

NSL Initial Application

Received: 11/09/20

P.O. No. 5Y5XC-201109-NSL000

RECEIVED: 11/09/20	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2031534849
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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: Shire 22-15 Fed Com 616H Well **API:** 30-015-Pending
Pool: Purple Sage; Wolfcamp **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 PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Darin Savage
 Print or Type Name

/s/ Darin Savage
 Signature

November 5, 2020
 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
Kansas	Utah
Nebraska	Wyoming
Montana	California
Oklahoma	North Dakota

November 9, 2020

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

Copy to: Leonard Lowe, Division Hearing Examiner

Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Shire 22-15 Fed Com 616H Well located in the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.

Dear Director Sandoval:

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, is seeking administrative approval of an unorthodox well location (“NSL”) for the Shire 22-15 Fed Com 616H Well (the “616H Well”) (API 30-015-Pending) to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying the E/2 W/2 of Sections 15 and 22, Township 25 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 that will be drilled as follows:

- Surface Location (SL): 350’ from the South line and 1855’ from the West line of Section 22, Township 25 South, Range 31 East;
- Bottom Hole Location (BHL): 20’ from the North line and 1657’ from the West line of Section 15, Township 25 South, Range 31 East;
- First Take Point (FTP): 100’ from the South line and 1657’ from the West line of Section 22, Township 25 South, Range 31 East;
- Last Take Point (LTP): 100’ from the North line and 1657’ from the West line of Section 15, Township 25 South, Range 31 East.

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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 Pool (Pool Code 98220). There are special pool rules for this pool under Order No. R-14262, that establish 330' foot setback requirements. The completed interval for the proposed well is closer than 330' from the boundary of the spacing unit.

The unorthodox location will encroach towards the (1) NW/4 of Section 27, Township 25 South, Range 31 East; and (2) the W/2 of Section 10, Township 25 South, Range 31 East.

Devon attests that, on or before submission of this application, it provided notice to the affected persons (1) in the adjoining NW/4 of Section 27, Township 25 South, Range 31 East, as well as in the adjoining E/2 W/2 of said Section which covers the adjoining spacing unit; and (2) in the adjoining spacing unit covering the W/2 of Section 10, Township 25 South, Range 31 East, which includes the adjoining SW/4 of Section 10; 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 also provided notice to the Bureau of Land Management to the extent that they own interest with respect to offsetting areas. 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 listed affected persons and parties, is attached hereto as Exhibit D. The development plan for this well is pursuant to a Joint Operating Agreement; therefore, there is no associated pooling case number. Because the E/2 W/2 of Sections 15 and 22 creates a non-standard spacing unit, Devon will be submitting an NSP application.

Your consideration in this matter is appreciated.

Sincerely,



Darin C. Savage
Attorney for Applicant

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

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

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name SHIRE 22-15 FED COM			⁶ Well Number 616H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3339.4

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	22	25 S	31 E		350	SOUTH	1855	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	15	25 S	31 E		20	NORTH	1657	WEST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowance will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE. ELEVATION VALUES ARE NAVD88.

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEPTEMBER 30, 2020

Date of Survey _____

Signature and Seal of Professional Surveyor:

Certificate Number: FELIMON F. JARAMELLO-PIS 12797
PROFESSIONAL SURVEY NO. 7569B





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

October 13, 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.
Shire 22-15 Fed Com 613H, 616H, 618H, 716H,
718H, and 733H (the "Shire Wells")
E/2 and E/2W/2 of Sections 15 & 22-25S-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 Shire Wells referenced above by decreasing the first and last take points 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 first and last take point will increase the wells effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources.

