

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruce@aol.com](mailto:jamesbruce@aol.com)

2007 JAN 3 AM 7 58

January 2, 2007

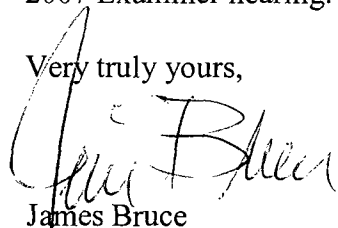
Case 13869

Florene Davidson  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Devon Energy Production Company, L.P., are an original and one copy of an application for lease commingling, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the February 1, 2007 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Devon Energy Production Company, L.P.

PERSONS GIVEN NOTICE OF APPLICATION

**Working Interest Owners**

Bascom L. Mitchell  
No. 1 Live Oak  
Midland, TX 79705

Joe N. Gifford  
P. O. Box 51187  
Midland, TX 79710-1187

Mary Patricia Dougherty Trust  
c/o Northern Bank of Texas  
2701 Kirby  
Houston, TX 77098  
Attn: David J. Parker

Obie & Company  
c/o JPMorgan Chase Bank  
600 Travis Street, 3<sup>rd</sup> Floor  
Houston, TX 77252  
Attn: Greg Crow

Thomas E. Kelly  
TEK Properties, Ltd.  
The Highlands  
Seattle, WA 98177

Otto E. Schroeder  
2015 Channing Park  
Arlington, TX 76013

Catherine M. Grace  
c/o Dan Serna & Company  
6031 W. I-20, Suite 251  
Arlington, TX 76017

Mary Margaret Olson Trust  
Leonard B. Olson, Trustee  
c/o Dan Serna & Company  
6031 W. I-20, Suite 251  
Arlington, TX 76017

L. Edward Innerarity, Jr.  
P. O. Box 2113  
Midland, TX 79702

Miranda Energy Corp.  
24 Smith Road, Suite 601  
Midland, TX 79705-4403

Mabee Flynt Least Trust  
11010 Crestmore  
Houston, TX 77096

Nortex Corporation  
1415 Louisiana, Suite 3100  
Houston, TX 77002  
Attn: Robert Kent

Marathon Oil Company  
Southern Business Unit  
P. O. Box 3487  
Midland, TX 79702  
Attn: Paul J. Tauscher

**Overriding Royalty Owners**

Osborne B. Cowles  
First Prosperity Bank  
P. O. Box 308  
West Columbia, TX 77486

Georgia B. Bass  
26 N. Copperknoll  
Woodlands, TX 77381

Joe N. Gifford  
P. O. Box 51187  
Midland, TX 79710-1187

Douglas Abell Denton  
1501 Princeton Avenue  
Midland, TX 79701

Patricia Kay Lorenz  
9809 US Highway 59 N. #E11  
Victoria, TX 77905-5690

Dorothy J. Keenom  
P. O. Box 470605  
Fort Worth, TX 76147-0605

Richard C. Gibson  
P. O. Box 3817  
Midland, TX 79702

Thomas R. Smith  
1409 S. County Road 1130  
Midland, TX 79706

L. E. Opperman  
500 W. Texas, Suite 830  
Midland, TX 79701

L. Edward Innerarity, Jr.  
P. O. Box 2113  
Midland, TX 79702

John E. Cassidy  
P. O. Box 177  
Dripping Spring, TX 78620

Mary Lou Cassidy  
1609 Humble  
Midland, TX 79701

Alice H. Giles  
2600 Escondido Cove  
Austin, TX 78703-1610

Bascom L. Mitchell  
No. 1 Live Oak  
Midland, TX 79705

George Karabatosos  
2220 Bering Drive, #30  
Houston, TX 77057

Figure 4 Investment Trust  
11010 Crestmore  
Houston, TX 77096

Houston & Emma Hill Trust Estate  
James Robert Hill, Virginia Glenn Hill Lattimore  
and John A. Styrsky, Trustees  
500 West Seventh Street, Suite 1802  
Fort Worth, TX 76201-4740

Thomas Hill Puff Trust  
Dorothy Jean Keenom Trustee  
1320 Lake Street  
Fort Worth, TX 76147-0605

Hill Trusts  
Kenneth Waltrip & Patsy Waltrip, Co-Trustees  
3343 Locke Avenue, Suite 103  
Fort Worth, TX 76107-5702

Patricia B. Young Mgmt. Trust  
1<sup>st</sup> National Bank & Trust Co. of Okmulgee  
P. O. Box 1037  
Okmulgee, OK 74447

Linda Kay Neighbors  
1711 Douglas  
Midland, TX 79701

Alfred Giles IV  
P. O. Box 50360  
Austin, TX 78763

John Geoffrey Giles  
2600 Escondido Cove  
Austin, TX 78703-1610

Marcella B. Christensen  
P. O. Box 3790  
Midland, TX 79702

Hill Investments, Ltd.  
P. O. Box 1568  
Cedar Park, TX 78630-1568

H-S Minerals & Realty Ltd.  
P. O. Box 27284  
Austin, TX 78755-2284

Mickey Gibson  
P. O. Box 590  
Cave Creek, AZ 85327

Richard Donald Jones, Jr.  
200 N. Gaines Road  
Cedar Creek, TX 78612

James R. Hill Family Ltd. Partnership  
A Texas Limited Partnership  
500 W. 7<sup>th</sup> Street, Unit 16, Suite 1802  
Fort Worth, TX 76102-4772

