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February 2, 2010

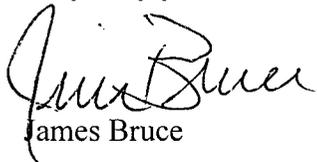
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 14438

Dear Florene:

Enclosed for filing, on behalf of Devon Energy Production Company, L.P., are an original and one copy of an application for pool creation, etc., together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the March 4, 2010 Examiner hearing. Thank you.

Very truly yours,


James Bruce

Attorney for Devon Energy Production Company, L.P.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P. FOR POOL CREATION, A DISCOVERY
ALLOWABLE, AND SPECIAL POOL RULES, EDDY
COUNTY, NEW MEXICO.

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Case No. 14438

APPLICATION

Devon Energy Production Company, L.P. applies for an order creating a new pool for production of oil from the Bone Spring formation, granting a discovery allowable, and establishing special rules and regulations for the pool, and in support thereof, states:

1. Applicant is the operator of the Guardian 25 State Com. Well No. 1 (API No. 30-015-36577), which was drilled at a location 1980 feet from the north line and 1980 feet from the west line of Section 25, Township 19 South, Range 27 East, N.M.P.M.

2. The Guardian 25 State Com. Well No. 1 was originally completed in the Morrow formation, and is still productive from that zone, but was subsequently completed in the Bone Spring formation, with perforations at 7978 to 8020 feet subsurface. Under the Division's statewide rules, spacing in the Bone Spring is 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line. The well has a depth bracket allowable of 187 barrels of oil per day, with a producing gas: oil ratio of 2000:1.

3. Applicant believes it has discovered a new common source of supply, and requests that a new pool be created.

4. Applicant requests that:

(a) The Angell Ranch-Bone Spring Pool be created, originally encompassing the NW $\frac{1}{4}$ of Section 25;

(b) Special rules and regulations for the pool be enacted, providing for (i) spacing of 80 acres, (ii) wells to be located no closer than 330 feet to a quarter-quarter section line, and (iii) a gas:oil ratio of 10,000 cubic feet of gas for each barrel of oil produced.

(c) A discovery allowable be granted for the pool;

(d) All other rules be in conformance with statewide rules; and

(e) The pool rules be made effective retroactive to the date of first Bone Spring production from the Guardian 25 State Com. Well No. 1.

5. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division grant 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. 14438 :

Application of Devon Energy Production Company, L.P. for pool creation, a discovery allowable, and special pool rules, Eddy County, New Mexico. Applicant seeks an order (a) creating a new pool for production of oil from the Bone Spring formation, to be named the Angell Ranch-Bone Spring Pool, comprising the NW¼ of Section 25, Township 19 South, Range 27 East, N.M.P.M., (b) granting applicant a discovery allowable, and (c) establishing special rules and regulations for the pool, including (i) spacing of 80 acres, (ii) wells to be located no closer than 330 feet to a quarter-quarter section line, and (iii) a gas:oil ratio of 10,000 cubic feet of gas for each barrel of oil produced. The discovery well for the pool is the Guardian 25 State Com. Well No. 1 (API No. 30-015-36577), which was drilled at a location 1980 feet from the north line and 1980 feet from the west line of Section 25. Applicant requests that the pool rules be made effective retroactive to the date of first Bone Spring production from the discovery well. The proposed pool is located approximately 7-1/2 miles east of Lakewood, New Mexico.

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