

NSL

Order

Approved: 08/23/19

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division



August 23, 2019

Ms. Sharon T. Shaheen sshaheen@montand.com

NON-STANDARD LOCATION

Administrative Order NSL-7922

Devon Energy Production Company, LP [OGRID 6137] Fully Loaded Federal Com 12 13 Well No. 622H API No. 30-015-PENDING

Proposed Location

	<u>Footages</u>	Unit/Lot	Sec.	Twsp	Range	County_
Surface	2275 FNL & 1883 FWL	F	12	24S	29E	Eddy
First Take Point	2553 FSL & 2310 FWL	K	12	24S	29E	Eddy
Last Take Point	100 FSL & 2310 FWL	N	13	24S	29E	Eddy
Terminus	20 FSL & 2310 FWL	N	13	24S	29E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
SW/4 Section 12	480	Purple Sage; Wolfcamp (GAS)	98220
W/2 Section 13			

Reference is made to your application received on August 2, 2019.

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 for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 87 feet to the norther edge and 100 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tract.

Section 12, encroachment to the NW/4 Section 24, encroachment to the NW/4

Administrative Order NSL-7922 Devon Energy Production Company, LP August 23, 2019 Page 2 of 2

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.

Division understands you seek this unorthodox location as your ultimate recovery of reserves which will thereby prevent waste of natural resources within the Wolfcamp formation underlying the SW/4 of Section 12 and the W2 Section 13.

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

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

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.

ADRIENNE E. SANDOVAL

Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office

Bureau of Land Management – Carlsbad Field Office