

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

RECEIVED
MAR 12 2010
NMOCD ARTESIA

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NM-100561

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
Devon Energy Production Co., LP

3a. Address
20 North Broadway
OKC, OK 73102

3b. Phone No. (include area code)
(405)-552-7802

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 7-T19S-R31E
330' FNL & 660' FWL

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Strawberry 7 Federal 3

9. API Well No.
30-015-37171

10. Field and Pool or Exploratory Area
Hackberry; Bone Springs; North (97056)

11. Country or Parish, State
Eddy County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Central Tank Battery</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Off-Lease Gas</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>Sales & Measurement</u>

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Co. LLP respectfully requests approval for off lease gas sales and measurement of gas hydrocarbon production from the following wells to append NMOCD Administrative Order CTB-610 & add the Strawberry 7 Federal 3:

- * Hackberry 6 Federal 1: API # 30-015-31020 Sec 6-T19S-R31E Lease NM-66437 Hackberry; Bone Spring, North (97056)
- * Strawberry 7 Federal Com 1: API # 30-015-31876 Sec 7-T19S-R31E Lease NM-100561 Hackberry; Bone Spring, North (97056)
- * Strawberry 7 Federal 3: API # 30-015-37171 Sec 7-T19S-R31E Lease NM-100561 Hackberry; Bone Spring, North (97056)

A central tank battery will be located at the Strawberry 7 Federal Com 1 for the Strawberry 7 Fed Com 1 & Strawberry 7 Federal 3. A common gas sales meter associated with a Frontier central delivery point (CDP) is located east of the Hackberry 18 Federal 2 located at the NENW of Sec 18-T19S-R31E. The Well Test Method will be used to allocate production back to the wells (see proposed/current facility schematic). Waste is not induced and no correlative rights are impaired.

Note: NOI Sundry submitted 12/17/2009 for approval to lay 2500' of 3" poly from the Strawberry 7 Federal 3 to the Strawberry 7 Federal 1 tank battery. No ROW necessary, as line is within lease boundary; pending approval. ROW will or has already been obtained for the gas line.

The working, royalty, and overriding interest in both wells are uniform in Lease NM-100561; no further notification is necessary.

CTB-610 approved by the NMOCD 02/11/2010 (see attached).

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
Stephanie A. Ysasaga

Title Sr. Staff Engineering Technician

Signature

Date 01/08/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

LRET

Date

3/10/10

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPLICATION FOR LEASE COMMINGLING & OFF-LEASE MEASUREMENT AND OFF LEASE SALES APPROVAL (APPEND CTB-610)

State of New Mexico – Santa Fe
Oil Conservation Division
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Lease commingling proposal for Hackberry & Strawberry leases:

Devon Energy Production Company, LP is requesting approval to add the Strawberry 7 Federal 3 to the existing surface commingle, off-lease storage and off-lease measurement of hydrocarbon gas production from the Hackberry; Bone Springs, NW Pool (97056) previously approved by the BLM 01/05/2010 and approved by the NMOCD 02/11/2010 under CTB-610. CTB-610 approves surface commingle, off lease gas sales and measurement of the Hackberry 6 Federal 1 and Strawberry 7 Federal 1.

Federal Lease NM-66437

Well Name	Location	API #	Pool 97056	MCF	BTU
Hackberry 6 Federal 1	NWSE Sec 6-T19S-R31E	30-015-31020	Hackberry, Bone Spring, North	242	1375

Federal Lease NM-100561

Well Name	Location	API #	Pool 97056	MCF	BTU
Strawberry 7 Federal Com 1	NENW Sec 7-T19S-R31E	30-015-31876	Hackberry, Bone Spring, North	1257	1356
Strawberry 7 Federal 3	NWNW Sec 7-T19S-R31E	30-015-37171	Hackberry, Bone Springs, North	n/a	n/a

A map (Exhibit A) is enclosed showing the Federal leases and well locations in Section 7 of T19S R31E. The ownership in both wells in the Strawberry lease NM-100561 is identical; no further notification is required.