Glenn Lattimore Family LP  
A Texas Limited Partnership  
500 W. 7<sup>th</sup> Street Unit 16, Suite 1802  
Fort Worth, TX 76102-4772

Angela Leigh Simpson Starrett Trust  
c/o Wells Fargo Bank Texas, NA, Trustee  
OGM Operations-AU 10291  
P. O. Box 5383  
Denver, CO 80217

Esther Abell Denton Estate  
Bill Wiggins, Administrator  
P. O. Box 24  
Midland, TX 79702

JADT Minerals, Ltd.  
P. O. Box 190229  
Dallas, TX 75219-0229

Merle T. Franklin  
One Hideaway Circle  
Houston, TX 77074

Lorraine L. Johnson Living Trust  
c/o Compass Bank & Georgia L. Temple, Co-Trustees  
P. O. Box 4886  
Houston, TX 77210-4886

Richard Donald Jones, Jr.  
200 N. Gaines Road  
Cedar Creek, TX 78612

Trust U/W/O Mary Catherine Jones  
Wells Fargo Bank Texas, NA, Trustee  
F/B/O Angela Leigh Simpson Starrett  
P. O. Box 5383  
Denver, CO 80217

**Royalty Owner**

Minerals Management Service  
Royalty Management Program  
P. O. Box 5810  
Denver, CO 80217-5810

**Gas Purchaser**

Duke Energy Field Services  
10 Desta Drive, Suite 400 West  
Midland, TX 79705

**Oil Purchaser**

Chevron Products Company  
Attn: Gary Moore  
15 Smith Road  
Claydesta Plaza  
Midland, TX 79705

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

**APPLICATION OF DEVON ENERGY  
PRODUCTION COMPANY, L.P. FOR  
LEASE COMMINGLING, EDDY  
COUNTY, NEW MEXICO.**

2007 JAN 3 AM 7 58

Case No. 13869

**APPLICATION**

Devon Energy Production Company, L.P. applies for an exception to Division Rule 303 to permit lease commingling and an exception to metering requirements, and in support thereof, states:

1. Applicant is the operator of the Delaware formation (Ingle Wells-Delaware Pool) underlying United States Oil and Gas Leases NM 0418220-A and NM 0405444-A, which collectively cover all of Section 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

2. Applicant seeks approval to surface commingle Delaware production from its wells located on the leases, and for an exception to the metering requirements of Rule 19.15.5.303B(4)(a) NMAC to authorize the allocation of production from these diversely-owned wells on the basis of periodic well tests. All production from these wells is to be stored at the Todd "26" Tank Battery, located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 26.

3. The wells currently located on the leases are as follows:

Federal Lease NM-0418220-A

Todd 26C Federal #24: No API # yet

Todd 26D Federal #23: API # 3001535077

Federal Lease NM-0405444-A

Todd 26A Federal #11 API # 3001527103

Todd 26A Federal #6 API # 3001521224

Todd 26B Federal #22 API # 3001527374

Todd 26B Federal #4 API # 3001520599



Todd 26E Federal #18 API # 3001533113  
Todd 26G Federal #8 API # 3001527101  
Todd 26H Federal #19 API # 3001527198  
Todd 26I Federal #20 API # 3001527199  
Todd 26J Federal #21 API # 3001527200  
Todd 26J Federal #5 API # 3001520986  
Todd 26K Federal #10 API # 3001527102  
Todd 26M Federal #9 API # 3001527075  
Todd 26N Federal #14 API # 3001527104  
Todd 26O Federal #15 API # 3001527105  
Todd 26O Federal #7 API # 3001521431  
Todd 26P Federal #16 API # 3001527134

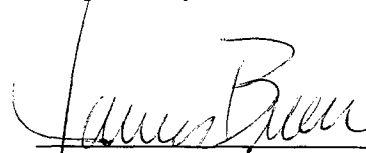
4. Royalty interest ownership under the subject leases is common, but overriding royalty interest and/or working interest ownership varies.

5. Notice of this application has been given to all interested parties, by certified mail.

6. The granting of this application will prevent waste and protect correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order approving the relief requested above.

Respectfully submitted,



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

Attorney for Devon Energy Production  
Company, L.P.

**Proposed Advertisement**

**Case No. 13869 : Application of Devon Energy Production Company, L.P. for lease commingling, Eddy County, New Mexico.** Devon Energy Production Company, L.P. seeks an exception to Rule 19.15.5.303A NMAC to authorize the surface commingling of production from the Ingle Wells-Delaware Pool originating from its wells located on Federal Oil and Gas Leases NM 0418220-A and NM 0405444-A, which collectively comprise all of Section 26, Township 23 South, Range 31 East, N.M.P.M.. Applicant also seeks an exception to the metering requirements of Rule 19.15.5.303B(4)(a) NMAC to authorize the allocation of production from these diversely-owned wells on the basis of periodic well tests. All production from these wells is to be stored at the Todd "26" Tank Battery, located in the SW/4NE/4 of Section 26. The leases and wells are located approximately 20-1/2 miles East of Loving, New Mexico.

2007 JUN 3 AM 7 58