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April 29, 2014


Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 15146

Dear Florene:

Enclosed for filing, on behalf of Devon Energy Production Company, L.P., are an original and one copy of an application for compulsory pooling, *etc.*, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the May 29, 2014 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Devon Energy Production Company, L.P.

PERSONS BEING NOTIFIED

Charles E. Jones, deceased

Sadie C. Jones, deceased

PROPOSED ADVERTISEMENT

Case No. 15146:

Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2N/2 of Section 24, Township 19 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2N/2 of Section 24 to form a non-standard 160 acre oil spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Mimosa 24 Fed. Com. Well No. 2H, a horizontal well with a surface location in the NW/4NW/4, and a terminus in the SE/4NE/4, of Section 24. Also to be considered will be the designation of applicant as operator of the well. The unit is located approximately 15 miles southeast of Loco Hills, New Mexico.

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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P. FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

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Case No. 15146

APPLICATION

Devon Energy Production Company, L.P. applies for an order (i) approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the S½N½ of Section 24, Township 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and (ii) pooling all mineral interests in the Bone Spring formation underlying the non-standard unit, and in support thereof, states:

1. Applicant is an interest owner in the S½N½ of Section 24, and has the right to drill a well thereon.
2. Applicant has drilled its Mimosa 24 Fed. Com. Well No. 2H to a depth sufficient to test the Bone Spring formation. Applicant seeks to dedicate the S½N½ of Section 24 to the well to form a non-standard 160 acre oil spacing and proration unit (project area) in the Bone Spring formation for all pools developed on 40 acre spacing. The well is a horizontal well, with a surface location in the NW¼NW¼, and a terminus in the SE¼NE¼, of Section 24.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S½N½ of Section 24 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests.

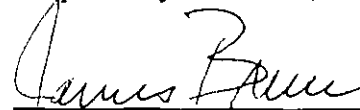
Therefore, applicant seeks an order pooling all mineral interest owners in the S½N½ of Section 24, pursuant to NMSA 1978 §§70-2-17, 18.

5. Approval of the non-standard unit, and the pooling of all mineral interests underlying the S½N½ of Section 24, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Approving a non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S½N½ of Section 24;
- B. Pooling all mineral interests in the Bone Spring formation underlying the S½N½ of Section 24; and
- C. Designating applicant as operator of the well.

Respectfully submitted,



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Attorney for Devon Energy Production
Company, L.P.