

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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 Bone Spring formation underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 12, 13 and 24, Township 23 South, Range 32 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 **Sneaky Snake 24-12 Fed Com #11H well**, (2) the **Sneaky Snake 24-12 Fed Com #12H well**, and (3) the **Sneaky Snake 24-12 Fed Com #14H well**, to be horizontally drilled from surface hole locations in the SE/4 SW/4 (Unit N) of Section 24, to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 12.
3. The completed interval of the wells will comply with statewide setbacks for oil wells.
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 its 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 October 7, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Bone Spring 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 wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By:   
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Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Kaitlyn A. Luck  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
Email: [mfeldewert@hollandhart.com](mailto:mfeldewert@hollandhart.com)  
Email: [agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)  
Email: [jbroggi@hollandhart.com](mailto:jbroggi@hollandhart.com)  
Email: [kaluck@hollandhart.com](mailto:kaluck@hollandhart.com)

**ATTORNEYS FOR DEVON ENERGY PRODUCTION  
COMPANY, L.P.**