

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

JAN 07 2013 PM02:23

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

CASE NO. 20261

**APPLICATION**

Devon Energy Production Company, L.P. ("Devon"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order pooling all uncommitted interests in Bone Spring formation (Sand Dunes; Bone Spring South Pool (53805)) underlying a 320-acre standard horizontal well spacing unit comprised of the W/2 W/2 of Sections 15 and 22, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. In support of this application, Devon states:

1. Devon (OGRID No. 6137) is a working interest owner in the proposed horizontal well spacing unit and has the right to drill thereon.
2. Devon seeks to dedicate the above-referenced horizontal well spacing unit to the proposed **Grumpy Cat 15-22 Federal Com 211H Well** to be drilled at a sufficient depth to test the Bone Spring formation from surface location in the NW/4 NW/4 (Unit D) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 22. The completed interval for this well will comply with the standard setback requirements for oil wells.
3. Devon has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.
4. The pooling of interests in the proposed horizontal well spacing unit will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

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**ATTORNEYS FOR DEVON ENERGY PRODUCTION  
COMPANY, L.P.**

CASE \_\_\_\_\_:

**Application of Devon Energy Production Company, L.P. for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation (Sand Dunes; Bone Spring, South Pool (53805)) underlying a 320-acre standard horizontal well spacing unit comprised of the W/2 W/2 of Sections 15 and 22, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal well spacing unit to the proposed **Grumpy Cat 15-22 Federal Com 211H Well** to be drilled from surface location in the NW/4 NW/4 (Unit D) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 22. The completed interval for this well will comply with the standard setback requirements for oil wells. Also, to be considered will be the cost of drilling and completing the well, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the Applicant as operator, and the imposition of a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 32 miles East/Southeast of Carlsbad, NM.