

**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 APPROVAL OF A NON-STANDARD
OIL SPACING AND PRORATION UNIT AND
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

Case No. 14,458

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: Katie McDonnell
(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

Devon Energy Production Company, L.P. seeks an order approving a 159.08-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of Lots 1-4 of Section 5, Township 17 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests from the surface to the base of the Wolfcamp formation underlying (i) Lot 4 of Section 5 to form a standard 39.72 acre oil spacing and proration unit, and (ii) Lots 1-4 of Section 5 to form a non-standard 159.08 acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Mark Twain 5 Fed. Com. Well No. 4, a horizontal well to be drilled at an unorthodox surface location in Lot 4, with a terminus at an orthodox location in the Lot 1, of

N. Anderson WE

Section 5. 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>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Katie McDonnell (landman)	15 min.	Approx. 5
_____ (geologist)	10 min.	Approx. 4

The geologist's testimony may be submitted by affidavit.

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Devon Energy Production
Company, L.P.