

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

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

**APPLICATION OF CAZA PETROLEUM, INC.
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

Case No. 15,021

PRE-HEARING STATEMENT

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

APPEARANCES

PARTY

Devon Energy Production Company, L.P.
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102-5015

ATTORNEY

Elizabeth A. Ryan
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STATEMENT OF THE CASE

1. Caza Petroleum, Inc. ("Operator") seeks an order (i) approving a non-standard 160-acre spacing and proration unit in the Bone Spring formation comprised of the E/2W/2 of Section 29, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, and (ii) pooling all mineral interests in the Bone Spring formation underlying the non-standard spacing unit.

2. Devon is a mineral interest owner in the Subject Lands and objects to being compulsory pooled under the captioned matter.

3. Devon seeks to farmout to Operator all of its interest in the Subject Lands for the drilling of the West Copperline 29 Fed. No. 1H Well, but a formal Farmout Agreement (the "Agreement") has not yet been finalized by both parties.

4. Due to the July 4th Holiday and other small delays, it would be difficult for the parties to finalize an Agreement before the July 11, 2013 Hearing Date.

5. Devon and Operator remain in negotiations pertaining to the form of the Agreement.

PARTY'S PROPOSED EVIDENCE

WITNESS

Henry W. Latimer, Sr. CPL
Senior Land Advisor
Devon Energy Corporation

ESTIMATED TIME

Approx. 15 minutes

EXHIBITS

None; oral testimony

PROCEDURAL MATTERS

Because Operator and Devon remain in negotiations on this matter, Devon has requested a continuance of the hearing set for the July 11, 2013 to the August 8, 2013 Hearing Examiner Docket.

Respectfully submitted,

RYAN LAW FIRM, P.C.



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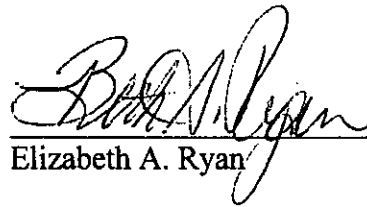
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 3rd day of July, 2013 by U.S. Mail and by email where indicated:

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