Sincerely,

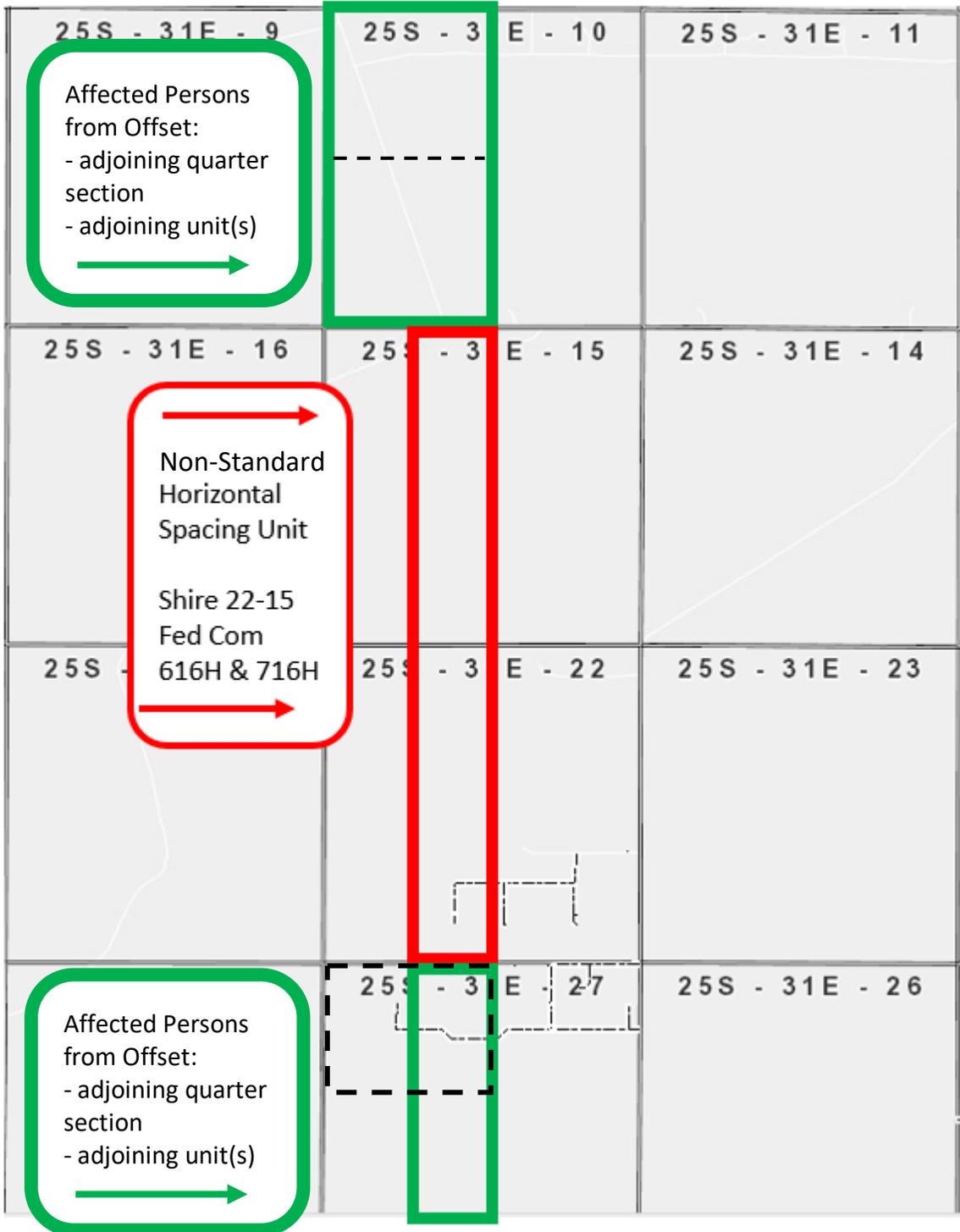
A handwritten signature in cursive script that reads "Paige Bowes".

Paige Bowes
Reservoir Engineer

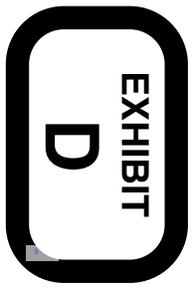
EXHIBIT
B

Devon Energy Production Company, L.P.

Unorthodox Location Notice Plat



Type	Affected Party	Date Letter Sent	Mail Tracking Number	Address
WI	XTO Energy, Inc.	11/9/20	7020181000040153246	Attn: Vincent Cuccerre 22777 Springwoods Village PKWY Spring, TX 77389
Royalty	Bureau of Land Management	11/9/20	7020181000040153253	620 E. Greene Street Carlsbad, NM 88220-6292





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

November 9, 2020

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**NOTICE TO AFFECTED PERSONS/PARTIES
RE: APPLICATIONS FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX
WELL LOCATIONS**

- 1) **Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Shire 22-15 Fed Com 613H Well located in the E/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.**
- 2) **Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Shire 22-15 Fed Com 616H Well located in the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.**
- 3) **Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Shire 22-15 Fed Com 618H Well located in the E/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico**
- 4) **Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Shire 22-15 Fed Com 716H Well located in the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.**
- 5) **Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Shire 22-15 Fed Com 718H Well located in the E/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.**
- 6) **Re: Application of Devon Energy Production Company, L.P., for administrative approval of unorthodox well location for its Shire 22-15 Fed Com 733H Well located in the E/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.**

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214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

To the Parties/Persons this may concern:

Enclosed in this notice are copies of the above referenced applications 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 section or unit pursuant to our request for approval of an unorthodox location of the above-referenced wells. Any objections that you have to one or more of these applications must be filed in writing 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 applications filed for administrative approval by the Division. Email correspondence for this matter can be sent to the Division at OCD.Engineer@state.nm.us.

If you have any questions concerning this application, please contact:

Verl Brown
Supervising Landman
Devon Energy Production Company, L.P.
(405) 228-8804
Verl.Brown@dvn.com

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,



Darin C. Savage

Attorney for Devon Energy
Production Company, L.P.

Waiver

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Shire 22-15 Fed Com 613H Well located in the E/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Shire 22-15 Fed Com 616H Well located in the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Shire 22-15 Fed Com 618H Well located in the E/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico

Dated: _____

Signature: _____

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Shire 22-15 Fed Com 716H Well located in the E/2 W/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Shire 22-15 Fed Com 718H Well located in the E/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Shire 22-15 Fed Com 733H Well located in the E/2 of Sections 15 and 22, Township 25 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____