

**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, EDDY COUNTY, NEW MEXICO**

Case No. 21678

**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

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**APPLICANT’S STATEMENT OF CASE**

In Case No. 21678, Devon seeks an order (1) creating a standard 1280-acre, more or less, spacing and proration unit comprised of Sections 13 and 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico (“Subject Lands”), and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying said unit. Devon

proposes to drill two initial wells in the HSU: (1) the **Lone Tree Draw 14-13 State Com 623H Well**, and (2) the **Lone Tree Draw 14-13 State Com 621H Well**. Devon proposes to dedicate the HSU to its **Lone Tree Draw 14-13 State Com 623H Well**, proposed to be drilled to a sufficient vertical depth to test the Wolfcamp formation and proposed to be horizontally drilled from a surface location in NW/4 SW/4 (Unit L) of Section 14 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 13. The **Lone Tree Draw 14-13 State Com 623H Well** is the Proximity Well for the HSU. Devon also proposes to dedicate the HSU to its **Lone Tree Draw 14-13 State Com 621H Well**, proposed to be horizontally drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 14 to a bottom hole location in NE/4 NE/4 (Unit A) of Section 13. The first and last take points of the completed intervals for the proposed wells in the HSU are to be 100' setbacks instead of the standard 330' setbacks, and therefore, Devon will apply administratively for approval of the nonstandard locations and send notice to affected parties during the administrative application

**APPLICANT’S PROPOSED EVIDENCE**

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Andy D. Bennett	15 min	Approx. 6
Geologist: Joe Dixon	15 min	Approx. 5

**PROCEDURAL MATTERS**

Devon had previously submitted pooling applications for the Lone Tree Draw 14-13 State Com 621H and 623H Wells in Case Nos. 21521 and 21522, respectively, which requested pooling of the Alacran Hills Upper Wolfcamp Oil [98314] formation, based on prior pooling history of the

Subject Lands in Case No. 20160 and Division Order No. R-20490. However, after discussions with Division geologists regarding the status of the Alacran Hills Upper Wolfcamp Oil Pool, Devon submitted a new application in this Case No. 21678 in order to pursue the pooling of the Wolfcamp formation as it relates to the Alacran Hills Wolfcamp Gas Pool, which is based on 160-acre building blocks, and therefore, requires a larger spacing size. This new application has been submitted to supplant the prior applications filed in Case Nos. 21521 and 21522, which to date have been summarily dismissed.

No protests, objections or entry of appearances 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

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