NSL

Initial

Application

Received: 07/17/20

NSL-8056

Revised March 23, 2017

RECEIVED: 07/17/20 REVIEWER: APP NO: pLEL2020232931 **LRL**

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Geological & Engineering Bureau -



1220 South St. Francis Drive	e, Santa Fe, NM 87505
ADMINISTRATIVE APPI	
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIV REGULATIONS WHICH REQUIRE PROCESSIN	e applications for exceptions to division rules and ng at the division level in santa fe
Applicant: Devon Energy Production, L.P.	OGRID Number: 6137
Well Name: Shetland 2-11 State Fed Com #613H Well	API: 30-015-47172
Pool: Purple Sage; Wolfcamp (Gas) Pool	Pool Code: 98220
SUBMIT ACCURATE AND COMPLETE INFORMATION INDICATE	
1) TYPE OF APPLICATION: Check those which apply A. Location – Spacing Unit – Simultaneous Dec NSL NSP(PROJECT AREA)	
B. Check one only for [1] or [1] [1] Commingling – Storage – Measurement DHC	OLS OLM - Enhanced Oil Recovery EOR PPR
2) NOTIFICATION REQUIRED TO: Check those which A. Offset operators or lease holders B. Royalty, overriding royalty owners, revered. Application requires published notice D. Notification and/or concurrent approvate. Notification and/or concurrent approvate. Surface owner G. For all of the above, proof of notification the Notice required	Application Content Complete Complete
3) CERTIFICATION: I hereby certify that the informat administrative approval is accurate and comple understand that no action will be taken on this contifications are submitted to the Division.	ete to the best of my knowledge. I also
Note: Statement must be completed by an individ	dual with managerial and/or supervisory capacity.
	July 17, 2020
Kaitlyn A. Luck	Date
Print or Type Name	
the hall	Phone Number
Signature	e-mail Address



Kaitlyn A. Luck Phone (505) 954-7286 KALuck@hollandhart.com

July 17, 2020

VIA ONLINE FILING

Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Shetland 2-11 State Fed Com #613H Well in the E/2 of Sections 2 and 11, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

Dear Ms. Sandoval:

Devon Energy Production, LP ("Devon") (OGRID No. 6137) seeks administrative approval of an unorthodox well location for its **Shetland 2-11 State Fed Com #613H** (API No. 30-015-47172) to be completed within the Purple Sage Wolfcamp Pool (98220) underlying the E/2 of Sections 2 and 11, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

This well will be drilled from a <u>surface location</u> 170 feet from the north line and 1130 feet from the east line (Unit A) of Section 2 to a <u>bottom hole location</u> 20 feet from the south line and 1750 feet from the east line (Unit O) of Section 11. The <u>first take point</u> will be located 100 feet from the north line and 1750 feet from the east line (Unit A) of Section 2, and the <u>last take point</u> will be 100 feet from the south line and 1750 feet from the east line (Unit O) of Section 11.

Purple Sage-Wolfcamp Gas Pool which provide for wells in the Wolfcamp formation in Eddy County to be located no closer than 330 feet to the outer boundary of the spacing unit. The completed interval for the **Shetland 2-11 State Fed Com #613H** will be unorthodox because it is closer than 330 feet to the northern and southern boundaries of the spacing unit. Approval of the unorthodox completed interval will allow Devon to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Shetland 2-11 State Fed Com #613H** encroaches on the drilling and spacing unit to the north in Section 35, Township 25 South, Range 31 East, and to the south in Section 14, Township 26 South, Range 31 East.

Exhibit B is a land plat for Sections 2 and 11 that shows the proposed Shetland 2-11 State Fed Com #613H in relation to the adjoining spacing unit to the north in Section 35 and to the south in Section 14.

Ownership is diverse between the subject spacing unit and the affected spacing units to the north and south. **Exhibit C** reflects that a copy of this application with all attachments has been sent by certified mail to each affected person advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Exhibit D is a statement from a Devon's petroleum engineer confirming that Devon's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention to this matter is appreciated.

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P.

