

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

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**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 A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

Case No. 15,317

AMENDED 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.
333 West Sheridan
Oklahoma City, Oklahoma 73102

Attention: Ken Gray

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2N/2 of Section 22, Township 22 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2N/2 of Section 22 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the Grandi 22 Well No. 2H, a horizontal well with a surface location 1360 feet from the north line and 255 feet from the west line, and a terminus 2265 feet from the north line and 330 feet from the west line, of Section 22. Also to be considered will be the designation of applicant as operator of the well.

The parties being pooled are royalty owners, who are being pooled into the well unit because the pooling clauses in their leases may not permit pooling of horizontal well units.

First Roswell Company has written a letter to the Division, requesting to lease or farm-out its interest to Devon, or to participate in the well. However, as shown by the exhibits submitted herewith, its interest is already leased, so Devon does not need to re-lease the subject interest. And, as a lessor, they cannot participate in the well or farm-out as a working interest owner. Therefore, an AFE and well prognosis need not be sent to them.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Brandon Patrick (landman)	15 min.	Approx. 6
John C. Kucewicz, Jr. (geologist)	15 min.	Approx. 3

OPPONENT

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

Applicant intends to submit the case by affidavit.

Respectfully submitted,



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

Attorney for Devon Energy Production
Company. L.P.

cc: First Roswell Company