

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

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

Case No. 24079

PREHEARING STATEMENT

Devon Energy Production Company, L.P. (“Devon”), OGRID No. 6137, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division (“Division”).

APPEARANCES

APPLICANT

Devon Energy Production
Company, L.P.

ATTORNEY

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APPLICANT’S STATEMENT OF THE CASE

In Case No. 24079, Devon seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying a standard 640-acre, more or less, spacing and proration unit comprised of the S/2 of Sections 11 and 10, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico.

Devon proposes and dedicates to the unit the **AtlAtl 11-10 Fed Com 623H Well**, and the **AtlAtl 11-10 Fed Com 624H Well**, as the initial wells, to be drilled to a sufficient depth to test the Wolfcamp formation.

Devon proposes **AtlAtl 11-10 Fed Com 623H Well**, a gas well, to be horizontally drilled from a surface location in NE/4 SE/4 (Unit I) of Section 11, Township 22 South, Range 27 East to a bottom hole location in NW/4 SW/4 (Unit L) of Section 10, Township 22 South, Range 27 East.

Devon proposes **AtlAtl 11-10 Fed Com 624H Well**, a gas well, to be horizontally drilled from a surface location in NE/4 SE/4 (Unit I) of Section 11, Township 22 South, Range 27 East to a bottom hole location in SW/4 SW/4 (Unit M) of Section 10, Township 22 South, Range 27 East.

The **AtlAtl 11-10 Fed Com 623H Well** and **AtlAtl 11-10 Fed Com 624H Well** are unorthodox in their locations, as their take points do not comply with setback requirements under the special Division rules for the Purple Sage; Wolfcamp Pool, which are set out in Order No. R-14262. Thus, Devon will be applying for administrative approval of the nonstandard locations.

A review of records shows certain overlapping units. First, Devon references Order No. R-8761 which pooled owners in all or part of the Wolfcamp underlying a spacing unit that covers the W/2 of Section 11, involving gas well Chase 11 Federal Com #001 (API No. 30-015-25998) and Communitization Agreement (“CA”) NMNM 82109 also covering the W/2 of Section 11 for said well. Secondly, there is CA NMNM 109712 which covers the E/2 of Section 10 involving COG Oil & Gas LP as operator that also may involve part of the Wolfcamp formation. Devon seeks approval for these overlapping units to the extent that they impact Devon’s proposed unit herein.

APPLICANT’S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Jake Nourse	Approx. 10 min	Approx. 6
Geologist: Joe Dixon	Approx. 10 min	Approx. 5

PROCEDURAL MATTERS

Devon requests that, for purposes of the hearings, Case Nos. 24079 be consolidated with Case No. 24078 as they involve units within the same sections. No protests or objections have been filed and Devon does not anticipate any at this time; consequently, Devon plans to conduct the hearing by self-affirmed statement.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 298208

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 298208
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	2
Testimony time (in minutes)	20