District I
1625 N, French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S, First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S, St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

LADY Nombon

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

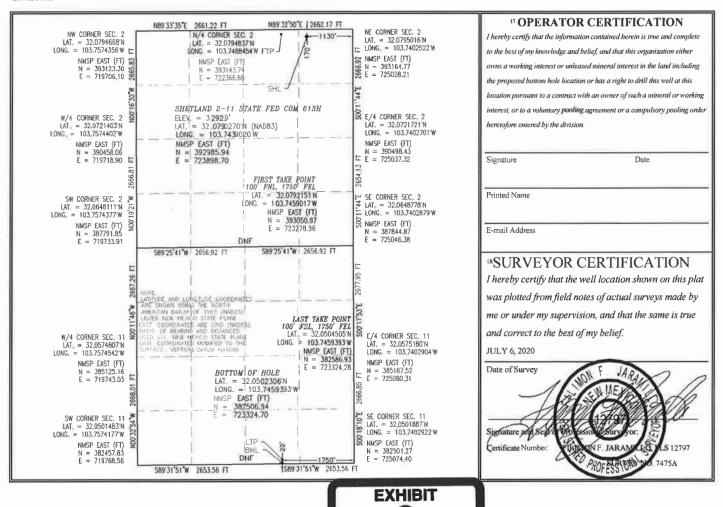
WELL LOCATION AND ACREAGE DEDICATION PLAT

-	API Number	•		- Pool Code			FOOTNa	ine	
4 Property	Code				5 Property	Name			⁶ Well Number
			SHETLAND 2-11 STATE FED COM						613H
OGRID '	No.		⁸ Operator Name						⁹ Elevation
6137			DEV	ON ENEF	RGY PRODUC	CTION COMPA	NY, L.P.		3292.9
					¹⁰ Surface	e Location			
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West lir	ne County
A	2	26 S	31 E		170	NORTH	1130	EAST	EDDY
			11 E	Bottom H	ole Location	If Different Fro	om Surface		,
III as lates	Castles	Township	Dames	Lot Ida	Foot from the	North/Couth line	Fact from the	Fort/Most liv	County

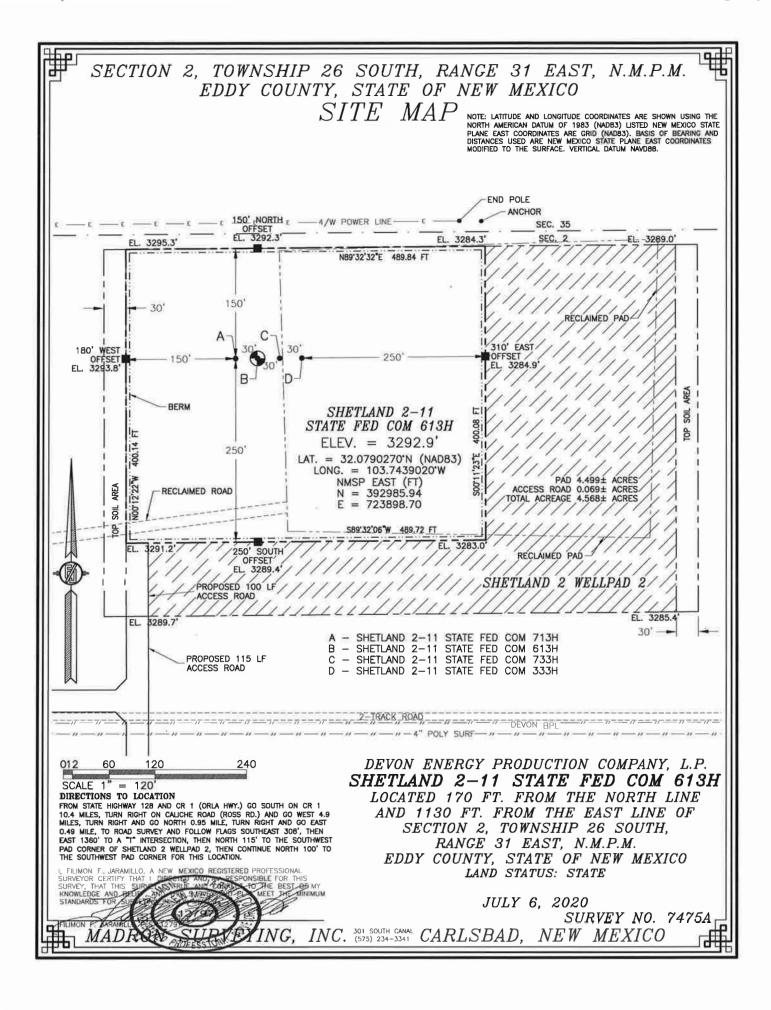
UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County
O 11 26 S 31 E 20 SOUTH 1750 EAST EDDY

