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September 12, 1997

W. THOMAS KELLAHIN*

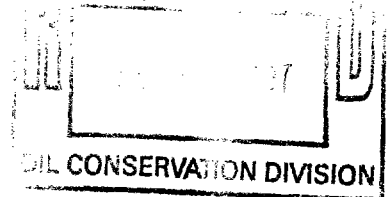
*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

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HAND DELIVERED

Mr. Michael E. Stogner
Hearing Examiner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Prehearing Statement
MOTION TO CONSOLIDATE POOLING CASES
NMOCD Case 11833
Application of Devon Energy Corporation (Nevada)
for Compulsory Pooling, Eddy County, New Mexico

NMOCD Case 11830
Application of Mewbourne Oil Company for
Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Stogner:

On behalf of Devon Energy Corporation (Nevada), please find enclosed our Prehearing Statement including our motion to consolidate the referenced cases.

Very truly yours,

A handwritten signature in dark ink, appearing to read "W. Thomas Kellahin". The signature is fluid and cursive, with a large initial "W" and a long, sweeping underline.

W. Thomas Kellahin

cfx: William F. Carr, Esq.
Attorney for Mewbourne Oil Company

**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:**

CASE NO. 11833

**APPLICATION OF DEVON ENERGY
CORPORATION (NEVADA) FOR
COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 11830

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Devon Energy Corporation (Nevada) as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT IN CASE 11833

Devon Energy Corporation (Nevada)
20 N. Broadway, ste 1500
Oklahoma City, OK 73102
Attn: Ken Gray
(405) 552-4633

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

APPLICANT IN CASE 11830

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, Texas 79701
Attn: Steve Cobb

ATTORNEY

William F. Carr, Esq.
P. O. Box 2208
Santa Fe, New Mexico 87501
(505) 988-4422

STATEMENT OF CASE

Devon is the working interest owner for the N/2SW/4, SW/4SW/4 and NW/4SE/4 of Section 15, T21S, R26E, NMPM, Eddy County, New Mexico.

Mewbourne Oil Company is the working interest owner for the NE/4SE/4, S/2SE/4 and SE/4SW/4.

Devon has proposed that a well be drilled on Devon's tract (the NE/4SW/4) and to dedicate the S/2 of Section 15 to the well for all 320-acre gas spacing units and the SW/4 for any 160-acre units.

Mewbourne has also proposed a well to be drilled on Devon's tract (the NE/4SW/4).

Devon and Mewbourne each desire to be designated operator of the well and neither party can agree with the other.

Accordingly, Devon seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 15, T21S, R26E, NMPM, Eddy County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within said vertical extent, which presently may include but is not necessarily limited to the Avalon-Morrow Gas Pool, and forming a standard 160-acre gas spacing and proration unit underlying the SW/4 of said Section 15 for any and all formations/pools developed on 160-acre gas spacing.

Said unit is to be dedicated to its Carlsbad 15 "K" Federal Com. Well No. 1 to be drilled and completed at a standard gas well location in Unit K of said Section 15.

Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Devon Energy Corporation (Nevada) as the operator of the well and a charge for risk involved in said well.

PROPOSED EVIDENCE

OPPOSITION PARTY:

WITNESSES	EST. TIME	EXHIBITS
Ken Gray (landman)	30-45 Min	@ 8
Bill Spurgeon (petroleum engineer)	20 Min	@ 2
Wayne Roberts (geologist)	30 Min.	@ 4

PROCEDURAL MATTERS

Devon moves to consolidate cases 11833 and 11830 for hearing on September 18, 1997.

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin

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