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 CORPORATION (NEVADA) FOR SURFACE COMMINGLING AND LEASE COMMINGLING, EDDY COUNTY, NEW MEXICO.

Case No. 12,155

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

APPLICANT'S ATTORNEY

Devon Energy Corporation (Nevada) Suite 1500 20 North Broadway Oklahoma City, Oklahoma 73102 Attention: Carla D. Wood (405) 552-4615

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an exception to Division Rules 303.B and 309-B to permit approval of surface and lease commingling of Red Lake Queen-Grayburg-San Andres Pool and Northeast Red Lake Glorieta-Yeso Pool¹ production from two federal leases covering the NE4SW4, S%SW4, and SE4 of Section 35, Township 17 South, Range 27 East, NMPM. Applicant is the sole working interest owner in the leases, while overriding royalty ownership varies. Each well will be tested on a monthly basis for purposes of allocation of production.

OPPONENT

¹The Northeast Red Lake Glorieta-Yeso Pool will be expanded to include the S½ §35 in Case 12160.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>

EST. TIME

EXHIBITS

- 1. Land plat
- 2. Facilities plat
- 3. Interest listing
- 4. Notice letters

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

This application is like several other applications for similar relief filed by applicant in this area. <u>See</u>, e.g., Cases 11845, 11846, 11847, 12061, and 12146. As a result, applicant requests that, in the absence of objection, this matter be taken under advisement.

James Bruce

Dames Bruce P.O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for Devon Energy Corporation (Nevada)