

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

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IN THE MATTER OF THE HEARING 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,
EDDY COUNTY, NEW MEXICO.

Case No. 14,968

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P. FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

Case No. 14,969

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Devon Energy Production Company, L.P.
333 West Sheridan
Oklahoma City, Oklahoma 73102

Attention: Ken Gray
(405) 552-4633

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Case 14,968: Devon Energy Production Company, L.P. seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the W/2SW/4 of Section 30 and the W/2W/2 of Section 31, Township 23 South, Range 29

East, NMPM. Applicant further seeks the pooling of all mineral interests in the Delaware formation underlying the non-standard oil spacing and proration unit (project area). The unit is to be dedicated to the Harroun Trust 31-30 Fed. Com. Well No. 2H, a horizontal well to be drilled at a surface location in the SW/4SW/4 of Section 31, with a terminus in the NW/4SW/4 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 200% charge for the risk involved in drilling and completing the well.

Case 14,968: Devon Energy Production Company, L.P. seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the E/2SW/4 of Section 30 and the E/2W/2 of Section 31, Township 23 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Delaware formation underlying the non-standard oil spacing and proration unit (project area). The unit is to be dedicated to the Harroun Trust 31 Well No. 3H, a horizontal well to be drilled at a surface location in the SE/4SW/4 of Section 31, with a terminus in the NE/4SW/4 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 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>
Ken Gray (landman)	25 min.	Approx. 10
Craig Harran (geologist)	20 min.	Approx. 4

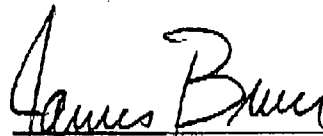
OPPONENT

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

Applicant requests that these matters be consolidated for hearing.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

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

Attorney for Devon Energy Production
Company, L.P.