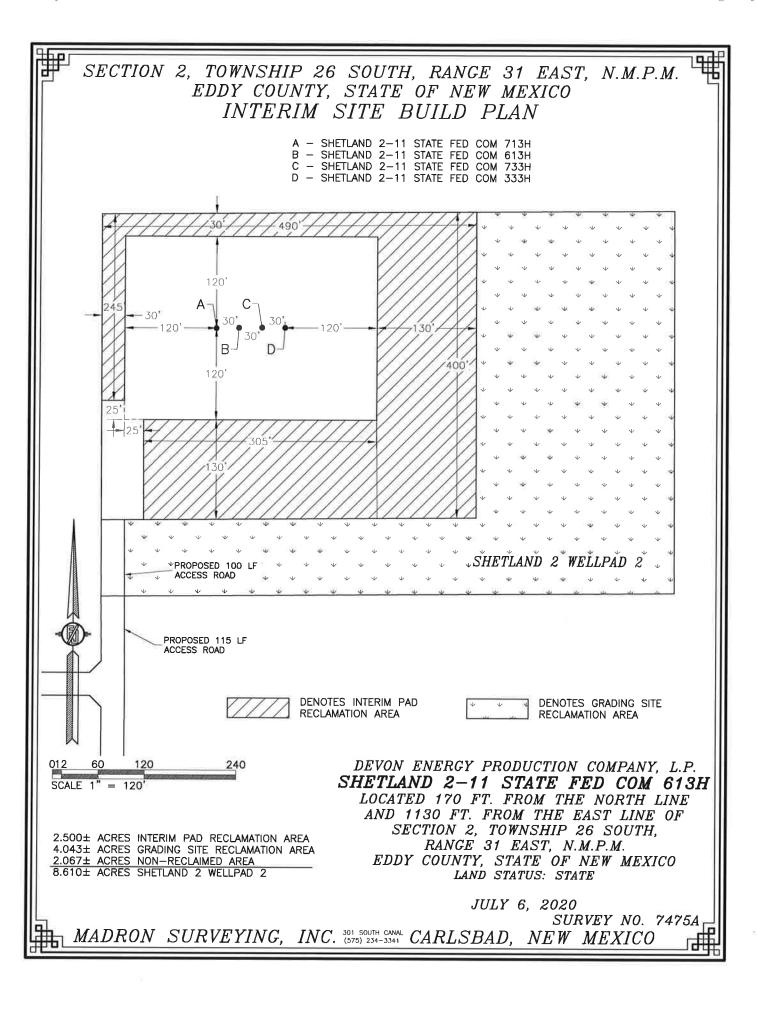
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

