

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

**AMENDED APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.
FOR NON-STANDARD SPACING AND COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

**CASE NO. 21238
(formerly Case 21099)**

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

Devon seeks an order: (a) approving a 240-acre, more or less, non-standard horizontal spacing unit comprised of the W/2 SW/4 of Section 3 and the W/2 W/2 of Section 10, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted interests in Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool [98220]) underlying this non-standard spacing unit. Devon intends to initially dedicate this non-standard spacing unit to the **Thoroughbred 10-3 Fed Com #621H** and the **Thoroughbred 10-3 Fed Com #711H** wells,

both of which will be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 10 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 3.

This acreage was initially brought before the Division on March 5, 2020, under Case 21099 for approval of a 480-acre standard horizontal spacing unit consisting of the SW/4 of Section 3 and the W/2 of Section 10. Devon, in consultation with XTO Energy, has since determined that it is prudent to seek two non-standard horizontal spacing units in the W/2 of Sections 3 and 10 to allow development of this acreage without encroaching into the federal Poker Lake Unit (operated by XTO Energy) which extends into the W/2 NW/4 of Section 3. Accordingly, Devon has obtained administrative approval of a nonstandard spacing unit comprised of the W/2 W/2 of Sections 3 and 10 under Order NSP-2123.¹ The approval of this application will allow development of the remaining acreage in the W/2 of Sections 3 and 10 without including the W/2 NW/4 of Section 3 that is within the boundaries of the Poker Lake Unit.

PROPOSED EVIDENCE

WITNESSES Name and Expertise	ESTIMATED TIME	EXHIBITS
Tim Prout, Landman	Affidavit	6
Sloan Anderson, Geologist	Affidavit	3


PROCEDURAL MATTERS

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

¹ No pooling is necessary for the non-standard horizontal spacing unit approved under NSP-2123.

Respectfully submitted,

HOLLAND & HART LLP

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