JAMES BRUCE

ATTORNEY AT LAW

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(505) 982-2043 (505) 982-2151 (FAX)

January 20, 2000

JAN 2 | 2000

12342

Via Fax and U.S. Mail

Florene Davidson Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and two copies of an application for compulsory pooling, together with a proposed advertisement, filed on behalf of Devon Energy Corporation (Nevada). Please set this matter for the February 17, 2000 Examiner hearing. Thank you.

Very truly yours,

Dames Bruce

APPLICATION OF DEVON ENERGY CORPORATION (NEVADA) FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

No. 12342

APPLICATION

Devon Energy Corporation (Nevada) applies for an order pooring all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, the E½NW¼, and the NE¼ _(N½) equivalent) of Section 30, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- Applicant is a working interest owner in the N½ of Section 4, and has the right to drill a well thereon.
- 2. Applicant proposes to drill its Logan Draw "30G" Fed. Com. Well No. 1, at an orthodox gas well location in the NE% of Section 30, and seeks to dedicate the N½ of Section 30 to the well for all pools or formations developed on 320-acre spacing, including the Logan Draw-Morrow Gas Pool.
- Applicant has in good faith sought to obtain the 3. voluntary joinder of all other mineral interest owners in the N½ of Section 30 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 N% of Section 30, pursuant to NMSA 1978 §70-2-17 (1996).

5. The pooling of all mineral interests underlying the N% of Section 30 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 N½ of Section 30, from the surface to the base of the Morrow formation;
- B. Designating applicant as operator of the well;
- c. Considering the cost of drilling and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting said rates as provided in the COPAS accounting procedure;
- E. Setting a penalty for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well; and
- F. Granting such further relief as the Division deems proper.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

APPLICATION OF DEVON ENERGY CORPORATION (NEVADA) FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

No. 123428

APPLICATION

Devon Energy Corporation (Nevada) applies for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, the E½NW¼, and the NE¼ (N½ equivalent) of Section 30, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is a working interest owner in the $N\frac{1}{2}$ of Section 4, and has the right to drill a well thereon.
- 2. Applicant proposes to drill its Logan Draw "30G" Fed. Com. Well No. 1, at an orthodox gas well location in the NE% of Section 30, and seeks to dedicate the N% of Section 30 to the well for all pools or formations developed on 320-acre spacing, including the Logan Draw-Morrow Gas Pool.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N½ of Section 30 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 N½ of Section 30, pursuant to NMSA 1978 §70-2-17 (1996).

5. The pooling of all mineral interests underlying the N_{2} of Section 30 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 N½ of Section 30, from the surface to the base of the Morrow formation;
- B. Designating applicant as operator of the well;
- c. Considering the cost of drilling and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting said rates as provided in the COPAS accounting procedure;
- E. Setting a penalty for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well; and
- F. Granting such further relief as the Division deems proper.

Respectfully submitted,

James Bruce

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Santa Fe, New Mexico 87504

(505) 982-2043

APPLICATION OF DEVON ENERGY CORPORATION (NEVADA) FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

No. 12342

APPLICATION

Devon Energy Corporation (Nevada) applies for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, the E½NW¼, and the NE¼ (N½) equivalent) of Section 30, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is a working interest owner in the $N\frac{1}{2}$ of Section 4, and has the right to drill a well thereon.
- 2. Applicant proposes to drill its Logan Draw "30G" Fed. Com. Well No. 1, at an orthodox gas well location in the NE% of Section 30, and seeks to dedicate the N% of Section 30 to the well for all pools or formations developed on 320-acre spacing, including the Logan Draw-Morrow Gas Pool.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N% of Section 30 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 N½ of Section 30, pursuant to NMSA 1978 §70-2-17 (1996).

5. The pooling of all mineral interests underlying the $N_{\rm M}$ of Section 30 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 N½ of Section 30, from the surface to the base of the Morrow formation;
- B. Designating applicant as operator of the well;
- c. Considering the cost of drilling and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting said rates as provided in the COPAS accounting procedure;
- E. Setting a penalty for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well; and
- F. Granting such further relief as the Division deems proper.

Respectfully submitted,

J**ą**mes Bruce

Pbst Office Box 1056

Santa Fe, New Mexico 87504

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PROPOSED ADVERTISEMENT

Case 12342: Application of Devon Energy Corporation (Nevada) for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, E½NW¼, and NE¼ (N½ equivalent) of Section 30, Township 17 South, Range 27 East, NMPM, to form a standard 319.57-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Logan Draw-Morrow Gas Pool. The unit is to be dedicated to the applicant's Logan "30G" Fed. Com. Well No. 1, to be drilled at an orthodox location in the NE% of Section 30. 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 the applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 4 miles southeast of Artesia, New Mexico.

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Case 12342: Application of Devon Energy Corporation (Nevada) for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, E½NW¼, and NE¼ (N½ equivalent) of Section 30, Township 17 South, Range 27 East, NMPM, to form a standard 319.57-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Logan Draw-Morrow Gas Pool. The unit is to be dedicated to the applicant's Logan "30G" Fed. Com. Well No. 1, to be drilled at an orthodox location in the NE% of Section 30. 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 the applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 4 miles southeast of Artesia, New Mexico.

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January 20, 2000

Case 12342

Via Fax and U.S. Mail

Florene Davidson Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and two copies of an application for compulsory pooling, together with a proposed advertisement, filed on behalf of Devon Energy Corporation (Nevada). Please set this matter for the February 17, 2000 Examiner hearing. Thank you.

Very truly yours,

Attorney for Devon Energy Corporation (Nevada)

James Bruce

APPLICATION OF DEVON ENERGY CORPORATION (NEVADA) FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

No. 1342

APPLICATION

Devon Energy Corporation (Nevada) applies for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, the E½NW¼, and the NE¼ (N½ equivalent) of Section 30, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is a working interest owner in the N% of Section 4, and has the right to drill a well thereon.
- 2. Applicant proposes to drill its Logan Draw "30G" Fed. Com. Well No. 1, at an orthodox gas well location in the NE% of Section 30, and seeks to dedicate the N% of Section 30 to the well for all pools or formations developed on 320-acre spacing, including the Logan Draw-Morrow Gas Pool.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N% of Section 30 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 N% of Section 30, pursuant to NMSA 1978 §70-2-17 (1996).

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the Division enter its order:

- A. Pooling all mineral interests in the N% of Section 30, from the surface to the base of the Morrow formation;
- B. Designating applicant as operator of the well;
- c. Considering the cost of drilling and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting said rates as provided in the COPAS accounting procedure;
- E. Setting a penalty for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well; and
- F. Granting such further relief as the Division deems proper.

Respectfully submitted,

James Bruce

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PROPOSED ADVERTISEMENT

Case $\frac{12342}{1}$: Application of Devon Energy Corporation (Nevada) for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, E½NW¼, and NE% (N% equivalent) of Section 30, Township 17 South, Range 27 East, NMPM, to form a standard 319.57-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Logan Draw-Morrow Gas Pool. The unit is to be dedicated to the applicant's Logan "30G" Fed. Com. Well No. 1, to be drilled at an orthodox location in the NE $\frac{1}{4}$ of Section 30. 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 the applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 4 miles southeast of Artesia, New Mexico.

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