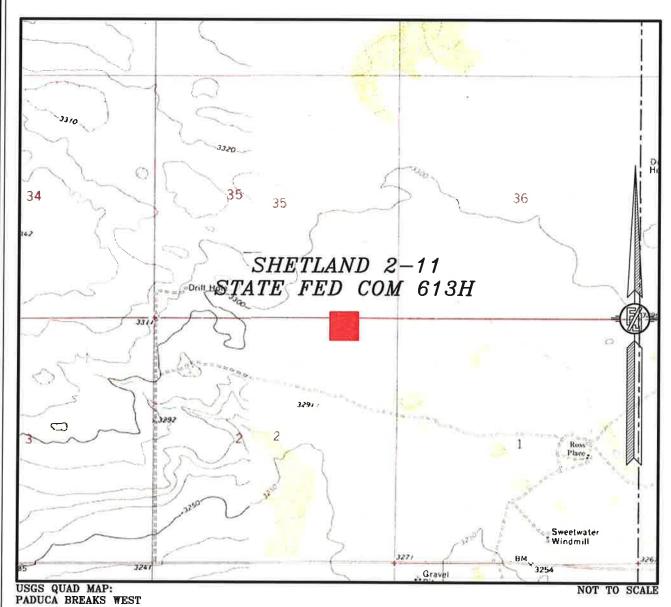


	erator Nai	me:				Property N	lame:					Well Numbe
DE	VON EN	RGY PRO	DUCTIO	v co.,	L.P.	SHE	TLAN	D 2-11 S	TATE	FED C	ОМ	613H
ck (Off Point ((KOP)										
JL	Section	Township	Range	Lot	Feet	From N	I/S	Feet	Fron	n E/W	County	
atit	ude				Longitue	de					NAD	
st	Take Poin	t (FTP)										
IL B	Section 2	Township 26S	Range 31E	Lot	Feet 100	From NOR	ı/s ГН	Feet 1750	Fron	n E/W	County EDDY	
atit	ude 32.079	2151			Longitud	103.7459	9017		1		NAD 83	
					-0-							
st 7	Take Point	: (LTP)										
)L)	Section 11	Township 26S	Range 31E	Lot	Feet 100	From N/S SOUTH	Feet 175 (Fron EAS	n E/W ST	Count EDD	Ý	
atitı	ude 32.0 !	504505			Longitud	103.745	9393	-		NAD	83	
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this infi aci	well an ii Il is yes p ng Unit.	nfill well?			ble, Ope	rator Name	e and v	well num	ber fo	r Defir	ning well	for Horizonta
:his	well an ii Il is yes p ng Unit.	nfill well?] ble, Ope	rator Name	e and v	well num	ber fo	r Defin	ning well	for Horizonta





SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.

SHETLAND 2-11 STATE FED COM 613H

LOCATED 170 FT. FROM THE NORTH LINE

AND 1130 FT. FROM THE EAST LINE OF

SECTION 2, TOWNSHIP 26 SOUTH,

RANGE 31 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

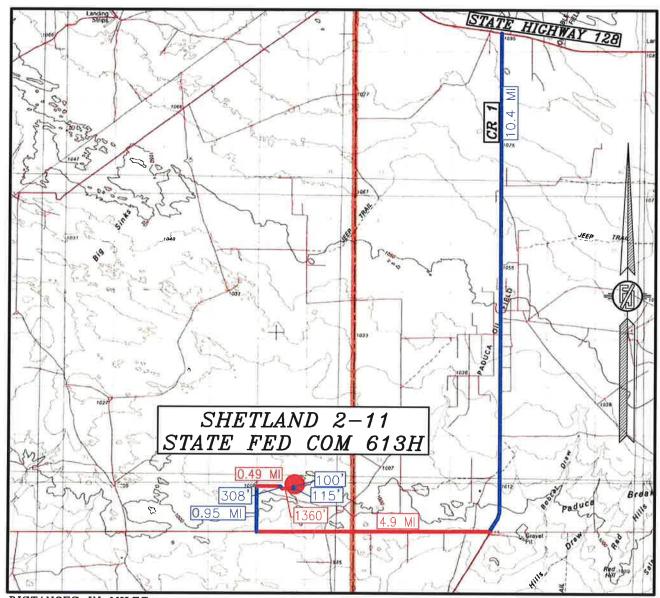
LAND STATUS: STATE

JULY 6, 2020

SURVEY NO. 7475A

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

DIRECTIONS TO LOCATION

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.

