

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

**APPLICATION OF DEVON ENERGY
PRODUCTION COMPANY, L.P. FOR A
COMPULSORY POOLING ORDER
REPLACING AND REVOKING
ORDER NOS. R-21249 AND R-21250,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 22260

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,
LP

ATTORNEY

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APPLICANT’S STATEMENT OF THE CASE

In this case, Devon seeks an order revoking and replacing pooling Order Nos. 21249 and 21250 with a single order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 1,280-acre, more or less, horizontal spacing unit comprised of Sections 2 and 11, all in Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico. Applicant previously obtained separate orders pooling the Wolfcamp formation in the W/2 of said Sections 2 and 11 in Order No. 21250, and the

E/2 of said Sections 2 and 11 in Order No. 21249 (collectively, the “Orders”). The as-drilled location for one of Devon’s initial proposed wells under Order No. 21250, the **Shetland 11-2 Fed State Com 732H well**, was drilled into and completed within the E/2 spacing unit governed by Order No. 21249 and the W/2 spacing unit governed by Order No. 21250. The completed interval of the **Shetland 11-2 Fed State Com 732H well**, however, is within 330 feet of the E/2 and W/2 spacing units governed by the Orders.

This standard spacing unit will be dedicated to the following initial wells:

- **Shetland 11-2 Fed State Com 611H** (API No. 30-015-47139) drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 11 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 2;
- **Shetland 11-2 Fed State Com 711H** (API No. 30-015-47156) drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 11 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 2;
- **Shetland 11-2 Fed State Com 712H** (API No. 30-015-47157) drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 11 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 2;
- **Shetland 11-2 Fed State Com 732H** (API No. 30-015-47159) drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 11 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 2; and
- **Shetland 11-2 Fed State Com 613H** (API No. 30-015-47172) drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 11 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 2.

The completed interval of the Shetland 11-2 Fed State Com 732H will remain within 330 feet of the quarter-quarter line separating the W/2 from the E/2 of Sections 2 and 11 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

PROPOSED EVIDENCE

| WITNESSES Name and Expertise | ESTIMATED TIME | EXHIBITS |
|---|-----------------------|-----------------|
| Verl Brown, Landman | Affidavit | Approx. 8 |

PROCEDURAL MATTERS

Devon does not expect opposition at hearing and therefore intends to present this case by affidavit.

Respectfully submitted,

HOLLAND & HART LLP



By: _____

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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QUESTIONS

Action 58473

QUESTIONS

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| Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102 | OGRID: 6137 |
| | Action Number: 58473 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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| 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> |