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2010 DEC 21 P 12:49

December 21, 2010

Case 14590

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

Dear Florene:

Enclosed for filing, on behalf of Devon Energy Production Company, L.P., are an original and one copy of an application to expand the Cotton Draw Unit, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the January 20, 2011 Examiner hearing. Thank you.

Very truly yours,


James Bruce

Attorney for Devon Energy Production Company, L.P.

PERSONS BEING NOTIFIED

Bureau of Land Management

Commissioner of Public Lands

XTO Energy Inc.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P TO EXPAND THE COTTON DRAW
UNIT, EDDY AND LEA COUNTIES, NEW MEXICO.

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Case No. 14590

APPLICATION

Devon Energy Production Company, L.P., for its application, states:

1. Applicant is a working interest owner in, and the operator of, the Cotton Draw Unit (the "Unit").

2. The Unit was approved by Commission Order No. R-1186, and originally covered approximately 35,144 acres, more or less, of state and federal land in Eddy and Lea Counties.

The Unit currently covers the following lands:

Township 24 South, Range 31 East, N.M.P.M.

Section 25: S $\frac{1}{2}$

Section 26: S $\frac{1}{2}$

Section 34: E $\frac{1}{2}$

Section 35: All

Section 36: All

Township 24 South, Range 32 East, N.M.P.M.

Section 33: SE $\frac{1}{4}$

Section 34: SW $\frac{1}{4}$

Township 25 South, Range 31 East, N.M.P.M.

Section 1: All

Section 2: All

Section 3: E $\frac{1}{2}$

Section 11: N $\frac{1}{2}$

Section 12: All

Section 13: All

Township 25 South, Range 32 East, N.M.P.M.

Section 3: W $\frac{1}{2}$ NW $\frac{1}{4}$

Section 4: NE $\frac{1}{4}$

Section 7: All

Section 9: E $\frac{1}{2}$ SE $\frac{1}{4}$

Section 10: SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, and SW $\frac{1}{4}$
Section 15: W $\frac{1}{2}$ NE $\frac{1}{4}$ and W $\frac{1}{2}$
Section 16: E $\frac{1}{2}$ E $\frac{1}{2}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, and SW $\frac{1}{4}$ SE $\frac{1}{4}$
Section 18: All
Section 20: E $\frac{1}{2}$ SE $\frac{1}{4}$
Section 21: All
Section 22: NW $\frac{1}{4}$ and NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 28: N $\frac{1}{2}$ N $\frac{1}{2}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$
Section 29: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Containing 9384.52 acres, more or less.

3. Applicant requests approval to include the following federal lands in the Unit:

Township 24 South, Range 31 East, N.M.P.M.

Section 25: W $\frac{1}{2}$ NW $\frac{1}{4}$

Section 26: N $\frac{1}{2}$

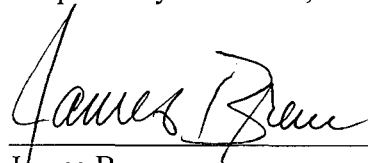
Containing 400.00 acres, more or less.

4. Applicant is seeking preliminary approval of the expansion from the Bureau of Land Management and the Commissioner of Public Lands.

4. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order granting 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. 14590 :

Application of Devon Energy Production Company, L.P. to expand the Cotton Draw Unit, Eddy and Lea Counties, New Mexico. Applicant seeks approval to expand the Cotton Draw Unit to include the W/2NW/4 of Section 25 and the N/2 of Section 26, Township 24 South, Range 31 East, NMPM. The unit area, as expanded, will contain 9784.52 acres, more or less, of state and federal lands in all or parts of Sections 25, 26, and 33-36 in Township 24 South, Range 31 East, NMPM, Sections 33 and 34 in Township 24 South, Range 32 East, NMPM, Sections 1-3 and 11-13 in Township 25 South, Range 31 East, NMPM, and Sections 3, 4, 7, 9, 10, 15, 16, 18, 20-22, 28, and 29 in Township 25 South, Range 32 East, NMPM. The unit area is centered approximately 22-1/2 miles east-southeast of Malaga, New Mexico.

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