

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 DEVON ENERGY PRODUCTION COMPANY, L.P. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 14,096

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Devon Energy Production Company, L.P.

P.O. Box 108838

Oklahoma City, Oklahoma 73101

Attention:

Meg Muhinghause

(405) 228-4416

APPLICANT'S ATTORNEY

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OPPONENT'S ATTORNEY

OPPONENT

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the NW/4NW/4 of Section 32, Township 18 South, Range 32 East, NMPM, 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 Lusk-Bone Spring Pool. The unit will be dedicated to the Hulkster Well No. 1, to be drilled at an orthodox oil well location in the NW/4NW/4 of Section 32. 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

<u>WITNESSES</u>

EST. TIME

EXHIBITS

This case will be submitted by affidavit.

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

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Attorney for Devon Energy Production Company. L.P.