

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

**APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY LP FOR A STANDARD HORIZONTAL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

01
CASE NO. ~~21055~~

**APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY LP FOR A STANDARD HORIZONTAL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

01
CASE NO. ~~21056~~

PRE-HEARING STATEMENT

Devon Energy Production Company, LP provides this Pre-Hearing Statement as required
by the rules of the Division.

APPEARANCES

APPLICANT

Devon Energy Production Company, LP

APPLICANT'S ATTORNEYS

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OPPONENT

None

OPPONENT'S ATTORNEYS

n/a

STATEMENT OF THE CASE

In Case No. 20155, Applicant seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the E/2 E/2 of Section 6 and the E/2 E/2 of Section 7, Township 26 South, Range 34 East, NMPM, Lea County, New

Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (BOBCAT DRAW; UPPER WOLFCAMP [98094]) underlying the standard unit. Said horizontal spacing unit is to be assigned to the proposed **Jayhawk 7-6 Fed Fee Com 7H Well**, to be horizontally drilled from a surface location 615' FSL and 2,090' FEL of Section 7 to a bottom hole location 20' FNL and 980' FEL of Section 6. This well defines the unit. Also to be drilled is the following infill well: **Jayhawk 7-6 Fed Fee Com 6H Well**, to be horizontally drilled from a surface location 615' FSL and 2,060' FEL of Section 7 to a bottom hole location 20' FNL and 360' FEL of Section 6. The completed intervals for the Jayhawk 7-6 Fed Fee Com 7H Well and the Jayhawk 7-6 Fed Fee Com 6H Well will remain within the 330-foot setbacks required by the Statewide rules for horizontal oil wells. The first and last take points for the Jayhawk 7-6 Fed Fee Com 7H Well and the Jayhawk 7-6 Fed Fee Com 6H Well will remain within the 100-foot setbacks required by the Statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 20 miles southwest of Jal, New Mexico.

In Case No. 21056, Applicant seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 E/2 of Section 6 and the W/2 E/2 of Section 7, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (BOBCAT DRAW; UPPER WOLFCAMP [98094]) underlying the standard unit. Said horizontal spacing unit is to be assigned to the proposed **Jayhawk 7-6 Fed Fee Com 16H Well**, to be horizontally drilled from a surface location 615' FSL and 2150' FEL of Section 7 to a bottom hole location 20' FNL and 2300' FEL of Section 6. This well defines the unit. Also to be drilled is the following infill well:

the **Jayhawk 7-6 Fed Fee Com 8H Well**, to be horizontally drilled from a surface location 615' FSL and 2,120' FEL of Section 7 to a bottom hole location 20' FNL and 1,660' FEL of Section 6. The completed interval for the Jayhawk 7-6 Fed Fee Com 16H Well and the Jayhawk 7-6 Fed Fee Com 8H Well will remain within the 330-foot setbacks as required by the Statewide rules for horizontal oil wells. The first and last take points for the Jayhawk 7-6 Fed Fee Com 16H Well and the Jayhawk 7-6 Fed Fee Com 8H Well will remain within the 100-foot setbacks required by the Statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 20 miles southwest of Jal, New Mexico.

At the time of filing of this Pre-Hearing Statement, these applications are unopposed.

PROPOSED EVIDENCE

<u>APPLICANT'S WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Melissa Miller, Land	20 min.	6
Russell Goodin, Geologist	20 min.	4

PROCEDURAL MATTERS

These above-captioned cases should be consolidated for purposes of hearing. Assuming these applications remain unopposed, Devon will present these cases by affidavit.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

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