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. 23554

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 ATTORNEY

Devon Energy Production Company, L.P.

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

APPLICANT'S STATEMENT OF THE CASE

In Case No. 23554, Devon seeks an order (1) establishing a standard 800-acre, more or less, spacing and proration unit comprised of the NE/4 of Section 27, and the N/2 of Sections 26 and 25, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2)

pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit.

Devon proposes the **Prairie Fire 27-25 Fed Com 331H Well,** an oil well, to be dedicated to the unit and horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 25. The **331H Well** is a proximity well, positioned so the unit can include proximity tracts located within 330 feet of the well's completed interval, thereby incorporating the S/2 N/2 of Sections 25 and 26, and the S/2 NE/4 of Section 27, in order to establish the larger unit covering the N/2 of Sections 25 and 26, and the NE/4 of Section 27.

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

<u>APPLICANT'S PROPOSED EVIDENCE</u>

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Andy Bennett	Approx. 10 min	Approx. 6

Geologist: Joe Dixon Approx. 10 min Approx. 5

PROCEDURAL MATTERS

No protests or objections have been filed in Case Nos. 23554, and Devon does not anticipate any at this time; consequently, Devon plans to conduct the hearing by affidavit. For purposes of efficiency, Devon asks that this case be consolidated with Case Nos. 23550 and 23553, which involve the same sections of land.

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 for Devon Energy Company, L.P.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 220795

QUESTIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	220795
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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