

McMillan, Michael, EMNRD

From: Kaitlyn A. Luck <Kluck@montand.com>
Sent: Tuesday, March 5, 2019 3:37 PM
To: McMillan, Michael, EMNRD
Cc: Brooks, David K, EMNRD; Seth McMillan; David Ortiz; Jim Bruce
Subject: [EXT] RE: Devon - Case Nos. 20160 & 20161

Mr. McMillan,

**The following is the correspondence between Devon and Ray regarding the pool name.
Thanks!**

From: Allen, Cari [mailto:Cari.Allen@dvn.com]
Sent: Tuesday, March 5, 2019 3:35 PM
To: Kaitlyn A. Luck <Kluck@montand.com>
Subject: FW: [EXTERNAL] RE: Sections 13 and 14, T21S-27E, Eddy County, NM

FYI – Please see new pool.

From: Podany, Raymond, EMNRD [mailto:Raymond.Podany@state.nm.us]
Sent: Tuesday, March 05, 2019 4:22 PM
To: Allen, Cari <Cari.Allen@dvn.com>
Subject: [EXTERNAL] RE: Sections 13 and 14, T21S-27E, Eddy County, NM

I have created an oil Pool ALACRAN HILLS UPPER WOLFCAMP OIL 98314 Use this in your pool applications and APDS.
Use horizontal well rules setbacks or 100' for oil from line for take points. RWP

From: Allen, Cari <Cari.Allen@dvn.com>
Sent: Tuesday, March 5, 2019 3:04 PM
To: Podany, Raymond, EMNRD <Raymond.Podany@state.nm.us>
Subject: [EXT] Sections 13 and 14, T21S-27E, Eddy County, NM

Raymond,

What do you need from me to establish an oil pool for the captioned sections since Devon will be drilling the Wolfcamp XY (Oil)?

Thanks,

Cari Allen
Devon Energy Production Company, L.P.
333 W. Sheridan Avenue
Oklahoma City, OK 73102
(405) 228-4397



KAITLYN A. LUCK

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From: McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]
Sent: Tuesday, March 5, 2019 1:32 PM
To: Kaitlyn A. Luck <Kluck@montand.com>
Cc: Brooks, David K, EMNRD <DavidK.Brooks@state.nm.us>; Seth McMillan <SMcMillan@montand.com>; David Ortiz <DOrtiz@montand.com>; Jim Bruce <jamesbruc@aol.com>
Subject: RE: Devon - Case Nos. 20160 & 20161

Be sure and have Devon supply the Engineering Bureau the conversation with Artesia District Office that names the new pool with corresponding pool code.

Mike

From: Kaitlyn A. Luck <Kluck@montand.com>
Sent: Tuesday, March 5, 2019 11:27 AM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Cc: Brooks, David K, EMNRD <DavidK.Brooks@state.nm.us>; Seth McMillan <SMcMillan@montand.com>; David Ortiz <DOrtiz@montand.com>; Jim Bruce <jamesbruc@aol.com>
Subject: [EXT] RE: Devon - Case Nos. 20160 & 20161

Mr. Bruce –

After our hearing this morning in Mewbourne/Catena, I met with Hearing Examiners McMillan and Brooks. I apologize for the ex parte proceeding as I did not realize at the time that you had entered an appearance in this matter because Seth had taken the lead on the presentation of the affidavits.

Hearing Examiners McMillan and Brooks were advised during the conference about the fact that Devon spoke with OCD this morning. OCD advised this morning that Devon did not have the correct pool code for Case Nos. 20160 and 20161 because the target formation is an oil pool in the Wolfcamp. For that reason, these wells come within the rules for oil wells. We'll be submitting a supplemental affidavit from our geologist stating that the completed intervals for these wells is in the Wolfcamp oil pool. On Case No. 20161, we are continuing for notice purposes, to amend our application to reflect that we're seeking to bring in the proximity tracts to create 40-acre building blocks for the spacing unit.

Let us know if you have any questions.

Thanks for your time and understanding.

Best,



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From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Monday, March 4, 2019 4:30 PM
To: Kaitlyn A. Luck <Kluck@montand.com>
Cc: Brooks, David K, EMNRD <DavidK.Brooks@state.nm.us>; Seth McMillan <SMcMillan@montand.com>; David Ortiz <DOrtiz@montand.com>; Jim Bruce <jamesbruc@aol.com>
Subject: RE: Devon - Case Nos. 21057, 20158, 20159, 20160 & 20161

After I looked at the Landman Exhibit in Case 20160 I am still left with the same questions. The Alacran Hills; Wolfcamp (Gas) is a statewide gas pool, in which the building blocks can either be 320-acres or quarter-sections
Devon is asking for only N/2 N/2 spacing unit.
Devon did not mention identical ownership in the N/2 N/2 and S/2 N/2 of Section 13 and 14.
Devon requested a standard spacing unit- the N/2 N/2 and S/2 N/2 of Section 13 and 14 is not.

Therefore, I would recommend that the case be Dismissed.
Devon should renote all affected parties and either request a non-standard spacing unit (N/2 N/2 Spacing Unit) or a standard spacing unit comprised of the N/2 of Section 13 and 14.

I would be agreeable to a conference

Mike

From: Kaitlyn A. Luck <Kluck@montand.com>
Sent: Monday, March 4, 2019 2:55 PM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Cc: Brooks, David K, EMNRD <DavidK.Brooks@state.nm.us>; Seth McMillan <SMcMillan@montand.com>; David Ortiz <DOrtiz@montand.com>
Subject: [EXT] RE: Devon - Case Nos. 21057, 20158, 20159, 20160 & 20161

Good afternoon, Hearing Examiners,

Attached please find:

- (1) **Supplemental Affidavit of Cari Allen to be entered into the record in Case No. 20160.**
This affidavit confirms the ownership in the S/2N/2 of Sections 13 and 14 is uniform to that of

the N/2N/2. All parties entitled to notice received proper notice of the wells and the compulsory pooling.

(2) Additional Basic Isopach Maps for Case Nos. 20157, 20158, 20159:

- a. Exhibit C-1A – Lone Tree Draw 14-13 State Com 331H & 332H
- b. Exhibit C-2A – Lone Tree Draw 14-13 State Com 333H
- c. Exhibit C-3A – Lone Tree Draw 14-13 State Com 334H, 335H, & 336H

(3) Additional Basic Isopach Maps for Case Nos. 20160, 20161:

- a. Exhibit B-1A – Lone Tree Draw 14-13 State Com 621H
- b. Exhibit B-2A – Lone Tree Draw 14-13 State com 623H

We ask that the above-referenced cases be supplemented with the attached additional exhibits that have been labeled accordingly.

If you have any questions, please let us know.

Best,



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From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]

Sent: Monday, February 25, 2019 4:46 PM

To: Kaitlyn A. Luck <Kluck@montand.com>

Cc: Brooks, David K, EMNRD <DavidK.Brooks@state.nm.us>

Subject: RE: Devon - Case No. 20161

Make sure David Brooks is involved in any discussions

Mike

From: Kaitlyn A. Luck <Kluck@montand.com>

Sent: Monday, February 25, 2019 4:43 PM

To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>

Subject: [EXT] Devon - Case No. 20161

Mr. McMillan,

I apologize for the confusion on our end in this case. We will follow up with you tomorrow to confirm the number of acres of the horizontal spacing unit for this case.

Thanks,



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