

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

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**IN THE MATTER OF THE HEARINGS CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY, L.P. FOR A NON-STANDARD OIL  
SPACING AND PRORATION UNIT AND COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.** **Case No. 14,951**

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COMPANY, L.P. FOR A NON-STANDARD OIL  
SPACING AND PRORATION UNIT AND COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.** **Case No. 14,952**

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POOLING, LEA COUNTY, NEW MEXICO.** **Case No. 14,954**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by Devon Energy Production Company, L.P. as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Devon Energy Production Company, L.P.  
P.O. Box 108838  
Oklahoma City, Oklahoma 73101

Attention: Ken Gray  
(405) 228-4397

**APPLICANT'S ATTORNEY**

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

OPPONENTOPPONENT'S ATTORNEY

## STATEMENT OF THE CASE

APPLICANT

Case 14,951: Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the N/2N/2 of Section 14, Township 17 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Yeso formation underlying the non-standard oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the BAE 14 Fed. Com. Well No. 1H, a horizontal well to be drilled at a surface location in the NE/4NE/4, with a terminus in the NW/4NW/4, of Section 14. 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.

Case 14,952: Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the N/2N/2 of Section 14, Township 17 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Yeso formation underlying the non-standard oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the BAE 14 Fed. Com. Well No. 2H, a horizontal well to be drilled at a surface location in the NE/4NE/4, with a terminus in the NW/4NW/4, of Section 14. 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.

Case 14,953: Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the S/2N/2 of Section 14, Township 17 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Yeso formation underlying the non-standard oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the BAE 14 Fed. Com. Well No. 3H, a horizontal well to be drilled at a surface location in the SE/4NE/4, with a terminus in the SW/4NW/4, of Section 14. 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.

Case 14,954: Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the S/2N/2 of Section 14, Township 17 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral

interests in the Yeso formation underlying the non-standard oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the BAE 14 Fed. Com. Well No. 4H, a horizontal well to be drilled at a surface location in the SE/4NE/4, with a terminus in the SW/4NW/4, of Section 14. 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.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Cari Blumstein (landman)	25 min.	Approx. 8
Raleigh Blumstein (geologist)	20 min.	Approx. 4

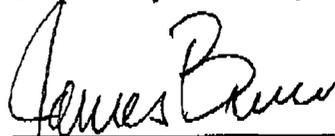
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

Applicant requests that the cases be consolidated for hearing.

Respectfully submitted,




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James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Devon Energy Production  
Company. L.P.