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January 25, 2008

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

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, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the March 6, 2008 Examiner hearing. Thank you.

Very truly yours,


James Bruce

Attorney for Devon Energy Production Company, L.P.

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Case 14096

PERSONS BEING POOLED

Richard Rodgers
Address unknown

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 14096

APPLICATION

Devon Energy Production Company, L.P. applies for an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32, and has the right to drill a well thereon.

2. Applicant proposes to drill its Hulkster Well No. 1, at an orthodox oil well location in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32, and seeks to dedicate the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32 to the well to form a standard 40 acre oil spacing and proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent, including the Lusk-Bone Spring Pool.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32 for the purposes set forth herein.

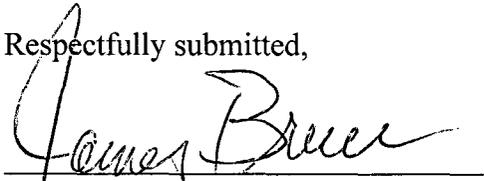
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32 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. Pooling all mineral interests in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32, from the surface to the base of the Bone Spring formation;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



James Bruce
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Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Devon Energy Production
Company, L.P.

PROPOSED ADVERTISEMENT

Case No. 14096: **Application of Devon Energy Production Company, L.P. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the NW/4NW/4 of Section 32, Township 18 South, Range 32 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Lusk-Bone Spring Pool. The unit will be dedicated to the Hulkster Well No. 1, to be drilled at an orthodox oil well location in the NW/4NW/4 of Section 32. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 10 miles south-southwest of Maljamar, New Mexico.

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