Oil & Gas metering:

Oil, gas and water volumes from each well producing to this battery will be determined by using a test separator/heater treater at the proposed facility so that one well is always producing through the testing equipment. Production will be allocated on a daily basis based on the most recent individual well test of oil, gas and water. Well tests for each well will be conducted at least once per month.

A central tank battery will be located at the Strawberry 7 Federal 1 location in the NENW of Section 7 in T19S, R31E on Federal Lease NM-100561 in Eddy County, New Mexico (Exhibit C). The oil and water hydrocarbon production from the Strawberry 7 Federal 1 and 3 will be commingled, measured and sold on lease; using the Well Test Method. A common gas sales meter associated with a Frontier central delivery point (CDP) is located in Sec 18-T19S-R31E east of the Hackberry 18 Federal 2; gas hydrocarbons will be sold off lease.

The BLM's interest in both wells is the same and the BTU's are equivalent. Waste is not induced and no correlative rights are impaired. These meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

Process and Flow Descriptions:

Please see attached diagram for the proposed Strawberry 7 Federal Com 1 central tank battery. The flow of produced fluids is shown in detail on Exhibit D along with a description of each vessel.

The commingling of production is in the interest of conservation and waste and will result in the most effective, economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses as well as reduce the surface facility footprint and overall emissions. Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. Additionally, Devon Energy Production Co., LP will submit within 30 days, an application for right-of-way approval to the BLM and NMOCD section in your office, if we have not already done so.



Devon Energy Production Company
Operations Engineering
20 North Broadway – CT 3.056
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-7802
Fax (405)-552-8113
Stephanie.Ysasaga@dun.com

January 8th, 2010

Mr. Richard Ezeanyim
State of New Mexico
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Central Tank Battery – Append CTB-610
Lease Comingle, Off Lease Gas Sales & Measurement
Hackberry 6 Federal 1, Strawberry 7 Federal 1 & Strawberry 7 Federal 3
Section 6-T19S-R31S NM-66437 & Sec 7-T19S-R31E NM-100561
API #30-015-31020, 30-015-31876 & 30-015-37171
Hackberry; Bone Spring, North - Pool Code: 97056
Eddy County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 and BLM Form 3160-5 Sundry Notice of Intent for Off Lease Gas Sales and Measurement on the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners in both wells in Lease NM-100561 are uniform; no additional notification is necessary.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-7802.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Stephanie A. Ysasaga
Sr. Staff Engineering Technician ☺

Enclosures

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location]** **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
- [DHC-Downhole Commingling]** **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
- [PC-Pool Commingling]** **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
- [WFX-Waterflood Expansion]** **[PMX-Pressure Maintenance Expansion]**
- [SWD-Salt Water Disposal]** **[IPI-Injection Pressure Increase]**
- [EOR-Qualified Enhanced Oil Recovery Certification]** **[PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify ___ Central Tank Battery – Append CTB-610 ___
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Stephanie A. Ysasaga
 Print or Type Name

Signature

Sr. Staff Engineering Technician
 Title

01/08/2010
 Date

Stephanie.Ysasaga@divn.com
 e-mail Address

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-37171
5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Strawberry 7 Federal
8. Well Number 3
9. OGRID Number 6137
10. Pool name or Wildcat See Below
11. Elevation (Show whether DR, RKB, RT, GR, etc.) n/a

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Devon Energy Production Company, LP

3. Address of Operator
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-7802

4. Well Location (See Below)
 Unit Letter _____ : _____ feet from the _____ line and _____ feet from the _____ line
 Section _____ Township _____ Range _____ NMPM Eddy County New Mexico

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>OTHER: CENTRAL TANK BATTERY: OFF-LEASE GAS SALES & MEASUREMENT - APPEND CTB - 610 <input checked="" type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Co. LLP respectfully requests approval for off lease gas sales and measurement of gas hydrocarbon production from the following wells to append NMOCD Administrative Order CTB-610 & add the Strawberry 7 Federal 3:

- * Hackberry 6 Federal 1: API # 30-015-31020 Sec 6-T19S-R31E Lease NM-66437 Hackberry; Bone Spring, North (97056)
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A central tank battery will be located at the Strawberry 7 Federal Com 1 for the Strawberry 7 Fed Com 1 & Strawberry 7 Federal 3. A common gas sales meter associated with a Frontier central delivery point (CDP) is located east of the Hackberry 18 Federal 2 located at the NENW of Sec 18-T19S-R31E. The Well Test Method will be used to allocate production back to the wells (see proposed/current facility schematic). Waste is not induced and no correlative rights are impaired.

