

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

**APPLICATION OF DEVON ENERGY
PRODUCTION COMPANY, L.P.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Devon Energy Production Company, L.P. (“Devon” or “Applicant”) (OGRID No. 6137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 480-acre standard horizontal spacing unit comprised of the W/2 of Section 10, and the NW/4 of Section 15, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Devon states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:

- (1) The **Blondie 15-10 Fed Com 2H well**; and (2) the **Blondie 15-10 Fed Com 3H well**, which will be horizontally drilled from a common surface hole location in the SW/4 NW/4 (Unit E) of Section 15 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 10; and
- (3) The **Blondie 15-10 Fed Com 4H well**; and (4) the **Blondie 15-10 Fed Com 5H well**, which will be horizontally drilled from a common surface hole location

in the SE/4 NW/4 (Unit F) of Section 15 to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 10.

3. The completed interval of the **Blondie 15-10 Fed Com 2H** and **5H wells** will remain within 330 feet of the quarter-quarter line separating the E/2 W/2 from the W/2 W/2 of Section 10, and the E/2 NW/4 from the W/2 NW/4 of Section 15 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

5. The pooling of interests in the proposed horizontal well spacing unit will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain it's just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Wolfcamp formation underlying the proposed horizontal spacing unit;
- B. Approving the initial wells in the horizontal well spacing unit;
- C. Designating Applicant as the operator of the horizontal spacing unit and the wells to be drilled thereon;

- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

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**ATTORNEYS FOR DEVON ENERGY PRODUCTION
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