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 LEASE COMMINGLING, EDDY COUNTY, NEW MEXICO.

Case No. 14,088

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 Muhlinghause

(405) 228-4416

OPPONENT

APPLICANT'S ATTORNEY

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Devon Energy Production Company, L.P. seeks an exception to NMAC 19.15.5.303.A to authorize the surface commingling of production from the Red Lake Queen-Grayburg-San Andres Pool and Red Lake Glorieta-Yeso Pool originating from its wells located on Federal Lease NM 7717, covering the NE/4SW/4 of Section 4, and Federal Lease LC 061783-A, covering the SE/4 of Section 4, in Township 18 South, Range 27 East, N.M.P.M. Applicant also seeks an exception to the metering requirements of NMAC 19.15.5.303,B(4)(a) 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 Windfohr "4" Tank Battery, located in the NE/4SE/4 of Section 4.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES EXHIBITS EST. TIME

Meg Muhlinghause 10 min. Approx. 3 (landman)

20 min. Marcos Ortiz Approx. 3

(operations engineer)

OPPONENT

WITNESSES EST. TIME EXHIBITS

PROCEDURAL MATTERS

-None-

James Bruce

Post Office Box 1056

Respectfully submitted,

Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for Devon Energy Production Company, L.P.