Note: NOI Sundry submitted 12/17/2009 for approval to lay 2500' of 3" poly from the Strawberry 7 Federal 3 to the Strawberry 7 Federal 1 tank battery. No ROW necessary, as line is within lease boundary; pending approval. ROW will or has already been obtained for the gas line. The working, royalty, and overriding interest in both wells are uniform in Lease NM-100561; no further notification is necessary.

CTB-610 approved by the NMOCD 02/11/2010 (see attached).

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Stephanie A. Ysasaga TITLE Sr. Staff Engineering Technician DATE 01/08/2010
 Type or print name Stephanie A. Ysasaga E-mail address: Stephanie.Ysasaga@dvn.com Telephone No. (405) 552-7802
 For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____

Central Tank Battery, Lease Commingling, Off Lease Measurement & Sales
 19S-31E Eddy County, NM

° STRAWBERRY 7 FEDERAL 3
 ° STRAWBERRY 7 FEDERAL COM 1

USA NMNM 100561
 19S 31E

Legend

	Gas Well		Well Surface
	Gas Injection Well		Abandoned Location
	Injection Well		Drilling
	Oil Well		Permit
	Oil Injection Well		BoreStick
			Devon Leases
			Devon Minerals



EXHIBIT C

STRAWBERRY 7 FEDERAL 1 CENTRAL TANK BATTERY

APPEND NMOCD CTB-610

HACKBERRY 6 FEDERAL 1

STRAWBERRY 7 FEDERAL COM 3H

EDDY COUNTY

STRAWBERRY 7 FEDERAL 1

FRONTIER GDP



Strawberry 7 Federal #1
 Sec7,T19S,R31E
 710FNL & 1090FWL
 Eddy, N.M
 API# 30-015-31876

Current Facility Diagram

Production System: Open


1) Oil sales by tank gauge to tank truck.


2) Seal requirements:


A. Production Phase: On all Tanks.


(1) All valves 5 sealed closed.


Sales Phase: On Tank being hauled.


(1) Valve 1 sealed closed. 

(2) Valve 3 sealed closed. 

(3) Valve 4 sealed closed. 


(4) Valve 5 sealed closed. 


(5) Misc. Valves: Plugged or otherwise unaccessible. 

NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed. 

Ledger for Site Diagram

Valve #1: Production Line 

Valve #2: Test or Roll line 

Valve #3: Equilizer Line 

Valve #4: Circ./Drain Line 

Valve #5: Sales Line 


Valve #6: BS&W Load Line 

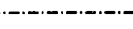
Buried Lines: 

Firewall: 

