

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

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY,
L.P., FOR A HORIZONTAL SPACING UNIT AND
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO**

Case No. 23497

PREHEARING STATEMENT

Devon Energy Production Company, L.P. (“Devon”), OGRID No. 6137, through its undersigned attorneys, 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 THE CASE

In Case No. 23497, Devon seeks an order (1) establishing a standard 477.20-acre, more or less, spacing and proration unit comprised of the W/2 NE/4, the NW/4 SE/4 and Lot 3 (SW/4 SE/4 equivalent) of Section 34, in Township 24 South, Range 31 East, NMPM; and Lot 2 (NW/4 NE/4

equivalent), SW/4 NE/4, and W/2 SE/4 of Section 3 and the W/2 E/2 of Section 10, in Township 25 South, Range 31 East, NMPM; Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in an interval within the Paduca; Bone Spring (O) pool [Pool Code (96641)], from the stratigraphic equivalent of 100 feet from below the base of the Avalon Sand, as seen at a depth of 8,358 feet, to the stratigraphic equivalent of the base of the Paduca; Bone Spring (O) formation, as seen at a depth of 11,520 feet, on the Open Hope Platform Express log for the PLU #196 Well (API No. 30-015-33164), designated as an oil pool, underlying said unit. Sections 3 and 34 are irregular and contain correction lots.

Devon proposes and dedicates to the unit the **Exmoor 10-34 Fed Com 303H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 10-25S-31E to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 34-24S-31E.

There exist several wells within units that overlap the unit proposed herein, as follows: (1) the Cotton Draw Unit 117H Well (API No. 30-015-38434) within a unit that covers the W/2 E/2 of Section 34; (2) the Cotton Draw Unit 114H Well (API No. 30-015-37410) within a unit that covers the W/2 E/2 of Section 34; (3) the Cotton Draw Unit 216Y Well (API No. 30-015-42648) within a unit that covers the W/2 E/2 of Section 3; (4) the Cotton Draw Unit 272H Well (API No. 30-015-43724) within a unit that covers the W/2 E/2 of Section 3; and (5) the Cotton Draw 10 Fed 1H Well (API No. 30-015-39229) and 3H Well (API No. 30-015-42126) both located in the unit that covers the W/2 E/2 of Section 10. Devon operates all the overlapping units and wells. Furthermore, Sections 3 and 34 of the unit proposed herein are part of the Cotton Draw Federal Unit, a federal unit covering multiple sections, for which Devon is the designated operator. As such, the proposed unit is a straddle unit in which the W/2 E/2 of Section 10 is outside the Cotton

Draw Federal Unit and the W/2 E/2 of Sections 3 and 34 are inside the federal unit. Devon will provide proper notice and seeks approval of the overlapping units during the hearing process.

The proposed well is orthodox in its location, and its take points and completed interval comply with setback requirements under Statewide Rules.

APPLICANT’S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Ryan Cloer	Approx. 10 min	Approx. 6
Geologist: Kate Houston-Kennedy	Approx. 10 min	Approx. 5

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

/s/ Darin C. Savage

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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 211425

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 211425
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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