

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P., TO RE-OPEN CASE 23788 AND AMEND
ORDER R-22941, EDDY COUNTY, NEW MEXICO**

**Case No. 24031
Re-open Case No. 23788**

PREHEARING STATEMENT

Devon Energy Production Company, L.P. ("Devon"), OGRID No. 6137, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division").

APPEARANCES

APPLICANT

Devon Energy Production
Company, L.P.

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

In Case No. 24031, Devon seeks to Re-Open Case No. 23788 at the request of the Bureau of Land Management ("BLM") in order to amend Order R-22941 in order to re-space the nonstandard 599.2-acre spacing unit into a standard 639.2-acre spacing unit that includes the 40-

acre tract located in the NW/4 NE/4 of Section 35, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

Under Case No. 24031, Devon proposes and dedicates to the re-spaced unit the same initial wells as described in its original application: **Tater Tot 2-35 Fed Com 622H Well, Tater Tot 2-35 Fed Com 624H Well, and Tater Tot 2-35 Fed Com 713H Well**, whose locations and take points remain the same as in the original pooling application and pooling order.

It should be noted that Devon does not seek to pool the mineral interest underlying the NW/4 NE/4 of Section 35 as this quarter-quarter section currently consists of unleased Federal acreage which is not subject to pooling by the Division.

Devon originally requested a non-standard horizontal spacing unit ("Non-standard Unit") in order to exclude the 40-acre tract located in the NW/4 NE/4 of Section 35 because it consisted of open Federal Minerals. Devon believed this would be the best approach to development while waiting for a response to reinstate Federal Oil and Gas Lease NMNM-134869. Devon proposed and dedicated to the unit, the **Tater Tot 2-35 Fed Com 622H Well**, the **Tater Tot 2-35 Fed Com 624H Well**, and the **Tater Tot 2-35 Fed Com 713H Well**, as stand-up horizontal wells. The proposed wells are unorthodox in location under the special Division rules for the Purple Sage; Wolfcamp pool established in Order No. R-14262. Devon applied for non-standard locations ("NSLs") for each of the proposed wells, and the Division approved the NSLs in Administrative Orders NSL-8626, NSL-8627, and NSL-8630 respectively.

Since the issuance of the pooling order, Devon has continued discussions with the BLM regarding both the reinstatement of Lease NMNM-134869 and the appropriate spacing unit for the Wolfcamp formation in the E/2 of Sections 2 and 35. As a result of those discussions, the BLM has requested that Devon seek to re-space the non-standard horizontal unit to include the NW/4

NE/4 of Section 35, lands that were covered by Lease NMNM-134869, but which are currently unleased Federal minerals. Devon desires to accommodate the BLM's decision.

APPLICANT'S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Aaron Young	Approx. 10 min	Approx. 4
Geologist: Sarah Jancuska	Approx. 10 min	Approx. 3

PROCEDURAL MATTERS

No protests or objections have been filed and Devon does not anticipate any at this time; consequently, Devon plans to conduct the hearing by affidavit.

Respectfully submitted,

ABADIE & SCHILL, PC

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 289811

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 289811
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	2
Testimony time (in minutes)	20