



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Jon Goldstein**  
Cabinet Secretary

**Jim Noel**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



February 25, 2010

Devon Energy Production Company, L.P.  
Attn: Ms. Katie A. Mc Donnell  
20 North Broadway  
Oklahoma City, OK 73102-8260

## Administrative Order NSL-6159

**Re: Todd 26C Federal Com. Well No. 12**  
**API No. 30-015-36827**  
**Unit C, Section 26-23S-31E**  
**Eddy County**

Dear Ms. McDonnell:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW10-05440849**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on February 23, 2010, and

(b) the Division's records pertinent to this request.

Devon Energy Production Company, L.P. (Devon) has drilled the above-referenced well as a horizontal well in the Delaware formation, at a location that is unorthodox under Division Rule 16.14.B(2). The proposed surface location, point of penetration and terminus of the well are as follows:

Surface Location: 330 feet from the North line and 1980 feet from the West line  
(Unit C) of Section 26, Township 23S, Range 31E, NMPM,  
Eddy County, New Mexico

Point of Penetration: same as surface location

Terminus 2366 feet from the South line and 1552 feet from the West line  
(Unit K) of said section



The E/2 NW/4 and NE/4 SW/4 of Section 26 will be dedicated to the proposed well to form a project area comprising three standard, 40-acre oil spacing and proration units in the Ingle Wells-Delaware Pool (33745). This pool is governed by statewide Rule 15.9.A, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is unorthodox because a portion of the producing interval will be less than 330 feet from the outer boundary of the project area, and therefore outside the producing area.

Your application has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

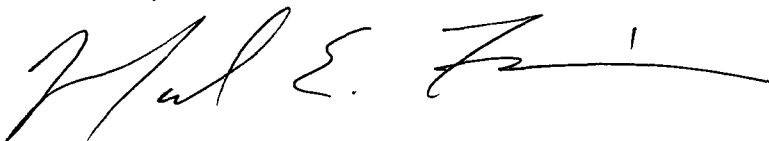
It is our understanding that you are seeking this location because the horizontal portion of the wellbore was inadvertently deviated from its intended course. It is further understood that notice of this application to offsetting operators or owners is not required due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.  
Acting Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia  
United States Bureau of Land Management - Carlsbad