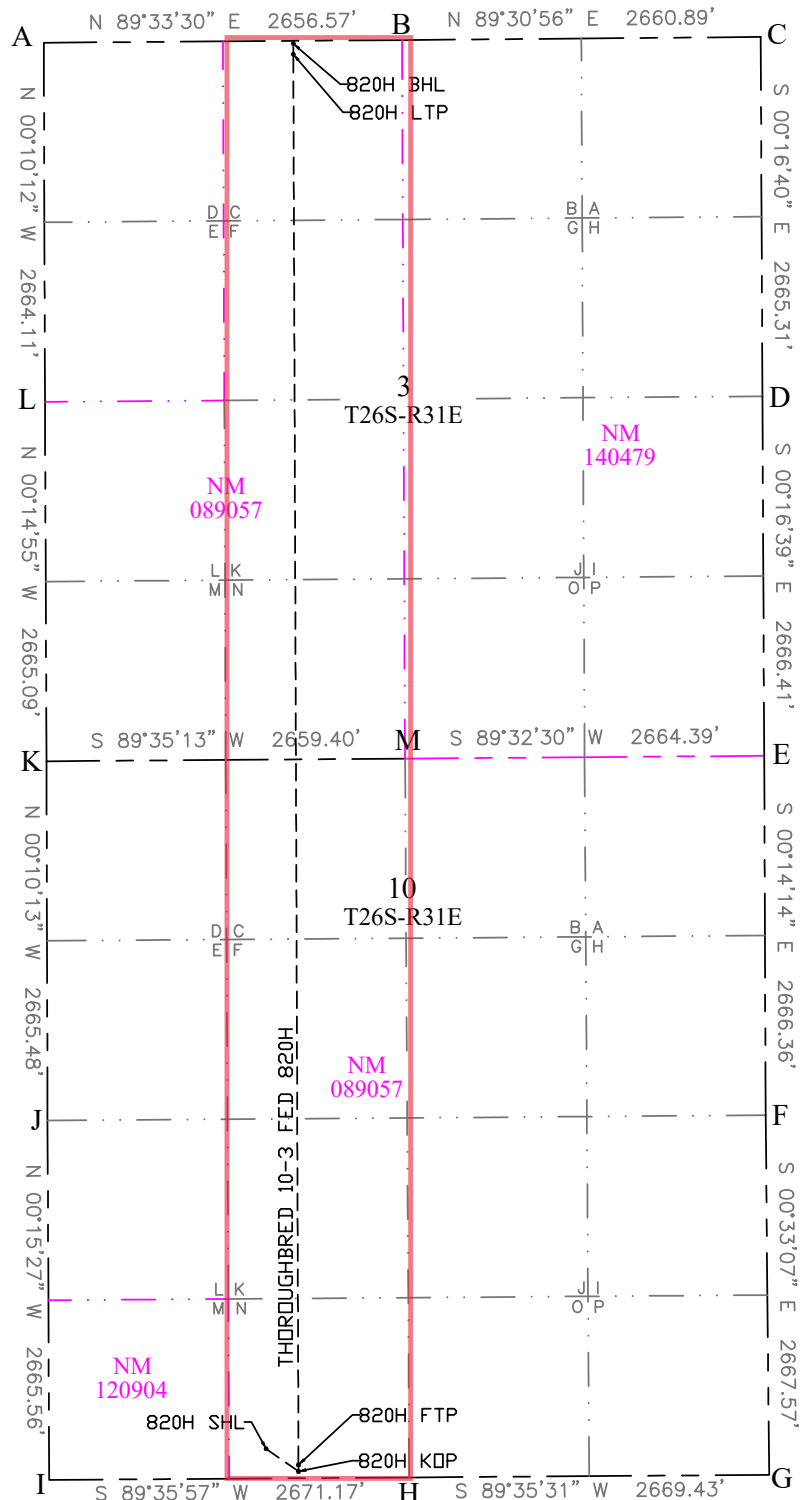
ACREAGE DEDICATION PLATS

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.

<u>SURFACE HOLE LOCATION</u> GEODETIC COORDINATES NAD 83 NMSP EAST SURFACE LOCATION 220' FSL 1610' FWL SECTION 10 EL: 3244.3' N:382651.58/E:716037.23 LAT:32.050735/LON:103.769457
<u>KICK OFF POINT</u> 50' FSL 1850' FWL SECTION 10 N:382483.26/E:716277.99 LAT:32.050269/LON:103.768683
<u>FIRST TAKE POINT</u> 100' FSL 1850' FWL SECTION 10 N:382533.26/E:716277.77 LAT:32.050406/LON:103.768683
<u>LAST TAKE POINT</u> 100' FNL 1850' FWL SECTION 3 N:392994.76/E:716239.14 LAT:32.079164/LON:103.768631
<u>BOTTOM HOLE LOCATION</u> 20' FNL 1850' FWL SECTION 3 N:393074.76/E:716238.90 LAT:32.079384/LON:103.768630

A=N:393080.49/E:714388.87
B=N:393100.97/E:717045.36
C=N:393123.47/E:719706.15
D=N:390458.19/E:719719.07
E=N:387791.81/E:719731.99
F=N:385125.47/E:719743.02
G=N:382458.02/E:719768.72
H=N:382439.00/E:717099.36
I=N:382420.32/E:714428.25
J=N:385085.85/E:714416.27
K=N:387751.32/E:714408.35
L=N:390416.39/E:714396.78
M=N:387770.49/E:717067.68





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

July 7, 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.
Thoroughbred 10-3 Fed Com 820H (the "Well")
E2W2 of Section 3-25S-31E
E2W2 of Section 10-25S-31E
Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location ("NSL") for the Well referenced above. The Well is in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Decreasing the first and last take point from three hundred and thirty feet (330') to one hundred feet (100') will increase the well's effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources.

