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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 21399

DEVON ENERGY PRODUCITON COMPANY, L.P.'S PREHEARING STATEMENT

Devon Energy Production Company, L.P., ("Devon"), OGRID No. 6137, submits the

following Prehearing Statement pursuant to the rules of the Oil Conservation Division

("Division").

APPEARANCES

APPLICANT

Devon Energy Production Company, L.P.

ATTORNEY

Darin C. Savage Andrew D. Schill William E. Zimsky 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com andrew@abadieschill.com

APPLICANT'S STATEMENT OF CASES

In Case No. 21399, Devon seeks an Order for (1) creating a standard 316.44-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Sections 30 and 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation (ANTELOPE RIDGE; BONE SPRING [Pool Code 2200]) underlying said unit. Devon proposes for the HSU its **Red Bull 30-31 Fed State Com 1H Well**, an oil well, to be horizontally drilled from a surface location in NE/4 NW/4 (Unit C) of Section 30 to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 31.

APPLICANT'S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Andy D. Bennett	10 min	Approx. 6
Geologist: TBD	10 min	Approx. 5

PROCEDURAL MATTERS

Devon requests that, for purposes of the hearings, this Case No. 21399 be consolidated with Case Nos. 21396, 21397 and 21398 as they involve units within the same two sections and the same formation. Devon has filed Unopposed Motions for Continuances for these Cases in an effort to obtain additional time for reaching agreements with the interest owners. 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

/s/ Darin C. Savage

Darin C. Savage

Andrew D. Schill William E. Zimsky 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com andrew@abadieschill.com bill@abadieschill.com

Attorneys Devon Energy Production Company