

NSL

Initial

Application

RECEIVED: <b>03/29/21</b>	REVIEWER: <b>LRL</b>	TYPE: <b>NSL</b>	APP NO: <b>pLEL2108934743</b>
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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

**-47299**

**Applicant:** Devon Energy Production Company, L.P. **OGRID Number:** 6137  
**Well Name:** Cotton Draw Unit 601H 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

<b>FOR OCD ONLY</b>	
<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

March 29, 2021  
 Date  
970-385-4401  
 Phone Number  
darin@abadieschill.com  
 e-mail Address



For the Pursuit *of* Energy

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

March 29, 2021

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 Cotton Draw Unit 601H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 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 Cotton Draw Unit 601H Well (the “601H Well”) (API 30-015-Pending) to be completed within the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) underlying the W/2 of Section 26 and the NW/4 of Section 35, Township 24 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): 385’ from the North line and 1135’ from the West line of Section 26, Township 24 South, Range 31 East;
- Bottom Hole Location (BHL): 2620’ from the North line and 400’ from the West line of Section 35, Township 24 South, Range 31 East;
- First Take Point (FTP): 100’ from the North line and 400’ from the West line of Section 26, Township 24 South, Range 31 East;
- Last Take Point (LTP): 2520’ from the North line and 400’ from the West line of Section 35, Township 24 South, Range 31 East.

[abadieschill.com](http://abadieschill.com)

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) W/2 of Section 23, Township 24 South, Range 31 East; and (2) and the SW/4 of Section 35, Township 24 South, Range 31 East, as well as the W/2 of Section 2, 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 W/2 of Section 23, Township 24 South, Range 31 East, which includes spacing units that encompass the SW/4 of Section 23; and (2) SW/4 of Section 35, Township 24 South, Range 31 East (that being the adjacent quarter section), and the W/2 of Section 2, Township 25 South, Range 31 East, which includes adjacent spacing units in Sections 35 and 2; 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.

Your consideration in this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

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

[X] AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Surface Location

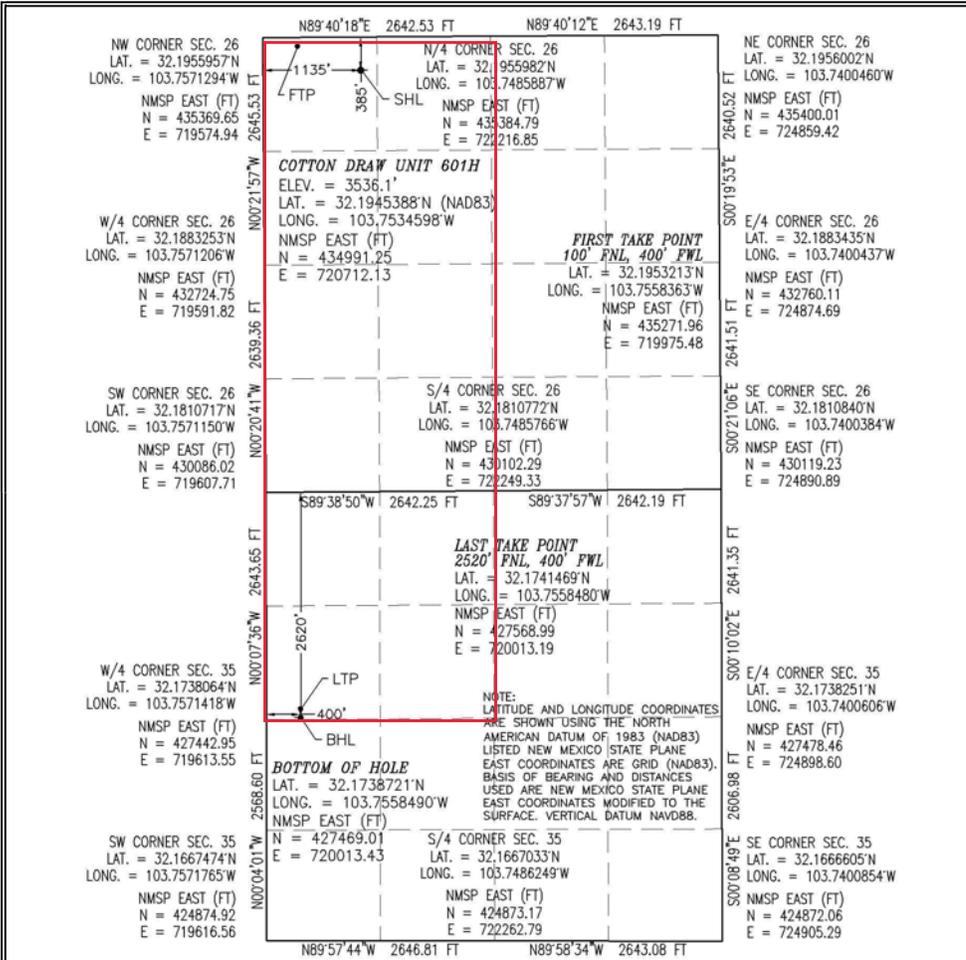
Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 4 columns: Dedicated Acres, Joint or Infill, Consolidation Code, 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.



