

Additional Information

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 20987

APPLICANT'S RESPONSE

Date: January 9, 2020

Applicant

Devon Energy Production Company, L.P.

Designated Operator & OGRID (affiliation if applicable)

Devon Energy Production Company, L.P. (OGRID 6137)

Applicant's Counsel:

Holland & Hart LLP

Case Title:

APPLICATIONS OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Entries of Appearance/Intervenors:

Well Family

Uraninite 32-33 State Fed Com wells

Formation/Pool

Formation Name(s) or Vertical Extent:

Bone Spring formation

Primary Product (Oil or Gas):

Oil

Pooling this vertical extent:

Bone Spring

Pool Name and Pool Code:

Winchester; Bone Spring (Pool code 65010); Parkway; Bone Spring (Pool code 49622)

Well Location Setback Rules:

Statewide oil rules apply

Spacing Unit Size:

480

Spacing Unit

Type (Horizontal/Vertical)

Horizontal

Size (Acres)

480 acres, more or less

Building Blocks:

quarter-quarter sections

Orientation:

Laydown

Description: TRS/County

S/2 of Section 32 and the SW/4 of Section 33, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico

Standard Horizontal Well Spacing Unit (Y/N), If No, describe

Yes

Other Situations

Depth Severance: Y/N. If yes, description

No

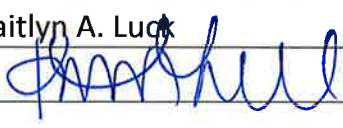
Proximity Tracts: If yes, description

Yes, well No. 335H is to be drilled closer than 330 feet from the Proximity Tracts and therefore defines the Horizontal Spacing Unit

Proximity Defining Well: if yes, description

Yes, Uraninite 32-33 State Fed Com 335H Well will remain within 330 feet of the N/2 S/2 of Sections 32 and 33 to allow inclusion of these proximity tracts in a standard 480-acre horizontal spacing unit comprised of the S/2 of Section 32 and the SW/4 of Section 33

Applicant's Ownership in Each Tract	Yes
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add as needed
Well #1	<p>Uraninite 32-33 State Fed Com Well No. 334H, API No. 30-015-Pending SHL:1176 feet from the South line and 200 feet from the West line, (Unit M) of Section 32, Township 19 South, Range 29 East, NMPM. BHL:2200 feet from the South line and 2617 feet from the West line, (Unit K) of Section 33, Township 19 South, Range 29 East, NMPM.</p> <p>Completion Target: 3rd Bone Spring Sand at approx 8980 feet TVD. Well Orientation:West to East Completion Location expected to be:standard</p>
Well #2	<p>Uraninite 32-33 State Fed Com Well No. 335H, API No. 30-015-Pending SHL:1146 feet from the South line and 200 feet from the West line, (Unit M) of Section 32, Township 19 South, Range 29 East, NMPM. BHL:1310 feet from the South line and 2618 feet from the West line, (Unit N) of Section 33, Township 19 South, Range 29 East, NMPM.</p> <p>Completion Target: 3rd Bone Spring Sand at approx 8900 feet TVD. Well Orientation:West to East Completion Location expected to be:standard</p>
Well #3	<p>Uraninite 32-33 State Fed Com Well No. 336H, API No. 30-015-Pending SHL:1116 feet from the South line and 200 feet from the West line, (Unit M) of Section 32, Township 19 South, Range 29 East, NMPM. BHL:330 feet from the South line and 2619 feet from the West line, (Unit N) of Section 33, Township 19 South, Range 29 East, NMPM.</p> <p>Completion Target: 3rd Bone Spring Sand at approx 9000 feet TVD. Well Orientation:West to East Completion Location expected to be:standard</p>
Horizontal Well First and Last Take Points	See Exhibit A-1 for the C-102s of the Uraninite wells
Completion Target (Formation, TVD and MD)	See Exhibit A-4 for the well proposals of the Uraninite wells. This data is also listed above with each well.
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000/month, Exhibit A
Production Supervision/Month \$	\$800/month, Exhibit A
Justification for Supervision Costs	Exhibit A, A-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	See Application
Proof of Mailed Notice of Hearing (20 days before hearing)	See Exhibit C-1
Proof of Published Notice of Hearing (10 days before hearing)	See Exhibit C-2
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibit A-2, A-3
Unlocatable Parties to be Pooled	N/A

Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2, A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A, A-3
Overhead Rates In Proposal Letter	Exhibit A ¶ 12
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B, B-1, B-2, B-3, B-4
Target Formation	Exhibit B, B-1, B-2, B-3, B-4, B-5, B-6
HSU Cross Section	Exhibit B-5, B-6
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-5, B-6
Additional Information	
<p>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</p>	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	
Date:	2/21/2020

Garcia, John A, EMNRD

From: Kaitlyn A. Luck <KALuck@hollandhart.com>
Sent: Friday, February 21, 2020 11:43 AM
To: Garcia, John A, EMNRD; Adam Rankin
Subject: [EXT] RE: Case 20986 / 20987 / 20990 Devon Energy Production
Attachments: Case No. 20990 Checklist (Devon Bora Bora)[14242238v1].PDF; Case No. 20987 Checklist (Devon Uraninite)[14242233v1].PDF; Case No. 20986 Checklist (Devon Uraninite)[14242228v1].PDF

John,

Please find attached the requested amended checklists. Let us know if you have any questions or concerns. Thanks!

Kaitlyn

From: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>
Sent: Tuesday, February 18, 2020 2:41 PM
To: Adam Rankin <AGRankin@hollandhart.com>
Subject: Case 20986 / 20987 / 20990 Devon Energy Production

External Email

Adam,

I am currently reviewing the above mentioned cases, if you could edit the checklist for each so that they reflect the numerical value that Devon is requesting for drilling and production monthly supervision rates. Also if you could please sign these checklist I can continue in reviewing the application.

Thank you,

John Garcia
Petroleum Specialist
Oil Conservation Division
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Santa Fe, New Mexico 87505
505-476-3441