

CASE 13086: Continued from June 19, 2003, Examiner Hearing.

Application of Bass Enterprises Production Co. for compulsory pooling and approval of a non-standard gas spacing and proration unit, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1-4 and the E/2 W/2 (the W/2) of Section 30, Township 21 South, Range 28 East, to form a non-standard 313.12-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated East Carlsbad-Wolfcamp Gas Pool, Undesignated East Carlsbad-Strawn Gas Pool, Undesignated West Indian Flat-Atoka Gas Pool, and Undesignated East Carlsbad-Morrow Gas Pool. The unit is to be dedicated to applicant's Big Eddy Unit Well No. 144, to be located at an orthodox well location in Lot 1 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 applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 6 miles northeast of Carlsbad, New Mexico.

CASE 12961: (Reopened)

Application of Devon Energy Production Company, L.P. to reopen Case No. 12961 for an exception to Division Order No. R-111-P, Eddy County, New Mexico. Applicant seeks an order holding that it need not cement the production strings to the surface on wells drilled on a federal oil and gas lease covering the N/2 of Section 14, Township 23 South, Range 31 East. The affected area is centered approximately 20 miles east of Loving, New Mexico.

CASE 13090: Continued from June 19, 2003, Examiner Hearing.

Application of Devon Energy Production Company, L. P. for an exception to the well density provisions of the special rules governing the Blanco-Mesaverde Pool, San Juan County, New Mexico. The applicant in this matter proposes to drill its NEBU Well No. 105-B 1005 feet from the South line and 830 feet from the East line (Unit P) of Section 24, Township 30 North, Range 8 West, as a second infill Mesaverde gas well within an existing standard 320-acre stand-up gas spacing and proration unit comprising the E/2 of Section 24, which is located in San Juan County one mile west of the Navajo Reservoir Dam. The eastern boundary of this 320-acre unit abuts the San Juan/Rio Arriba county line. Applicant is seeking an exception to Rule I.B (1) (b) of the "Special Rules for the Blanco-Mesaverde Pool," as promulgated by Division Orders No. R-10987-A and R-10987-A (1), in order to drill and complete this well within the same quarter-quarter section (SE/4 SE/4 of Section 24) as its existing NEBU Well No. 105-A (API No. 30-045-22044), located at a standard infill gas well location 1010 feet from the South line and 920 feet from the East line (Unit P) of Section 24.

CASE 13083: Continued from June 5, 2003, Examiner Hearing.

Application of Roca Production, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the NE/4 of Section 33, Township 22 South, Range 36 East, to form a non-standard 160-acre gas spacing and proration unit. The unit is to be dedicated to applicant's existing Esmond A Well No. 2, located 1980 feet from the North line and 990 feet from the East line of Section 33. Also to be considered will be the cost of re-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 charge for the risk involved in re-completing the well. The unit is located approximately 6½ miles southwest of Eunice, New Mexico.

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June 17, 2003

Via Fax and Hand Delivery

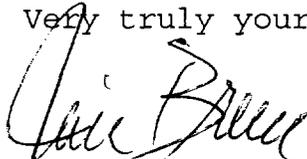
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and one copy of an application regarding the oil-potash area, together with a proposed advertisement, filed on behalf of Devon Energy Production Company, L.P. Please set this matter for the July 10, 2003 Examiner hearing. Thank you.

The proposed advertisement is also being e-mailed to you.

Very truly yours,



James Bruce

Attorney for Devon Energy Production Company, L.P.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P. TO REOPEN CASE NO. 12961
FOR AN EXCEPTION TO DIVISION ORDER NO.
R-111-P, EDDY COUNTY, NEW MEXICO.

Case No. R-12961 (Reopened)

APPLICATION

Devon Energy Production Company, L.P. requests that Case No. 12961 be reopened, and that Order No. R-11897 be amended to except additional acreage from certain requirements of Division Order No. R-111, as amended, In support thereof, applicant states:

1. Applicant is a working interest owner in, and the operator of, the oil and gas lease covering the federally-owned lands described below:

Township 23 South, Range 31 East, N.M.P.M.
Section 14: N½,

containing 320 acres (the "subject acreage").

2. The subject acreage is within the outer boundaries of the oil-potash area described in Order No. R-111, as amended, but is not covered by federal potash or potassium leases.

3. Ordering Paragraph D of Order No. R-111-P contains certain casing and cementing requirements for wells drilled in the oil-potash area.

4. Order No. R-11897, entered in Case No. 12961, provided that the acreage described below, adjoining the subject acreage, was excepted from the casing and cementing requirements of Order No. R-111, as amended, as further described in the order:

Township 23 South, Range 31 East, N.M.P.M.

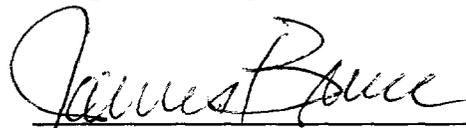
Section 10: SE $\frac{1}{4}$ SE $\frac{1}{4}$
Section 11: S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, and S $\frac{1}{2}$ SW $\frac{1}{4}$
Section 13: SW $\frac{1}{4}$ NE $\frac{1}{4}$ and W $\frac{1}{2}$
Section 14: S $\frac{1}{2}$
Section 15: E $\frac{1}{2}$, SW $\frac{1}{4}$, and SE $\frac{1}{4}$ NW $\frac{1}{4}$
Section 22: All
Section 23: All

5. Applicant requests that, for wells drilled on the subject acreage, it not be required to cement the production strings to the surface.

6. Granting this application will prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order granting the relief requested above.

Respectfully submitted,



James Bruce
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(505) 982-2043

Attorney for Devon Energy Production
Company, L.P.

Proposed Advertisement

Case 12961 (Reopened): Application of Devon Energy Production Company, L.P. to reopen Case No. 12961 for an exception to Division Order No. R-111-P, Eddy County, New Mexico. Applicant seeks an order holding that it need not cement the production strings to the surface on wells drilled on a federal oil and gas lease covering the N/2 of Section 14, Township 23 South, Range 31 East, N.M.P.M. The affected area is centered approximately 20 miles east of Loving, New Mexico.