Operator Certification and Surveyor Certification sections. Includes signature of Jenny Harms, date 1-15-2021, and a professional surveyor seal for Imron F. Jaramilla.



Intent  As Drilled

API #  
30-015-47299

Operator Name: <b>DEVON ENERGY PRODUCTION CO., L.P.</b>	Property Name: <b>COTTON DRAW UNIT</b>	Well Number <b>601H</b>
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Kick Off Point (KOP)

UL	Section 26	Township 24S	Range 31E	Lot	Feet 37 FNL	From N/S	Feet 400 FWL	From E/W	County EDDY
Latitude 32.19540191					Longitude -103.75583630				NAD 83

First Take Point (FTP)

UL <b>D</b>	Section <b>26</b>	Township <b>24S</b>	Range <b>31E</b>	Lot	Feet <b>100</b>	From N/S <b>NORTH</b>	Feet <b>400</b>	From E/W <b>WEST</b>	County <b>EDDY</b>
Latitude <b>32.1953213</b>					Longitude <b>103.7558363</b>				NAD <b>83</b>

Last Take Point (LTP)

UL <b>E</b>	Section <b>35</b>	Township <b>24S</b>	Range <b>31E</b>	Lot	Feet <b>2520</b>	From N/S <b>NORTH</b>	Feet <b>400</b>	From E/W <b>WEST</b>	County <b>EDDY</b>
Latitude <b>32.1741469</b>					Longitude <b>103.7558480</b>				NAD <b>83</b>

Is this well the defining well for the Horizontal Spacing Unit?  YES

Is this well an infill well?  NO

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number

KZ 06/29/2018



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

March 22, 2021

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

RE: Application for Nonstandard Spacing  
and Nonstandard Location  
Engineering Statement  
Devon Energy Production Company, L.P.  
Cotton Draw Unit 601H, 603H, 604H,  
605H, & 606H (the "Cotton Draw Unit Wells")  
W/2 of Sections 26 & NW/4 of Section 35-24S-31E  
Eddy County, New Mexico

Dear Mr. Lowe:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard spacing ("NSP") and non-standard location ("NSL") for each of the Cotton Draw Unit Wells referenced above. The Cotton Draw Unit Wells are in the Purple Sage-Wolfcamp Gas Pool (Pool Code 98220). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Decreasing the spacing from 320 acres to 160 acres will allow for additional recovery in the NW/4 thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources. Also, 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.

