Approved

NSL

Order

Approved: 08/07/20

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division

SANE OF NEW MEXICO

Todd E. Leahy, JD, PhDDeputy Cabinet Secretary

August 7, 2020

Ms. Kaitlyn A. Luck Kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8059

Devon Energy Production, L.P. [OGRID 6137] Shetland 11 2 Federal State Com Well No. 732H API No. 30-015-47159

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County_
Surface	350 FSL & 2140 FWL	N	11	26S	31E	Eddy
First Take Point	100 FSL & 2310 FWL	N	11	26S	31E	Eddy
Last Take Point	100 FNL & 2310 FWL	C	2	26S	31E	Eddy
Terminus	20 FNL & 2310 FWL	C	2	25S	31E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
W/2 of Section 11	640	Purple Sage; Wolfcamp (GAS)	98220
W/2 of Section 2			

Reference is made to your application received on July 17, 2020.

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 100 feet to the northern and southern edge. Encroachment will impact the following tract.

Section 14, encroachment to the NW/4 Section 35 25S 31E, encroachment to the SW/4

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 are seeking this unorthodox location in order to maximize the lateral length of the well and to minimize reserves left in the ground, thus reducing waste while protecting correlative rights within the Wolfcamp formation underlying the W/2 of Section 11 and the W/2 of Section 2.

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 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 State Land Office – Oil, Gas, and Mineral Division Bureau of Land Management – Carlsbad Field Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD

Monday, August 10, 2020 5:44 PM Sent:

Kaitlyn A. Luck To:

Bratcher, Mike, EMNRD; Podany, Raymond, EMNRD; 'lisa@rwbyram.com'; Simmons, Kurt, EMNRD; Cc:

Terry Warnell; McClure, Dean, EMNRD; Garcia, John A, EMNRD; Scott Cox; 'jglover@blm.gov'; Holm,

Anchor E.

Subject: APPROVED NSLs_DEVON ENERGY PROD., L.P._Shetland Fed State Wells No. (611H, 613H, 711H,

712H, 732H)_SEC 11 26S 31E

Importance: High

Ms. Kaitlyn A. Luck,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web

http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx

AMD	Applicant	OGRID	WELL NAME	API#
-	Devon Energy Production L.P.	6137	Shetland 11 2 Federal State Com Well No. 732H	30-015-47159
_	Devon Energy Production L.P.	6137	Shetland 11 2 Federal State Com Well No. 712H	30-015-47157
-	Devon Energy Production L.P.	6137	Shetland 11 2 Federal State Com Well No. 711H	30-015-47156
_	Devon Energy Production L.P.	6137	Shetland 2 11 Federal State Com Well No. 613H	30-015-47172
_	Devon Energy Production L.P.	6137	Shetland 11 2 Federal State Com Well No. 611H	30-015-47139
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Leonard R. Lowe

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http://www.emnrd.state.nm.us/ocd/