

**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. 25296

AMENDED PREHEARING STATEMENT

Devon Energy Production Company, L.P. (“Devon”), OGRID No. 6137, through its undersigned attorneys, hereby files this Amended Prehearing Statement with the Oil Conservation Division (“Division”), pursuant to the Division’s rules, in order to clarify a certain matter regarding the Bone Spring formation.

APPLICANT

Devon Energy Production Company, L.P.

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APPLICANT’S STATEMENT OF THE CASE

In Case No. 25296, Devon submitted an application to compulsory pool uncommitted mineral interest owners in the Bone Spring formation, designated as an oil pool, underlying a

standard 640-acre, more or less, spacing unit comprised of the W/2 of Sections 22 and 27, all in Township 25 South, Range 32 East, NMPM, Lea County, New Mexico (“Subject Lands”). The expectation at the time of filing the application was that the Bone Spring formation would consist of a single pool. However, the Division assigned two pool codes to the Bone Spring formation: 1) the WC-025 G-08 S253235G; Lower Bone Spring pool [Code 97903]; and 2) Jennings; Upper Bone Spring Shale [Code 97838]. As a result, Devon will be seeking two orders pooling uncommitted mineral orders in the Bone Spring formation underlying the subject lands, one order for each pool.

Furthermore, to the extent necessary, Devon also seeks to reopen Case No. 23119 in which the Division pooled all interests in the Bone Spring formation underlying the E/2 W/2 of Sections 22 and 27 for the limited purpose of vacating and supplanting Order No. R-22550 with the new pooling order issued in this case.

1. Devon is a working interest owner in the proposed horizontal spacing units (“HSUs”) and has a right to drill a well thereon.

1. Under Case No. 25296, Devon proposes and dedicates to the unit the **Haflinger 22-27 Fed Com 300H Well**, the **Haflinger 22-27 Fed Com 520H Well**, the **Haflinger 22-27 Fed Com 521H Well**, the **Haflinger 22-27 Fed Com 522H Well**, the **Haflinger 22-27 Fed Com 524H Well**, the **Haflinger 22-27 Fed Com 525H Well**, and the **Haflinger 22-27 Fed Com 526H Well**, as initial wells, to be drilled to a sufficient depth to test the Bone Spring formation in the JENNINGS; UPPER BONE SPRING SHALE [Code 97838]).

2. Also Under Case No. 25296, Devon proposes and dedicates to the unit the **Haflinger 22-27 Fed Com 300H Well**, the **Haflinger 22-27 Fed Com 520H Well**, the **Haflinger 22-27 Fed Com 521H Well**, the **Haflinger 22-27 Fed Com 522H Well**, the **Haflinger 22-27 Fed**

Com 524H Well, the **Haflinger 22-27 Fed Com 525H Well**, and the **Haflinger 22-27 Fed Com 526H Well**, as initial wells, to be drilled to a sufficient depth to test the Bone Spring formation in the JENNINGS; UPPER BONE SPRING SHALE [Code 97838]).

3. Devon proposes to drill its wells as follows:

- Devon proposes the **Haflinger 22-27 Fed Com 100H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The 100H well is in the Lower Bone Spring (Code 97903).
- Devon proposes the **Haflinger 22-27 Fed Com 121H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. The 121H well is in the Lower Bone Spring (Code 97903).
- Devon proposes the **Haflinger 22-27 Fed Com 125H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The 125H well is in the Lower Bone Spring (Code 97903).
- Devon proposes the **Haflinger 22-27 Fed Com 231H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. The 231H well is in the Lower Bone Spring (Code 97903).
- Devon proposes the **Haflinger 22-27 Fed Com 232H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The **Haflinger 22-27 Fed Com 232H Well** is the proximity well, positioned so the unit can include proximity tracts, thereby incorporating the E/2 W/2 of Sections 22 and 27. The 232H well is in the Lower Bone Spring (Code 97903) and will be the proximity well for this pool.

- Devon proposes the **Haflinger 22-27 Fed Com 233H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The 233H well is in the Lower Bone Spring (Code 97903).
- Devon proposes the **Haflinger 22-27 Fed Com 300H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The 300H well is in the Jennings; Upper Bone Spring Shale (Code 97838). It is positioned to qualify as a proximity well for the Jennings pool and will be utilized to as a proximity tract to glue together the W/2 of Sections 22 and 27 as a unit.
- Devon proposes the **Haflinger 22-27 Fed Com 303H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. The 303H well is in the Lower Bone Spring (Code 97903).
- Devon proposes the **Haflinger 22-27 Fed Com 520H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. The 520H well is in the Jennings; Upper Bone Spring Shale (Code 97838).
- Devon proposes the **Haflinger 22-27 Fed Com 521H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. The 521H well is in the Jennings; Upper Bone Spring Shale (Code 97838).
- Devon proposes the **Haflinger 22-27 Fed Com 522H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. The 522H well is in the Jennings; Upper Bone Spring Shale (Code 97838).
- Devon proposes the **Haflinger 22-27 Fed Com 524H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section

22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The 524H well is in the Jennings; Upper Bone Spring Shale (Code 97838).

- Devon proposes the **Haflinger 22-27 Fed Com 525H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The 525H well is in the Jennings; Upper Bone Spring Shale (Code 97838).
- Devon proposes the **Haflinger 22-27 Fed Com 526H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The 526H well is in the Jennings; Upper Bone Spring Shale (Code 97838).

2. The wells proposed herein are orthodox in their location; and the take points and completed intervals will comply with setback requirements under statewide rules.

3. Devon previously pooled the Bone Spring underlying the E/2 W/2 of Sections 22 and 27 under Order No. R-22550. Devon dedicated the **Haflinger 22-27 Fed Com 304H Well** to the spacing unit created under Order No. R-22550. Devon seeks to have Order No. R-22550 vacated and replaced with the order issued in this case. Accordingly, Devon intends to rededicate the **Haflinger 22-27 Fed Com 304H Well** to the spacing units proposed herein.

APPLICANT’S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Ryan Cloer	Approx. 10 min	Approx. 5
Geologist: Kate Hughston-Kennedy	Approx. 10 min	Approx. 6

PROCEDURAL MATTERS

No protests or objections have been filed, and Devon does not anticipate any at this time; consequently, Devon plans to conduct the hearing by affidavit or self-affirmed statements.

Respectfully submitted,

ABADIE & SCHILL, PC

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Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 459687

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 459687
	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