WV5 12/5/6

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION 5 PM 4 54

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 COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 13,840

AMENDED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT'S ATTORNEY

Santa Fe, New Mexico 87504

James Bruce

(505) 982-2043

Post Office Box 1056

APPLICANT

Attention:

Devon Energy Production Company, L.P.

P.O. Box 108838

Oklahoma City, Oklahoma 73101

Meg Muhlinghause

(405) 228-4416

OPPONENT OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 10, Township 19 South, Range 31 East, NMPM, and in the following manner: The S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated West Lusk-Morrow Gas Pool; the SE/4 to form a standard 160-acre oil or gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent, including the Undesignated Lusk-Strawn Gas Pool; and the NE/4SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated West Lusk-Yates Pool and Undesignated West Lusk-Bone Spring Pool. The units are to be dedicated to the Acme "10" Fed. Com. Well No. 1, to be drilled at an orthodox gas well location in the NE/4SE/4 of Section 10. 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

WITNESSES EST. TIME EXHIBITS

Meg Muhlinghause 15 min. Approx. 6

(landman)

If there is no opposition to this application, and it will be submitted by affidavit.

OPPONENT

WITNESSES EST. TIME EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

Post Office Box 1056

\$anta Fe, New Mexico 87504

(505) 982-2043

Attorney for Devon Energy Production Company. L.P.