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MAR 13 1998

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PLEASE REPLY TO SANTA FE

March 13, 1998

Lori Wrotenberg, Director  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

**BY HAND DELIVERY**

Re: Application of Devon Energy Corporation (Nevada) for Compulsory Pooling, W/2 Sec. 22, T-21-S, R-26-E, NMPM, Eddy County, New Mexico

and

Application of Mewbourne Oil Company for Compulsory Pooling, N/2 Sec. 22, T-21-S, R-26-E, NMPM, Eddy County, New Mexico

Dear Ms. Wrotenberg:

On March 10, 1998, Devon Energy Corporation filed its application for compulsory pooling for the W/2 of the referenced Section 22 and requested that the matter be set for hearing on the March 19, 1998 examiner docket. Devon's application was filed with knowledge of Mewbourne Oil Company's earlier proposal for a well on a N/2 unit on the same section. Consequently, yesterday, Mewbourne was obliged to file its own application for compulsory pooling in response to the Devon application.

Because of its untimely filing, Devon's application fails to comply with the requirements of 19 NMAC 15.N § 1207.B and could thus be the subject of a motion to dismiss. On the other hand, Mewbourne's March 12th application and notice for an April 2, 1998 examiner docket hearing were timely and otherwise complied with Rule 1207.B. However, by the time the Mewbourne application was filed, the Division's deadline for publishing the April 2nd docket notice had already passed.

Rather than see the parties engage in the filing of motions in an attempt to cure these respective problems, I suggest the following solution:

Lori Wrotenbery, Director  
March 13, 1998  
Page 2

1. The matters should be consolidated and proceed to hearing on April 2nd.
2. The consolidated cases should be readvertised for the April 16, 1998 examiner docket and called for hearing again on that day which would allow the Division to then take the case under advisement if there are no further appearances.

It is my understanding that the only interests subject to pooling under either case are owned by Devon Energy Corporation and Mewbourne Oil Company. Hence, there are no other working interests affected by these cases in any event.

I believe this common-sense approach will avoid delays, will allow the parties to proceed with an early hearing and will facilitate the Division's efficient resolution of cases which should be consolidated in any event.

Please advise whether this proposed solution meets with the Division's approval.

Very truly yours,

MILLER, STRATVERT & TORGERSON



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cc: W. Thos. Kellahin, Esq.  
David Catanach, NMOCD  
Rand Carrol, Esq., NMOCD  
Steve Cobb, Mewbourne Oil Company