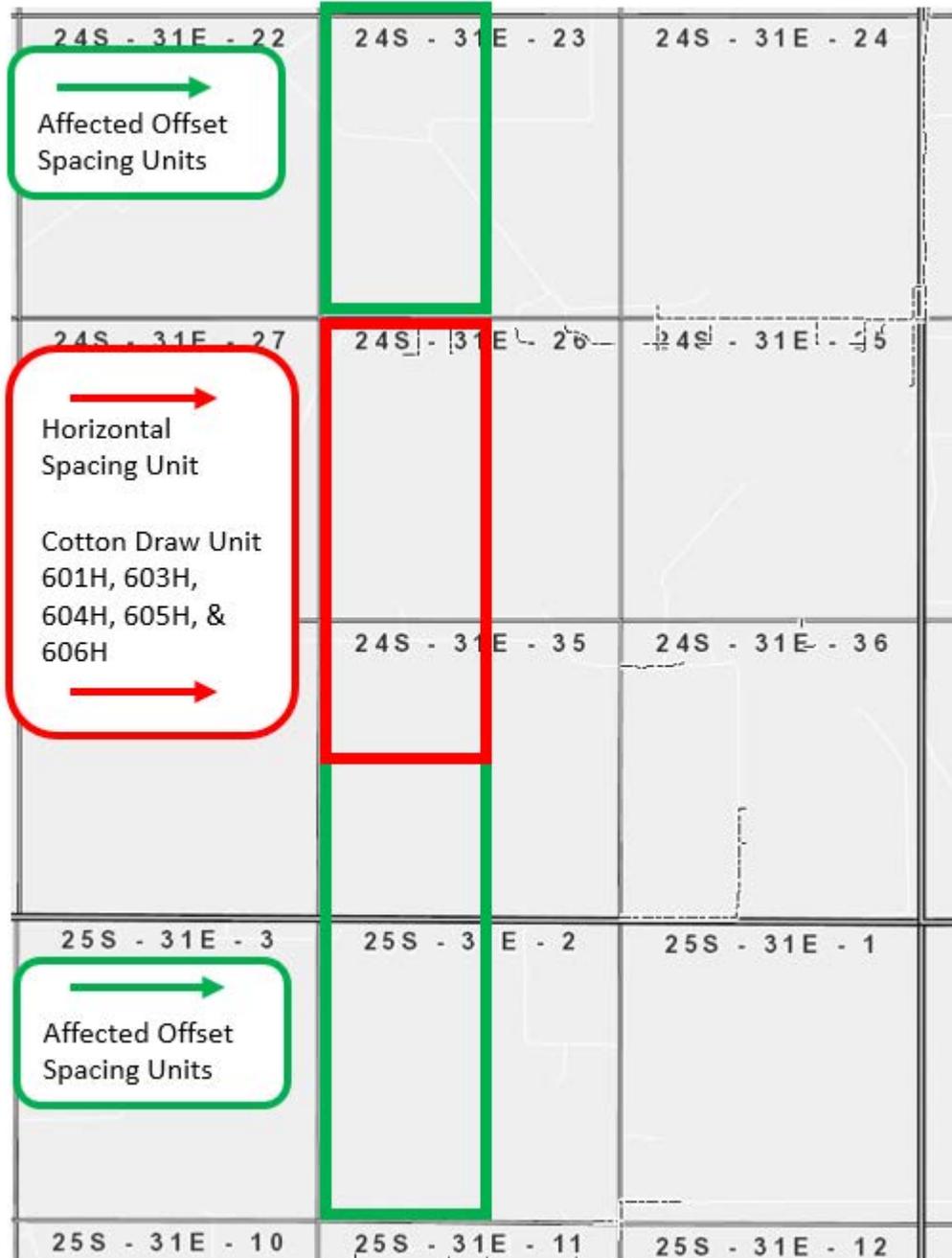
Sincerely,

A handwritten signature in blue ink that reads "Paige Bowes". The signature is written in a cursive, flowing style.

Paige Bowes  
Reservoir Engineer

EXHIBIT  
**B**

Devon Energy Production Company, L.P.  
Unorthodox Location Notice Plat



<b>Name</b>	<b>Address</b>	<b>USPS Certified Mail Number</b>	<b>Date Mailed</b>	<b>Status</b>	<b>Service</b>
XTO Holdings LLC	22777 Springwoods Village Pkwy Spring, TX 77389	9414711699000710050055	3.29.21		Certified Mail
Chevron USA Inc.	1400 Smith St. Houston, TX 77002	9414711699000710050086	3.29.21		Certified Mail
EOG Resources Inc.	5509 Champions Dr. Midland, TX 79706	9414711699000710050420	3.29.21		Certified Mail
OXY Y-1 Company	5 E.Greenway Plaza Suite 110 Houston, TX 77046	9414711699000710050482	3.29.21		Certified Mail
Vladin LLC	PO Box 100 Artesia, NM 88210	9414711699000710050550	3.29.21		Certified Mail
Foran Oil Company	5400 Lyndon B Johnson Fwy Suite 1500 Dallas, TX 75240	9414711699000710050581	3.29.21		Certified Mail
ABO Petroleum LLC	PO Box 900 Artesia, NM 88211	9414711699000710058266	3.29.21		Certified Mail
New Mexico State Land Office	310 Old Santa Fe Trail Santa Fe, NM 87501	9414711699000710058297	3.29.21		Certified Mail
Bureau of Land Management	620 E. Greene St. Carlsbad, NM 88220	9414711699000710058853	3.29.21		Certified Mail
Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	9414711699000710058792	3.29.21		Certified Mail





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

March 29, 2021

**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 Cotton Draw Unit 601H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 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 Cotton Draw Unit 603H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 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 Cotton Draw Unit 604H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.**
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214 McKenzie Street, Santa Fe, New Mexico, 87501

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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](mailto: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](mailto: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,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

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 Cotton Draw Unit 601H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 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 Cotton Draw Unit 603H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 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 Cotton Draw Unit 604H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

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Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for the Cotton Draw Unit 606H Well located in the W/2 of Section 26 and the NW/4 of Section 35, Township 24 South, Range 31 East NMPM, Eddy County, New Mexico.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_