

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

CASE NO. 13521

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

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Devon Energy Production Company, L.P.
Attn: Ken Gray
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260
(405) 552-4633

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988.4421

2005 JUL 8 AM 9 34

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the base of the Wolfcamp formation to the base of the Morrow formation in the following described spacing and proration units located in the S/2 of Section 27, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico: the S/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the South Carlsbad-

Morrow Gas Pool, the Carlsbad Strawn Gas Pool, the Undesignated South Carlsbad-Strawn Gas Pool, the Undesignated East Carlsbad-Wolfcamp Gas Pool, the Undesignated Otis-Atoka Gas Pool, and the Undesignated Otis-Morrow Gas Pool; the SE/4 for all formations and/or pools developed on 160-acre spacing; and the NE/4 SE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated North Cass Draw-Wolfcamp Pool and the Undesignated Wye Delaware Pool. These spacing and proration units are to be dedicated to the Lovelace "27" Fee Well No. 2 to be drilled to the base of the Morrow formation at a non-standard gas well location 2410 feet from the South line and 1165 feet from the East line of said Section 27. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Devon Energy Production Company, LP as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 2 miles east of Carlsbad, New Mexico.

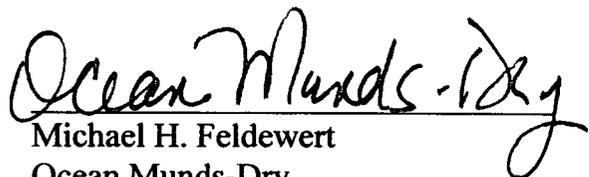
PROPOSED EVIDENCE

APPLICANT

WITNESSES	ESTIMATED TIME	EXHIBITS
Ken Gray (Landman)	Approx. 20 Minutes	Approx. 8

PROCEDURAL MATTERS

Devon Energy Production Company, L.P. has none at this time.



Michael H. Feldewert
Ocean Munds-Dry
Attorney for Devon Energy Production Company,
L.P.