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April 20, 2004

HAND DELIVERED

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APR 20 2004

Mrs. Carol Leach, Acting Director
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Case 13264

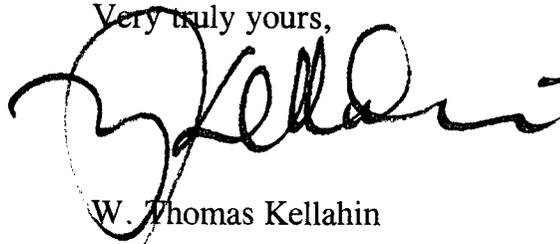
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Rio Blanco "9" Well No. 1
N/2 Section 9, T23S R34E
Application of Devon Energy Production Company, L.P.
for Compulsory Pooling
Lea County, New Mexico

Dear Mrs. Leach:

On behalf of Devon Energy Production Company, L.P., please find enclosed our referenced application which we request be set for hearing on the Examiner's docket now scheduled for May 13, 2004. Also enclosed is our proposed advertisement of this case for the NMOCD docket.

Very truly yours,



W. Thomas Kellahin

Cc: Devon Energy Production Company
Attn: Richard Winchester

Proposed Advertisement

Case 13264: Application of Devon Energy Production Company, L.P. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Devonian formation underlying the following described acreage in Section 9, Township 23 South, Range 34 East, N.M.P.M., and in the following manner: The N½ to form a standard 320-acre gas spacing and proration unit for any and all formations developed on 320-acre spacing within that vertical extent, including the Northeast Bell Lake-Devonian Gas Pool. The unit is to be dedicated to the Rio Blanco "9" Well No. 1, which will be located at a standard location in the NW¼NW¼ (Unit D) of the section. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 20 miles southwest of Eunice, New Mexico.

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April 20, 2004

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CERTIFICATE MAIL-RETURN RECEIPT REQUESTED APR 20 2004

NOTICE OF THE HEARING OF THE FOLLOWING
NEW MEXICO OIL CONSERVATION DIVISION CASE

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

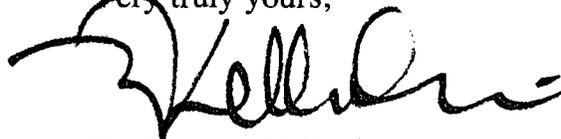
**Re: Application of Devon Energy Production Company,
L.P. for Compulsory Pooling
Lea County, New Mexico**

On behalf of Devon Energy Production Company, L.P., please find enclosed our application for an compulsory pooling for its Rio Blanco "9" Well No. 1 which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for May 13, 2004. The hearing will be held at the Division hearing room located at 1220 South St. Francis Drive, Santa Fe, New Mexico.

You are not required to attend this hearing, but as an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Pursuant to the Division's Rule 1208.B, parties appearing in cases are required to file a Pre-Hearing Statement with the Division not later than 5:00 pm on Friday, May 7, 2004, with a copy delivered to the undersigned. This statement must include: a summary of your position, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and the identification of any procedural matters that are to be resolved prior to the hearing. In addition, the Division will impose a 200% risk charge unless you declare in this Pre-Hearing Statement that you intend to oppose it. Please note that the burden of proof as to this issue will be yours. If you have any questions about this case you may contact Richard Winchester at 405-228-4415.

Very truly yours,



W. Thomas Kellahin

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

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APR 20 2004

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

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

CASE NO. 13264

APPLICATION

Comes now DEVON ENERGY PRODUCTION COMPANY, L.P. ("Devon") by its attorneys, Kellahin & Kellahin, and in accordance with Section 70-2-17(c) NMSA (1978), applies to the New Mexico Oil Conservation Division for an order pooling all mineral interests from the surface to the base of the Devonian formation underlying the following described acreage in Section 9, T23S, R34E, NMPM in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within that vertical extent, including the Northeast Bell Lake-Devonian Gas Pool. This unit is to be dedicated to its Rio Blanco "9" Well No. 1 which will be located at a standard location within Unit B of this section.

In support of its application, Devon Energy Production Company, L.P. ("Devon") states:

1. Devon has the right to drill and develop the oil and gas minerals from the surface to the base of the Devonian formation underlying the NW/4 of Section 9, T23S, R34E, NMPM, Lea County, New Mexico.
2. Devon has proposed that the N/2 of this section be to dedicated as a standard 320-acre gas spacing unit for production from the Devonian formation to be obtained from its proposed Rio Blanco "9" Well No 1 to be located in Unit B of this section.
3. This spacing unit and its well are subject to the Northeast Bell Lake-Devonian Gas Pool.

4. Devon has proposed this spacing unit and this well to the working interest in the spacing unit as identified on Exhibit "A."
5. Devon has not been able to obtain a written voluntary agreement from all the parties listed on Exhibit "A."
6. Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying this spacing unit, the applicant needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.
7. Pursuant to Commission Order R-11992, effective August 15, 2003, Devon requests that a 200% risk charge be applied.
8. In accordance with the Division's notice requirements, a copy of this application has been sent to the parties whose interest are to be pooled and whose current addresses are known as listed on Exhibit "A" of the applicant's request for a hearing of this matter before the Division on the next available Examiner's docket now scheduled for May 13, 2004.

WHEREFORE, Devon, as applicant, requests that this application be set for hearing on May 13, 2004 before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described in the appropriate spacing unit for the drilling of this well location upon terms and conditions which include:

- (1) Devon Energy Production Company, L.P. be named operator;
- (2) Provisions for applicant and all working interest owners to participate in the costs of drilling, completing, equipping and operating the well;
- (3) In the event a working interest owner fails to elect to participate, then provision be made to recover out of production, the costs of the drilling, completing, equipping and operating the well, including a risk factor charge of 200%;
- (4) Provision for overhead rates per month drilling and per month operating and a provision providing for an adjustment method of the overhead rates as provided by COPAS;

(5) For such other and further relief as may be proper.

RESPECTFULLY SUBMITTED:

A handwritten signature in black ink, appearing to read "W. Thomas Kellahin". The signature is fluid and cursive, with a large initial "W" and a long, sweeping tail.

W. THOMAS KELLAHIN
KELLAHIN & KELLAHIN
P. O. Box 2265
Santa Fe, New Mexico 87501
(505) 982-4285

EXHIBIT "A"

ConocoPhillips Company
550 Westlake Park Blvd.
Westlake-3, Room 5050
Houston, Texas 77079