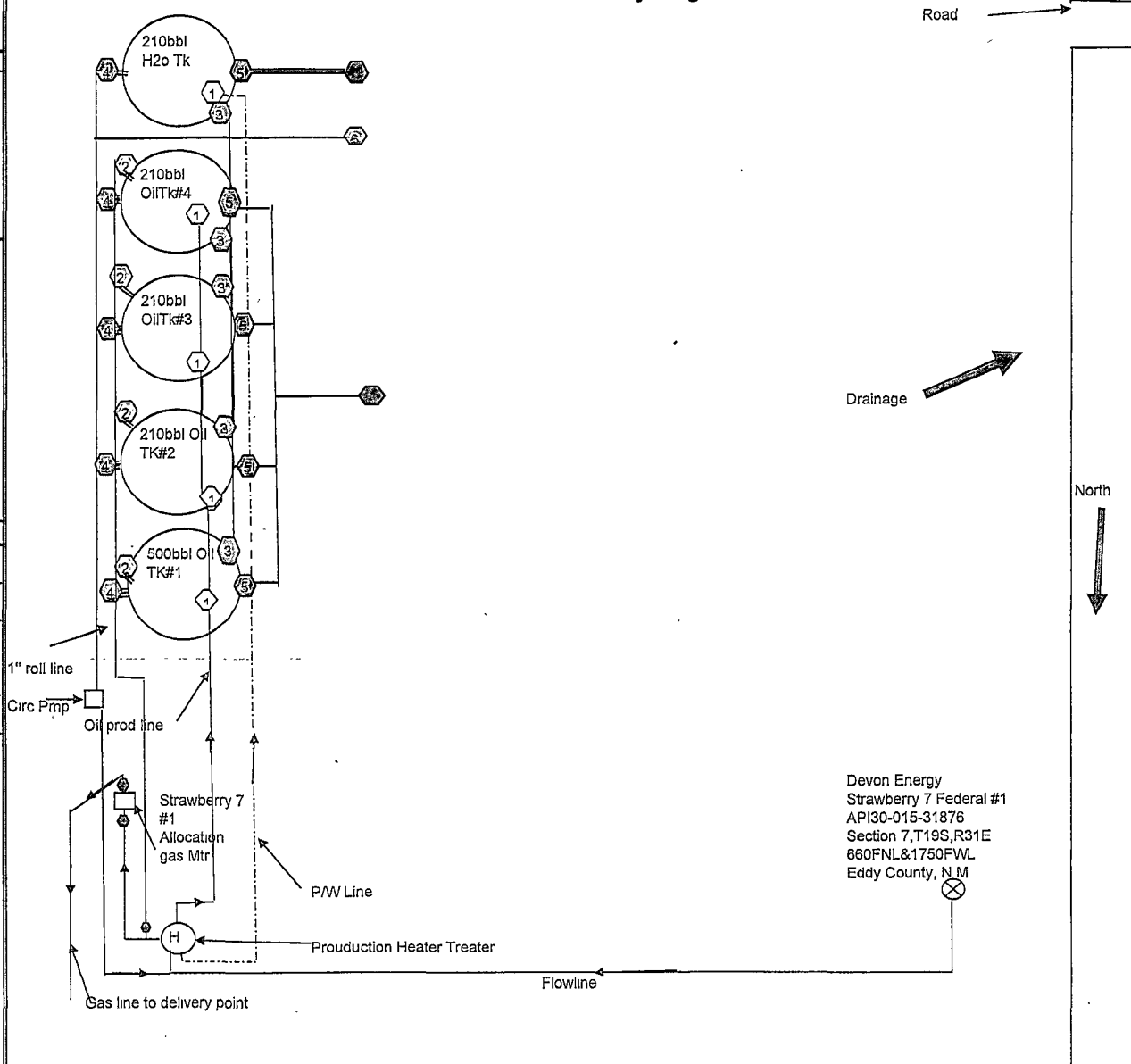
Wellhead: 

Stak-pak: 

Production line: 

Water line: 

Gas Meter   



Devon Energy
 Strawberry 7 Federal #1
 API30-015-31876
 Section 7,T19S,R31E
 660FNL&1750FWL
 Eddy County, N M

Strawberry 7 Federal #1
 Sec7,T19S,R31E
 710FNL & 1090FWL
 Eddy, N.M
 API# 30-015-31876

Production System: Open


1) Oil sales by tank gauge to tank truck.


2) Seal requirements:


A. Production Phase: On all Tanks.


(1) All valves 5 sealed closed.


Sales Phase: On Tank being hauled.


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NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed. 