SHETLAND 2-11 STATE FED COM 613H

LOCATED 170 FT. FROM THE NORTH LINE

AND 1130 FT. FROM THE EAST LINE OF

SECTION 2, TOWNSHIP 26 SOUTH,

RANGE 31 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

JULY 6, 2020

LAND STATUS: STATE

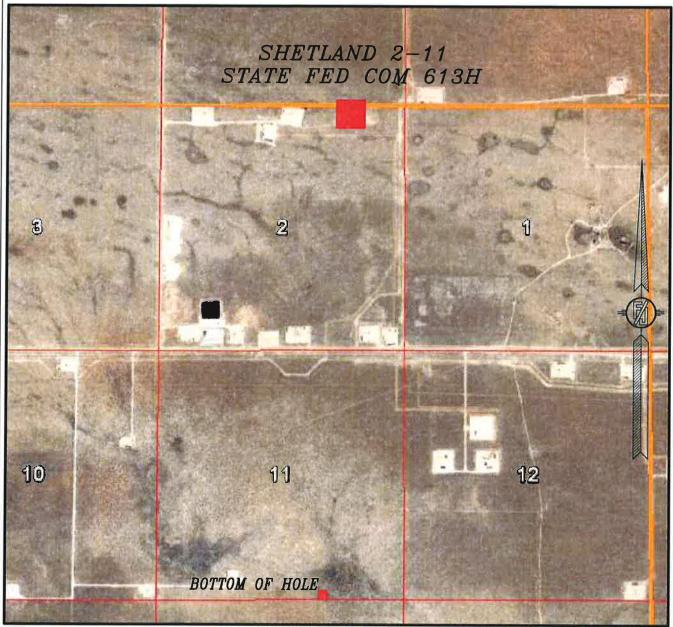
FROM STATE HIGHWAY 128 AND CR 1 (ORLA HWY.) GO SOUTH ON CR 1 10.4 MILES, TURN RIGHT ON CALICHE ROAD (ROSS RD.) AND GO WEST 4.9 MILES, TURN RIGHT AND GO NORTH 0.95 MILE, TURN RIGHT AND GO EAST 0.49 MILE, TO ROAD SURVEY AND FOLLOW FLAGS SOUTHEAST 308', THEN EAST 1380' TO A "T" INTERSECTION, THEN NORTH 115' TO THE SOUTHWEST PAD CORNER OF SHETLAND 2 WELLPAD 2, THEN

CONTINUE NORTH 100' TO THE SOUTHWEST PAD CORNER FOR THIS LOCATION.

SURVEY NO. 7475A

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO

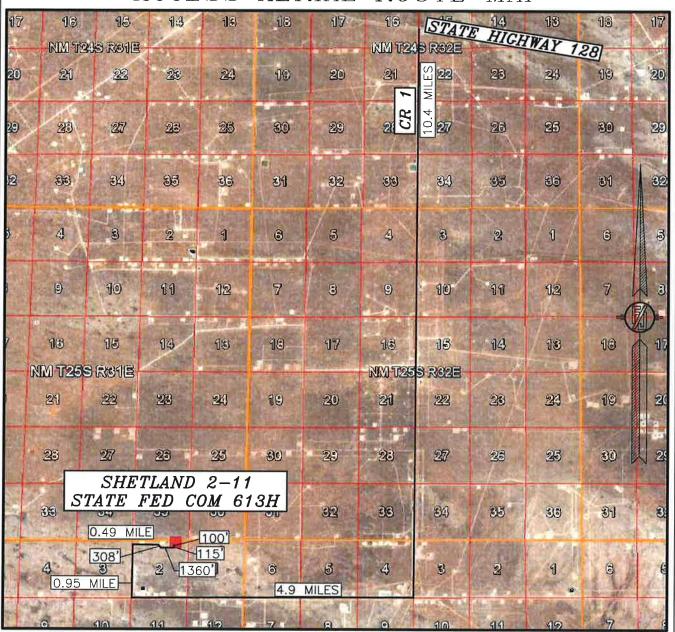


NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH FEBRUARY 2019 DEVON ENERGY PRODUCTION COMPANY, L.P. SHETLAND 2-11 STATE FED COM 613H LOCATED 170 FT. FROM THE NORTH LINE AND 1130 FT. FROM THE EAST LINE OF SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LAND STATUS: STATE

JULY 6, 2020

SURVEY NO. 7475A MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO ACCESS AERIAL ROUTE MAP



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH FEBRUARY 2019 DEVON ENERGY PRODUCTION COMPANY, L.P.

