

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF CONSIDERING;

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

CASE NO. 14502

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a non-standard spacing and proration unit and

PRE- HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Mr. Sam McCurdy
Devon Energy Corporation
20 North Broadway
Oklahoma City, OK 73102
(405) 228-8550

ATTORNEY

Ocean Munds-Dry
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STATEMENT OF CASE

APPLICANT

Applicant seeks an order: (1) creating a non-standard spacing unit comprised of the E/2 E/2 of Section 16, Township 25 South, Range 29 East, NMPM, and (2) pooling all mineral interests in the Bone Spring formation, Undesignated Southeast Willow Lake-Bone Spring Pool in this non-standard spacing and proration unit which will be the project area for the Cooter "16" State Well No. 7H to be horizontally drilled from a surface location 330 feet from the South line and 770 feet from the East line and then in a northerly direction in the Bone Spring formation to a bottomhole location 330 feet from the North line and 990 feet from the East line of said Section 16 and the Cooter "16" State Well No. 8H to be horizontally drilled from a surface location 330 feet from the South line and 420 feet from the East line and then in a northerly direction in the Bone

Spring formation to a bottomhole location 330 feet from the North line and 400 feet from the East line of said Section 16. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Devon Energy Production Company, LP as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 7.5 miles Southeast of Malaga, New Mexico.

PROPOSED EVIDENCE

<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Sam McCurdy Landman	15 Minutes	5
Carl Burdick Geologist	30 Minutes	5

PROCEDURAL MATTERS

Devon Energy Production Company, L.P. has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

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