

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

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

CASE NOS. 20259 & 20260

**APPLICATION OF CIMAREX ENERGY CO. FOR APPROVAL OF A
HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO.**

CASE NO. 20162

DEVON'S CONSOLIDATED PRE- HEARING STATEMENT

Devon Energy Production Company, L.P. ("Devon") submits this pre-hearing statement as required by the rule of the Oil Conservation Division.

APPEARANCES OF PARTIES

**APPLICANT IN CASE NOS. 20259
AND 20260**

Devon Energy Corporation

ATTORNEY

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APPLICANT IN CASE NO. 20162

Cimarex Energy Company

ATTORNEY

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STATEMENT OF THE CASES

This matter involves pooling applications for the following proposed horizontal well spacing units in the Bone Spring formation underlying Sections 13 and 24, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

In Case No. 20259, Devon seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre standard horizontal spacing unit comprised of the W/2 of Sections 13 and 24. This horizontal spacing unit will initially be dedicated to three proposed wells drilled at a depth to develop the Leonard shale interval of the Bone Spring formation from a common drilling pad located in the SW/4 SW/4 (Unit M) of Section 24:

- **Bell Lake 24-13 Federal Com 5H Well** to be drilled from a common surface pad in the SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13.
- **Bell Lake 24-13 Federal Com 7H Well** to be drilled from a common surface pad in the SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13.
- **Bell Lake 24-13 Federal Com 8H Well** to be drilled from a common surface pad in the SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 13.

The completed interval for the Bell Lake 24-13 Federal Com 7H Well will remain within 330 feet of the E/2 W/2 of Sections 13 and 24 to allow inclusion of these proximity tracts in a standard 640-acre horizontal well spacing comprised of the W/2 of Sections 13 and 24. Since the proposed wells will be simultaneously drilled and completed, Devon requests an extension of the normal 120-day period to drill and complete the initial well.

In Case No. 20260, Devon seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre standard horizontal spacing unit

comprised of the E/2 of Sections 13 and 24. This horizontal spacing unit will initially be dedicated to three proposed wells drilled at a depth to develop the Leonard shale interval of the Bone Spring formation from a common drilling pad located in the SW/4 SE/4 (Unit O) of Section 24:

- **Bell Lake 24-13 Federal Com 10H Well** to be drilled from a common surface pad in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 13.
- **Bell Lake 24-13 Federal Com 11H Well** to be drilled from a common surface pad in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 13.
- **Bell Lake 24-13 Federal Com 13H Well** to be drilled from a common surface pad in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 13.

The completed interval for the Bell Lake 24-13 Federal Com 11H Well will remain within 330 feet of the E/2 E/2 of Sections 13 and 24 to allow inclusion of these proximity tracts in a standard 640-acre horizontal well spacing comprised of the E/2 of Sections 13 and 24. Since Because the proposed wells will be simultaneously drilled and completed, Devon requests an extension of the normal 120-day period to drill and complete the initial well.

In Case No. 20162, Cimarex Energy Co. ("Cimarex") seeks an order pooling all uncommitted interests in Bone Spring formation underlying a 160-acre standard horizontal spacing unit comprised of the W/2 W/2 of Sections 13. This horizontal spacing unit is to be dedicated to the **Dos Equis 13 Federal Com 10H** well to be drilled at a depth to develop the 2nd Bone Spring Sands of the Bone Spring formation.

Devon owns 75% of the working interest in the W/2 W/2 spacing unit proposed by Cimarex in Section 13. Devon owns 75% of the working interest in the E/2 spacing

unit and 81.25% of the working interest in the W/2 spacing unit proposed by Devon in Sections 13 and 24. Because of this overwhelming ownership difference alone, Devon should be named operator of the horizontal well spacing units proposed under its applications.

PROPOSED EVIDENCE

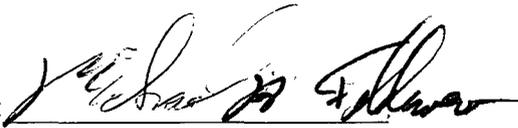
<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Andy D. Bennett, Landman	20 Minutes	8
John Green, Geologist	20 Minutes	5
Sarah Liem, Engineer	20 Minutes	5

PROCEDURAL MATTERS

Cimarex and Devon mutually agreed to continue these cases to the February 21st Examiner Docket so that Cases 20259, 20260 and 20162 can be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP

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**ATTORNEYS FOR DEVON ENERGY
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CERTIFICATE OF SERVICE

I hereby certify that on February 14, 2019 I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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