SHETLAND 2-11 STATE FED COM 613H

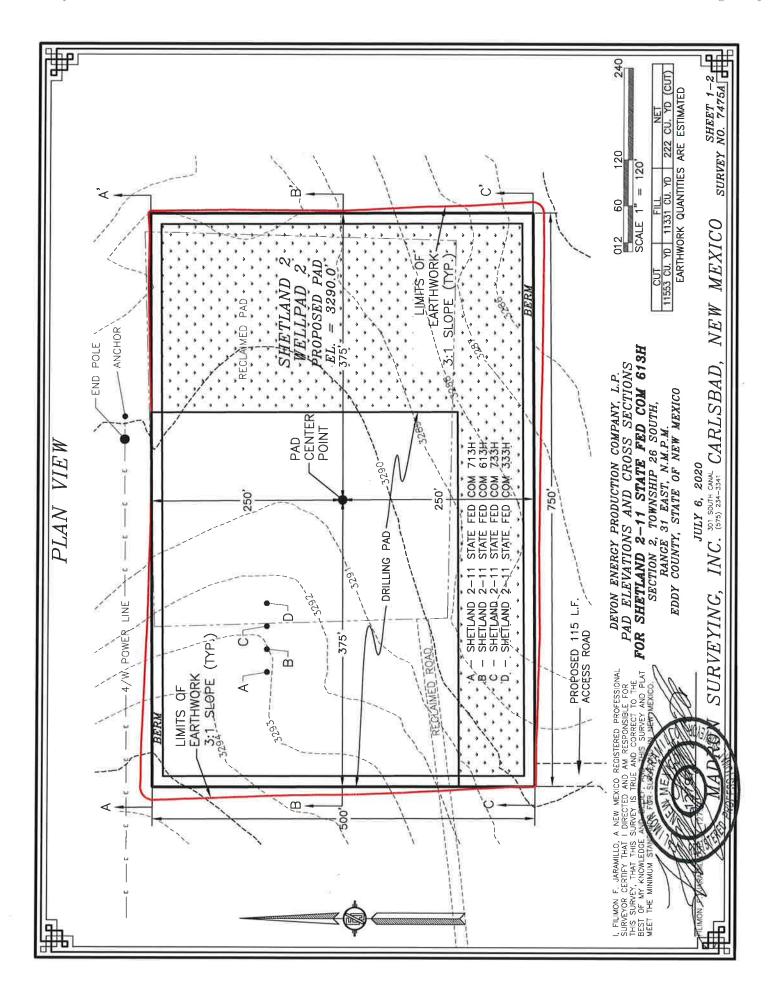
LOCATED 170 FT. FROM THE NORTH LINE
AND 1130 FT. FROM THE EAST LINE OF
SECTION 2, TOWNSHIP 26 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

