

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Tony Delfin**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



May 3, 2016

Devon Energy Production Company, L.P.  
Attn: Ms. Cari Allen

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

**Administrative Order NSL-7408**

**Devon Energy Production Company, L.P.**  
OGRID 6137  
**Gaucha Unit Well No. 99 H**  
**API No. 30-025-pending**

**Proposed Location:**

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	407' FNL & 1069' FEL	A	19	22S	34E	Lea
Penetration Point	751' FNL & 1203' FEL	A	19	22S	34E	Lea
Final perforation	330' FSL & 1251' FEL	P	30	22S	34E	Lea
Terminus	330' FSL & 1310' FEL	P	30	22S	34E	Lea

**Proposed Project Area:**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 E/2 of Section 19	160	WC-025 G-06 S223421L; Bone Spring	97922
E/2 E/2 of Section 30	160		

Reference is made to your application received on April 7, 2016.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location for the purposes of maximizing recovery of oil and gas reserves.


It is also understood that you have given due notice of this application to all operators or owners who are "affected persons", as defined in Rule 19.15.4.12 (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on May 3, 2016.

  
**DAVID R. CATANACH**  
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs  
Bureau of Land Management – Carlsbad