Ledger for Site Diagram


Valve #1: Production Line 

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Valve #3: Equalizer Line 

Valve #4: Circ./Drain Line 

Valve #5: Sales Line 


Valve #6: BS&W Load Line 


Buried Lines: 

Firewall: 

Wellhead: 

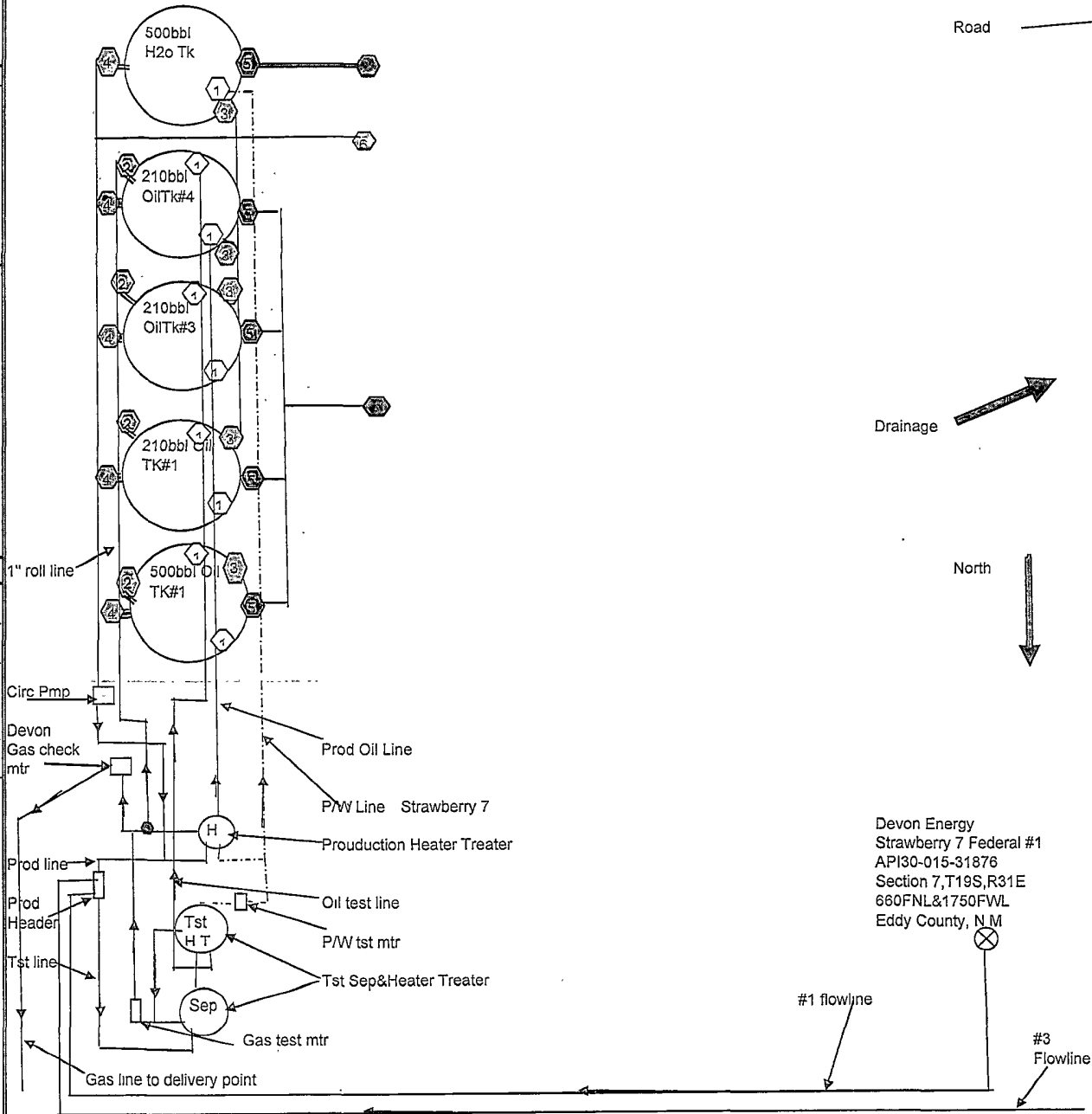
Stak-pak: 


Production line: 

Water line: 


Gas Meter   

Proposed Facility Diagram



Road 

Drainage 

North 

Devon Energy
 Strawberry 7 Federal #1
 API30-015-31876
 Section 7,T19S,R31E
 660FNL&1750FWL
 Eddy County, N M

#1 flowline

#3 Flowline



Laboratory Services, Inc.