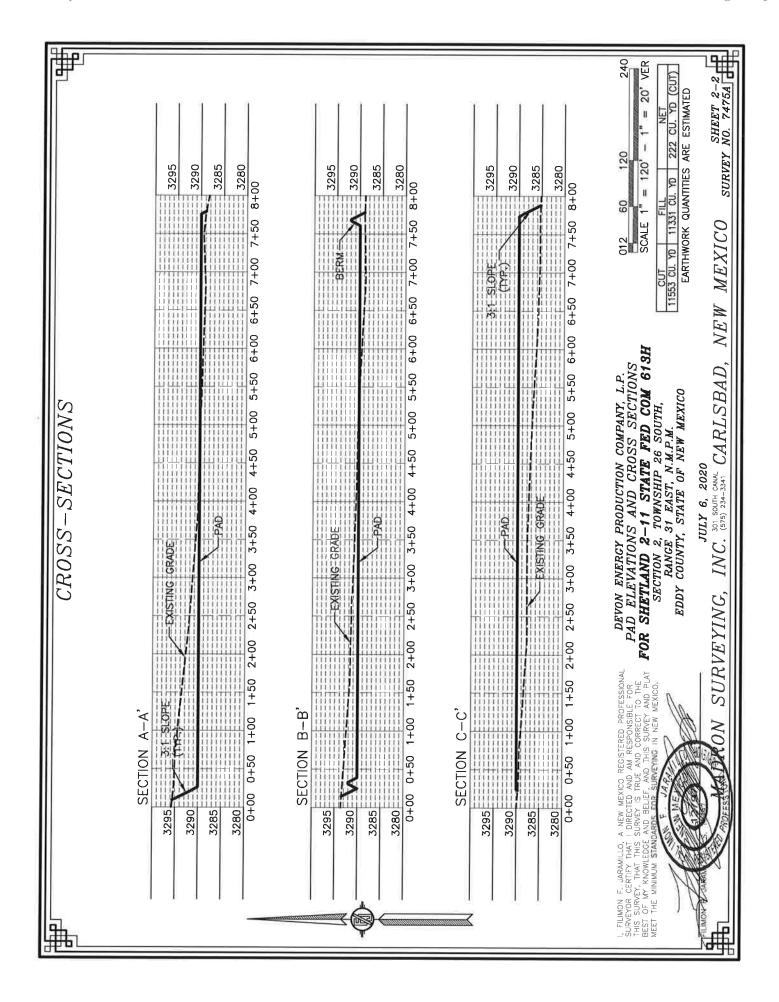
LAND STATUS: STATE

JULY 6, 2020

SURVEY NO. 7475A

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

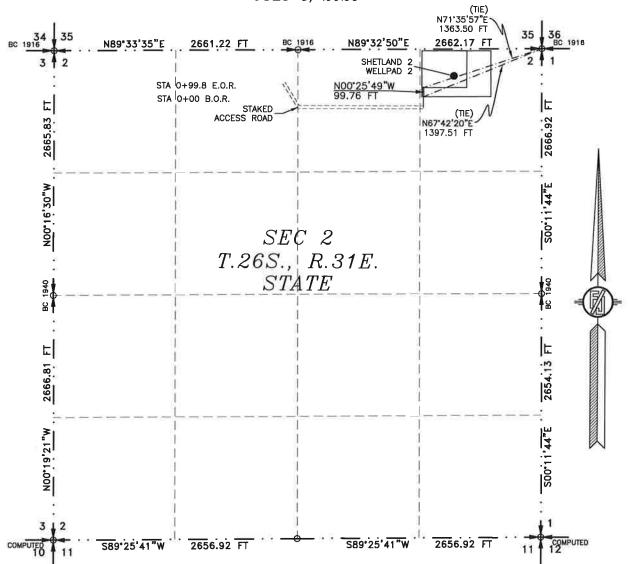




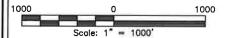
ACCESS ROAD PLAT (7600264R)

ACCESS ROAD TO THE SHETLAND 2 WELLPAD 2 (SHETLAND 2-11 STATE FED COM 713H, 613H, 7333H, 333H)

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JULY 6, 2020



SEE NEXT SHEET (2-2) FOR DESCRIPTION



GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 1-2

MADRON SURVEYING, INC. 301 SOUTH CAPA

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,



MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

SURVEY NO. 7475A

NEW MEXICO

ACCESS ROAD PLAT (7600264R)

ACCESS ROAD TO THE SHETLAND 2 WELLPAD 2 (SHETLAND 2-11 STATE FED COM 713H, 613H, 7333H, 333H)

DEVON ENERGY PRODUCTION COMPANY, L.P. CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 6, 2020

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING STATE OF NEW MEXICO LAND IN SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NE/4 NE/4 OF SAID SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE NORTHEAST CORNER OF SAID SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS N67'42'20"E, A DISTANCE OF 1397.51 FEET;

THENCE NO0'25'49"W A DISTANCE OF 99.76 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTHEAST CORNER OF SAID SECTION 2, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS N71°35'57"E, A DISTANCE OF 1363.50 FEET;

SAID STRIP OF LAND BEING 99.76 FEET OR 6.05 RODS IN LENGTH, CONTAINING 0.069 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NE/4 NE/4 99.76 L.F. 6.05 RODS 0.069 ACRES

SURVEYOR CERTIFICATE

GENERAL NOTES 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE Šurvéy.

SHEET: 2-2

MADRON SURVEYING,

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

BAD

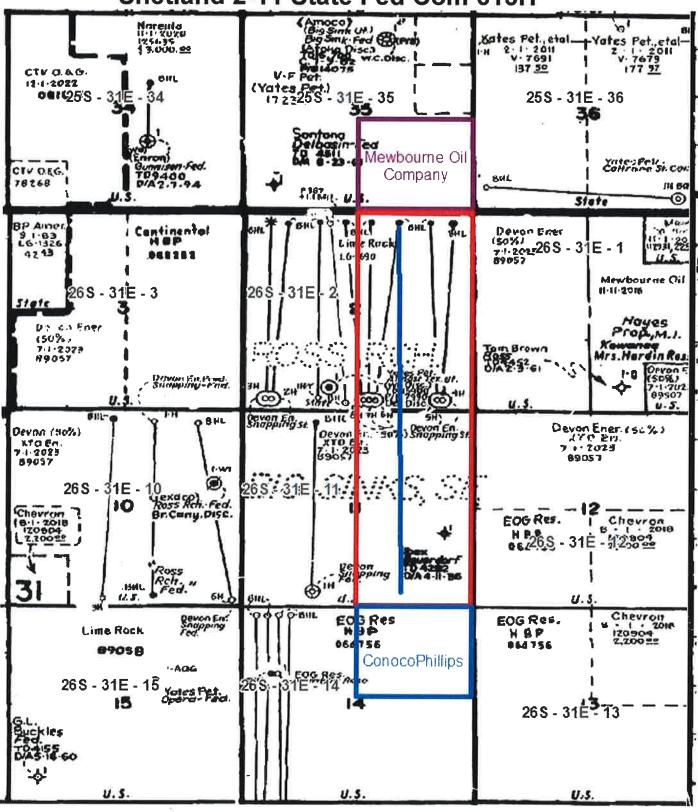
NEW MEXICO, TH E JULY 2020 INC. 301 SOUTH (575) 234-3341

