

**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. 14,535

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Devon Energy Production Company, L.P.
P.O. Box 108838
Oklahoma City, Oklahoma 73101

Attention: Jim Ball
(405) 552-3384

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

Chisos, Ltd.

OPPONENT'S ATTORNEY

W. Thomas Kellahin

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Siluro-Devonian formation underlying the following described acreage in Section 28, Township 10 South, Range 29 East, NMPM, and in the following manner: The N/2 to form a standard 320-acre gas spacing and proration unit in all formations or pools developed on 320-acre spacing within that vertical extent; and the NE/4NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to Longhorn 28 Fee Well No. 1, to be drilled vertically at a location 670 feet from the north line and 1770 feet from the west line of Section 28, to test the Siluro-Devonian formation, and then drilled horizontally in the Mississippian

formation with a terminus 670 feet from the north line and 670 feet from the east line of Section 28. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Jim Ball (landman)	10 min.	Approx. 5
Kurt McKinney (geologist)	10 min.	Approx. 4
_____ (engineer)	10 min.	Approx. 2

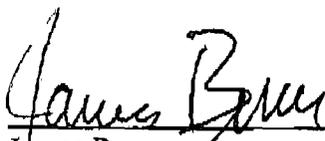
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
 Post Office Box 1056
 Santa Fe, New Mexico 87504
 (505) 982-2043

Attorney for Devon Energy Production
 Company, L.P.