

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

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

CASE NO. 24428

DEVON’S PRE-HEARING STATEMENT

Devon Energy Production Company, L.P. (“Devon”) submits this pre-hearing statement as required by the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Devon Energy Production
Company, L.P.

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APPLICANT'S STATEMENT OF THE CASE

In this matter, Devon seeks an order approving and then pooling a standard 400-acre overlapping horizontal well spacing unit in an interval of the Bone Spring formation underlying the S2S2 of Section 9, the S2S2 of Section 10, and the S2SW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. Devon seeks to pool all uncommitted mineral interests from the top of the Bone Spring formation to the correlative stratigraphic equivalent of 8218 feet measured depth as shown in the dual laterolog of the Yates State 2 (API # 30-015-32801), which is below the Second Bone Spring Sands and above the Third Bone Spring intervals. This spacing unit will be initially dedicated to the proposed **Bent Tree 9-11 State Com 224H**, to be horizontally drilled from a surface location in the SW4 of Section 9, with a first take point in the SW4SW4 (Unit M) of Section 9 and a last take point in SE4SW4 (Unit N) of Section 11.

Devon has been informed that the affected acreage is currently subject to the following pools:

- The SE4 of Section 9 is assigned to the Magruder; Bone Spring (Gas) Pool [80887], which is subject to 160-acre spacing.
- The N2 and SW4 of Section 9, and all of Sections 10 and 11, are assigned to the Avalon; Bone Spring, East Pool [3713], an oil pool subject to 40-acre spacing.

Since the proposed well is targeting the Second Bone Spring sands, and Devon expects the well to produce oil, Devon anticipates the well will be assigned to an oil pool to be

determined by the Division and therefore seeks approval of a standard horizontal oil well spacing unit.

This proposed spacing unit will overlap an 800-acre spacing unit comprised of the S2 of Section 9, S2 of Section 10, and the SW/4 of Section 11 that Devon has proposed for the Bent Tree 9-11 State 337H and 338H wells, to be drilled in the deeper Third Bone Spring Sands of the Bone Spring formation.

Devon has sought but been unable to obtain voluntary agreement for the development of this acreage from all the affected mineral owners.

PROPOSED EVIDENCE

WITNESSES Name and Expertise	ESTIMATED TIME	EXHIBITS
David Broussard, Landman	Self-affirmed Statement	Approx. 5
Joseph Dixon, Geologist	Self-affirmed Statement	Approx. 3

PROCEDURAL MATTERS

Devon does not anticipate opposition at hearing and therefore intends to present this matter by self-affirmed statements.

Since it is unclear which pool the Division will place the proposed well, the Applicant has placed TBD in the Pool Name/Pool Code line of Compulsory Pooling Checklist for this matter.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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CERTIFICATE OF SERVICE

I hereby certify that on July 18, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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QUESTIONS

Action 365273

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 365273
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>