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August 10, 2004

Case 13335

Hand Delivered

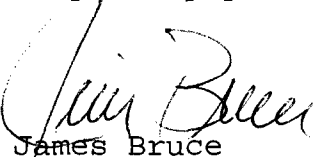
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and one copy of an application for compulsory pooling, together with a proposed advertisement, filed on behalf of Devon Energy Production Company, L.P. Please set this matter for the September 2, 2004 Examiner hearing. Thank you.

The proposed advertisement is also on the enclosed disk.

Very truly yours,


James Bruce

Attorney for Devon Energy Production Company, L.P.

PARTIES BEING POOLED

EOG Resources, Inc.
P.O. Box 2267
Midland, Texas 79702

James A. Allega
4309 Warwick Drive
Bryan, Texas 77802

Brown Brothers Harriman Trust Co.,
Trustee of the Agnes Cluthe Oliver
Trust & William B. Oliver Trust
Suite 1150
2001 Ross Avenue
Dallas, Texas 75201

David Goodnow
230 Ridgefield Road
Wilton, Connecticut 06897

Richard L. Griffith
4 Could March
Santa Fe, New Mexico 87506

Jack C. Hale
780 10th Street N.E.
East Wenatchee, Washington 98802

Sanford J. Hodge III
3600 St. Johns Drive
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Joseph Randall Hodge
P.O. Box 5238
Austin, Texas 78763

Charles C. Johnston
c/o Ultraclenz Corp.
No. 10
7830 Bryon Drive
Riviera Beach, Florida 33404

Ruby F. Kawasaki
734 Kalanipuer Street
Honolulu, Hawaii 96825

I.M. Kurashige, Trustee of
the E.F. Kurashige Trust
No. 701
1010 South King Street
Honolulu, Hawaii 96822

Dennis I. Maehara Trust
439-A Wyllie Street
Honolulu, Hawaii 96817

Charles Cline Moore
138 Harvard Avenue
Mill Valley, California 94941

Alphonso Ragland
7055 Helsem Way
Dallas, Texas 75230

Adolph P. Schuman
Apt. 205
1750 Taylor Street
San Francisco, California 94133

Space Building Corp.
250 Cape Highway, Route 44
East taunton, Massachusetts 02718

J. Frederick Van Vranken, Jr.
P.O. Box 264
Jericho, New York 11753

H.S. Ross
124 Monarch Bay
Dana Point, California 92629

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

2004 AUG 10 PM 4 13
Case No. 13335

APPLICATION

Devon Energy Production Company, L.P. applies for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W½ of Section 24, Township 22 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is a working interest owner in the W½ of Section 24, and has the right to drill a well thereon.

2. Applicant proposes to drill its Filaree 24N Fed. Com. Well No. 1, at an orthodox location in the SE¼SW¼ of Section 24, and seeks to dedicate the W½ of Section 24 to the well to form a standard 320 acre gas spacing and proration unit for all pools or formations developed on 320 spacing within that vertical extent, including the Undesignated McKittrick Canyon-Upper Pennsylvanian Gas Pool, Undesignated East McKittrick Hills-Atoka Gas Pool, and Undesignated Happy Valley-Morrow Gas Pool.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W½ of Section 24 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

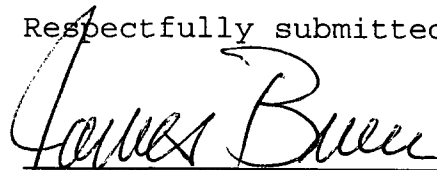
pooling all mineral interest owners in the W½ of Section 24, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the W½ of Section 24 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 W½ of Section 24 from the base of 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 supervision costs, together with a provision adjusting the rates as provided in 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
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Devon Energy
Production Company, L.P.

PROPOSED ADVERTISEMENT

Case 15334: Application of Devon Energy Production Company, L.P. 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 the W½ of Section 24, Township 22 South, Range 25 East, NMPM, to form a standard 320-acre gas spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent, including the Undesignated McKittrick Canyon-Upper Pennsylvanian Gas Pool, Undesignated East McKittrick Hills-Atoka Gas Pool, and Undesignated Happy Valley-Morrow Gas Pool. The unit is to be dedicated to the Filaree 24N Fed. Com. Well No. 1, to be located at an orthodox location in the SE¼SW¼ of Section 24. 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 8 miles west-southwest of Carlsbad, New Mexico.

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