STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION 2017 OCT -2 A 8: 15

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

APPLICATIONS OF XTO ENERGY INC. FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 15,832 - 15,843

DEVON ENERGY PRODUCTION COMPANY, L.P.'S MOTION FOR A CONTINUANCE

Devon Energy Production Company, L.P. ("Devon") moves for an order continuing the above cases to the October 26, 2017 Examiner hearing, or to a special hearing date, and in support thereof, states:

- 1. In the above cases XTO Energy Inc. ("XTO") seeks approval of non-standard spacing and proration units, and compulsory pooling, for a number of horizontal Bone Spring and Wolfcamp wells in Sections 24, 25, and 36, Township 23 South, Range 29 East, N.M.P.M. The wells are 1-1/2 miles in length. These cases are currently scheduled for the October 12th hearing.
- 2. Devon is a working interest owner in the E/2 of Sections 22, all of Section 23, and all of Section 24, Township 23 South, Range 29 East, N.M.P.M., and has plans to drill a number of east-west horizontal wells in the Bone Spring and Wolfcamp formations on its acreage. The E/2 of Sections 22, all of Section 23 cannot be developed by north-south horizontal wells due to potash restrictions. If XTO is permitted to drill its north-south horizontal wells as proposed, it will strand Devon's acreage in the E/2 of Section 22 and Section 23.

3. Devon has filed an application (Case No. 15,864) seeking an order canceling or suspending twenty four (24) applications for permit to drill issued to XTO for its wells located in Section 24 and the N/2 of Section 25. This is needed so that a development plan can be fixed for all of the subject acreage in this portion of the oil-potash area. If Devon's application is granted, it will also affect the drilling plans for XTO's wells in the S/2 of Section 25 and Section 36. This matter is scheduled for the October 26th hearing.

4. All cases involve the same acreage. The granting of XTO's cases will result in the denial of Devon's case, and *vice versa*. Thus, the cases must be heard together.

5. Devon also contends that notice of XTO's applications was not timely mailed. Attached as Exhibit A is one of the notice envelopes mailed to Devon. It was posted on September 22nd (as were all of the envelopes) for the October 12th hearing. It is Devon's understanding that under Division practice notice was required to be mailed by September 21st.

6. Devon has contacted counsel for XTO about filing this motion. It is assumed that XTO opposes the motion.

WHEREFORE, Devon requests that these cases be continued to the October 26th Examiner hearing, to to a special hearing date.

Respectfully submitted,

James Bruce

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Attorney for Devon Energy Production Company, L.P.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this _______ day of October, 2017 by e-mail:

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EXHIBIT /

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