

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARINGS 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. 13194

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.
Suite 1500
20 North Broadway
Oklahoma City, Oklahoma
Attention: Ken Gray
(405) 552-4633

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the base of the Wolfcamp formation to the base of the Morrow formation underlying the following described acreage in Section 22, Township 22 South, Range 27 East, NMPM, and in the following manner: The NW $\frac{1}{4}$ to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated East Carlsbad-Wolfcamp Gas Pool, Carlsbad-Strawn Gas Pool, Undesignated Otis-Atoka Gas Pool, and Undesignated South Carlsbad-Morrow Gas Pool; and the SE $\frac{1}{4}$ to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent, including the Undesignated North Cass Draw-Wolfcamp Pool. The units are to be dedicated to applicant's Grandi Well No. 2, to be located at an orthodox location in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 22. 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

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of applicant as operator of the well, and a cost-plus 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

Ken Gray
(landman)

EST. TIME

10 Min.

EXHIBITS

- (a) Land plat
- (b) Correspondence
- (c) AFE
- (d) Notice affidavit

OPPONENT

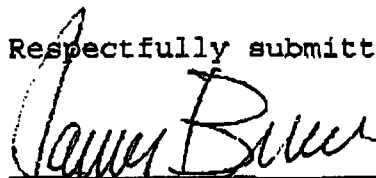
WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Respectfully submitted,



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

Attorney for Devon Energy production
Company, L.P.