

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

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

CASE NO. _____

APPLICATION

Devon Energy Production Company, L.P. (“Devon”) 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 the Bone Spring formation [Livingston Ridge; Bone Spring Pool (39350)] underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 13 and 24, T-23-S, R-31-E, NMPM, Eddy County, New Mexico. In support of this application, Devon states:

1. Devon (OGRID No. 6137) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. DEVON seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- **Bora Bora 13-24 Fed Com 212H** to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 12 to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 24.
- **Bora Bora 13-24 Fed Com 213H** to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 12 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 24.

3. The completed interval of the Bora Bora 13-24 Fed Com 212H well will be within 330 feet of the E/2 W/2 of Sections 13 and 24 to allow inclusion of these proximity tracts in a standard horizontal well spacing unit.

4. 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.

5. The pooling of the mineral interests in the proposed horizontal spacing unit will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Devon to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Devon should be designated the operator of this proposed horizontal spacing unit.

WHEREFORE, Devon requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 10, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells;
- B. Designating Devon the operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Devon to recover its costs of drilling, equipping and completing the well;
- D. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Devon in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

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