Sincerely,

Camden Selvidge

Camden Selvidge
Reservoir Engineer

Non-Standard Location Application
Offset Operator Plat
Thoroughbred 10-3 Fed Com 820H

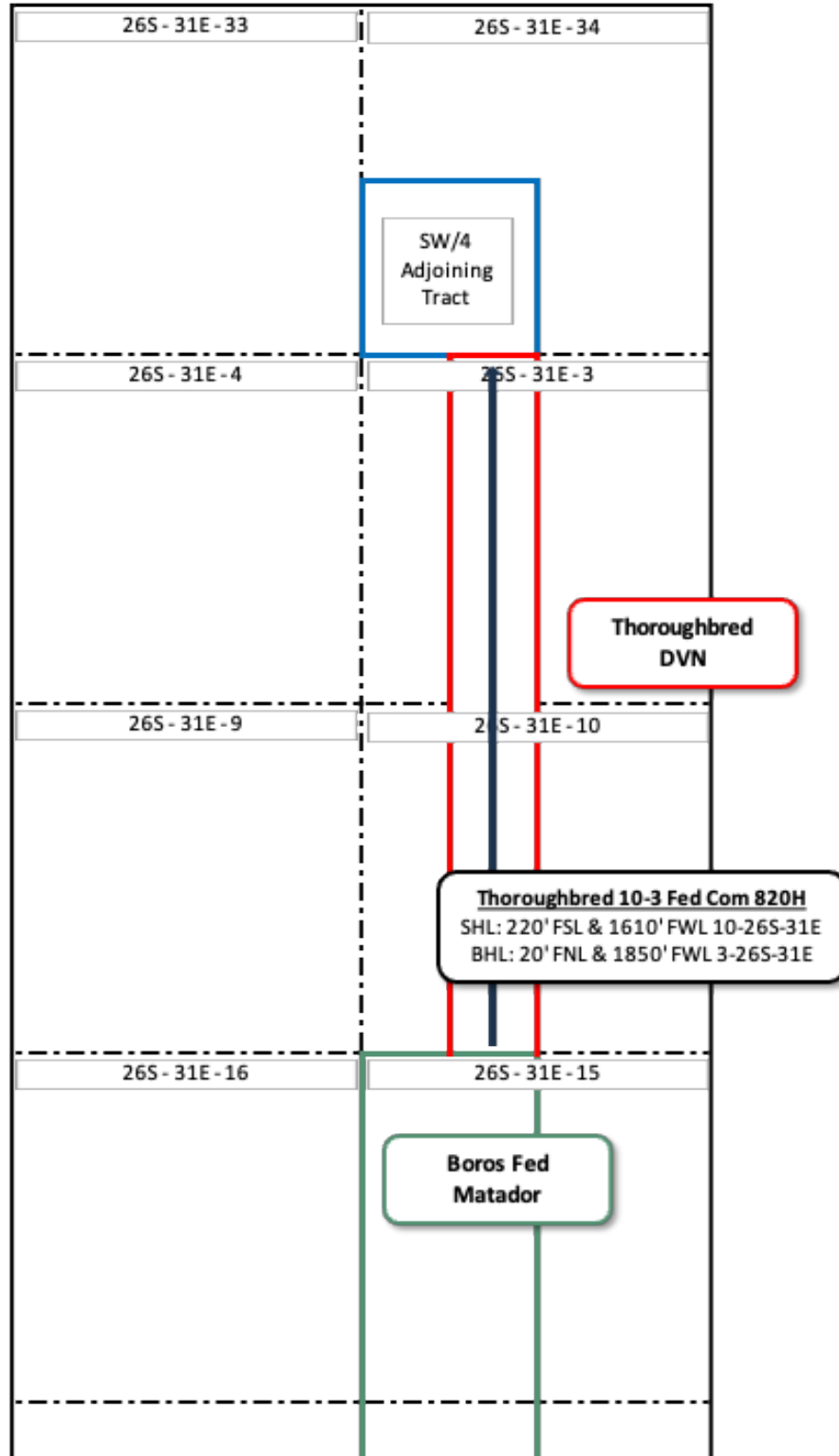


EXHIBIT
C

USPSArticleNumber	DateMailed	ReferenceNumber	Name1	Name2	Address1	Address2	Address3	City	State	Zip
9314869904300138135708	8/4/25	4188.64 - NSL - Thoroughbred 820H	Bureau of Land Management		620 E. Greene Street			Carlsbad	NM	88220-6292
9314869904300138135715	8/4/25	4188.64 - NSL - Thoroughbred 820H	XTO Energy Holdings, LLC	Attn: Matthew Fletcher	22777 Springwoods Village Pkwy			Spring	TX	77389
9314869904300138135722	8/4/25	4188.64 - NSL - Thoroughbred 820H	Matador Production Company		One Lincoln Center	5400 LBJ Freeway	Suite 1500	Dallas	TX	75240

EXHIBIT
D



For the Pursuit of Energy

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

August 4, 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 Thoroughbred 10-3 Fed Com 820H Well located in the E/2 W/2 of Sections 10 and 3, in Township 26 South, Range 31 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:

Ryan Cloer
Landman
Devon Energy Production Company, L.P.
(405) 228-2448
Ryan.Cloer@devon.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 dark ink, appearing to be '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 of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Thoroughbred 10-3 Fed Com 820H Well located in the E/2 W/2 of Sections 10 and 3, in Township 26 South, Range 31 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

Action 491891

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 491891
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	This well excludes acreage from its horizontal spacing unit (HSU) creating a non-standard spacing unit. The operator of this well needs to obtain an approved NSP order (Administratively) to produce from this Well. The C-104 will not be approved until the NSP is obtained.	9/4/2025