

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

Case No. 20454

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

Case No. 20455

PREHEARING 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. 20454, Applicant seeks an order from the Division: (1) creating a standard 629.6-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of irregular Section 18 and the W/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P;UPPER WOLFCAMP [98135]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed **Bell Lake 19-18 State Com 30H** well, to be horizontally drilled from an approximate surface hole location 338' FSL and 1,712' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,000' FWL of irregular Section 18. This well is the "defining well" for this unit. Also to be drilled are the following infill wells: (1) the **Bell Lake 19-18 State Com 31H** well, to be horizontally drilled from an approximate surface hole location 338' FSL and 1,772' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 2,310' FWL of irregular Section 18; (2) the **Bell Lake 19-18 State Com 34H** well, to be horizontally drilled from an approximate surface hole location 338' FSL and 1,682' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 330' FWL of irregular Section 18; and (3) the **Bell Lake 19-18 State Com 35H** well, to be horizontally drilled from an approximate surface hole location 338' FSL and 1,742' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,671' FWL of irregular Section 18.

In Case No. 20455, Applicant seeks an order from the Division: ((1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the E/2 of irregular Section 18 and the E/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P;UPPER WOLFCAMP [98135]) underlying the unit. Said horizontal spacing unit

is to be assigned to the proposed **Bell Lake 19-18 State Com 37H** well, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,092' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,000' FEL of irregular Section 18. This well is the "defining well" for this unit. Also to be drilled are the following infill wells: (1) the **Bell Lake 19-18 State Com 32H** well, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,122' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,671' FEL of irregular Section 18; and (2) the **Bell Lake 19-18 State Com 36H** well, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,152' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 2,310' FEL of irregular Section 18.

The completed intervals and first and last take points for all wells proposed in the unit meet the setback requirements set forth in the statewide rules for horizontal oil wells. The wells and lands are located approximately 32 miles southeast of Eunice, New Mexico.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 32 miles southeast of Eunice, 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>
Andy D. Bennett, Land	20 min.	6
Tom Peryam, Petroleum Geologist	20 min.	6

PROCEDURAL MATTERS

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

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

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