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

NEW MEXICO

SURVEY NO. 7475A

Affected Tracts
Shetland 2-11 State Fed Com 613H







Kaitlyn A. Luck Phone (505) 954-7286 KALuck@hollandhart.com

July 17, 2020

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES:

Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Shetland 2-11 State Fed Com #613H in the E/2 of Sections 2 and 11, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Tim Prout
Devon Energy
(405) 552-6113
Tim.Prout@dvn.com

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P.





CM# 41132.0002

Shipment Confirmation Acceptance Notice

Note to Mailer: The labels and volume associated to this form online, must match the labeled packages being presented to the USPS® employee with this form.

Devon - Shetland 611H, 613H, 711H, 712H, 732H NSL

Shipment Date: 07/17/2020

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	4
Total	4

^{*}Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number to

Scan or enter the barcode/label number from PS Form 5630

Confirm the volume count message by selecting Yes or No
 Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0023 0575 16

UNITED STATES	POSTAL SERVICE®

I-OS IAL SEKVICE ®					Ē	Firm Mailing Book For Accountable Mail	na Bo	A YO	or Ac	Coun	table	Z
Name and Address of Sender Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501	□ Priority Mail Express □ Registered Mail □ Return Receipt for Merchandise □ Signature Confirmation □ Signature Confirmation □ Signature Confirmation □ Restricted Delivery	Affix S (if issue certifica addition Postma	Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.	ational or for nis receipt). of Receipt.								
- 1	Addressee (Name, Street, City, State, & ZIP Code [™])	Postage (E	(Extra Handling Service) Charge Fee	Actual Value if Registered	Insured Value	Due ASR Sender if Fee	R ASRD e Fee	D RD	RR	SC Fee	SCRD Fee	SH
1. 9214 8901 9403 8316 8330 11	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	1.90							1.70			
	State Land Office 310 Old Santa Fe Trail Santa Fe NM 87501	3.	3.55 Isv ni 000				1		1.70		/ery	
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4. 9214 8901 9403 8316 8330 42	Mewbourne Oil Company 500 Wast Texas Suite 1020 Mildand TX 79701	1.90	o pue pa			ure Requ		neviled b	gqiese8	itemitno	on Restric	guilbriel-
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			isH									
Total Number of Pieces Listed by Sender Received at Post Office	Postmaster, Per (Name of receiving employee)											
PS Form 3877 , April 2015 (Page 1 of 1) PSN 7530-02-000-9098	Complete in Ink	cy Notice:	For more in	Privacy Notice: For more information on USPS privacy policies, visit usps.com/privacypolicy.	n USPS p	rivacy po	licies,	visit t	sps.c	om/pr	ivacyp	olicy.



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

July 15, 2020

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

RE:

Application for Nonstandard Locations

Engineering Statement

Devon Energy Production Company, L.P.

Shetland 11-2 Fed State Com 611H, 711H, 712H, 732H

Shetland 2-11 State Fed Com 613H

Sections 10 & 3-26S-31E Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location for each of the Shetland wells referenced above by decreasing the first and last take point(s) from 330 feet to 100 feet from the horizontal plane outer boundary. The wells are located in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to maximize lateral length and to minimize reserves left in the ground. Decreasing the last take point will increase the wells effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,

Paige Bowes

Reservoir Engineer

Parge Bowes