2609 West Marland
Hobbs, New Mexico 88240

Telephone: (575) 397-3713

H

FOR: Devon Energy
P. O. Box 250
Artesia, New Mexico 88211-0250

SAMPLE: Sta. #677-33-006
IDENTIFICATION Strawberry 7 Fed. Com. #1
COMPANY: Devon Energy
LEASE:
PLANT:

SAMPLE DATA: DATE SAMPLED: 8/21/09 12:00 pm
ANALYSIS DATE: 8/24/09
PRESSURE - PSIG 71
SAMPLE TEMP. °F 97
ATMOS. TEMP. °F 113

GAS (XX) LIQUID ()
SAMPLED BY: Paul B.
ANALYSIS BY: Vicki McDaniel

REMARKS:

COMPONENT ANALYSIS


COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	2.837	
Carbon Dioxide (CO2)	0.055	
Methane (C1)	70.065	
Ethane (C2)	13.206	3.523
Propane (C3)	7.646	2.102
I-Butane (IC4)	0.985	0.322
N-Butane (NC4)	2.650	0.834
I-Pentane (IC5)	0.666	0.243
N-Pentane (NC5)	0.687	0.248
Hexane Plus (C6+)	1.203	0.522
	100.000	7.794
BTU/CU.FT. - DRY	1364	MOLECULAR WT. 23.6017
AT 14.650 DRY	1359	
AT 14.650 WET	1336	
AT 14.73 DRY	1367	
AT 14.73 WET	1343	
SPECIFIC GRAVITY -		
CALCULATED	0.812	
MEASURED		

STRAWBERRY 7 FEDERAL COM 1

Date	Actual Oil Production	Actual Gas Production	Actual Water Production
10/1/2009	29	50	30
10/2/2009	28	50	28
10/3/2009	27	49	28
10/4/2009	28	52	23
10/5/2009	29	51	28
10/6/2009	24	51	30
10/7/2009	29	51	26
10/8/2009	28	48	27
10/9/2009	28	50	27
10/10/2009	28	51	29
10/11/2009	23	50	30
10/12/2009	31	52	24
10/13/2009	28	52	25
10/14/2009	30	51	26
10/15/2009	34	53	30
10/16/2009	27	52	25
10/17/2009	27	52	26
10/18/2009	32	51	28
10/19/2009	30	54	26
10/20/2009	29	53	28
10/21/2009	23	52	26
10/22/2009	29	52	26
10/23/2009	27	50	28
10/24/2009	27	50	30
10/25/2009	22	52	27
10/26/2009	31	50	28
10/27/2009	28	52	28
10/28/2009	25	51	28
10/29/2009	28	49	27
10/30/2009	28	50	28
10/31/2009	31	53	28
	866	1591	848
11/1/2009	22	64	26
11/2/2009	28	45	27
11/3/2009	0	0	0
11/4/2009	0	0	0
11/5/2009	0	0	0
11/6/2009	0	6	0
11/7/2009	22	60	30
11/8/2009	0	53	53
11/9/2009	25	51	30
11/10/2009	22	54	23
11/11/2009	33	54	26
11/12/2009	31	53	27
11/13/2009	26	54	23
11/14/2009	36	52	24
11/15/2009	29	53	25
11/16/2009	32	52	24
11/17/2009	28	56	25
11/18/2009	37	54	27

STRAWBERRY 7 FEDERAL COM 1

Date	Actual Oil Production	Actual Gas Production	Actual Water Production
11/19/2009	31	55	28
11/20/2009	25	54	25
11/21/2009	25	55	28
11/22/2009	30	54	25
11/23/2009	22	55	28
11/24/2009	31	54	24
11/25/2009	25	55	25
11/26/2009	28	54	27
11/27/2009	31	52	28
11/28/2009	29	54	28
11/29/2009	28	50	28
11/30/2009	31	48	28
	710	1407	712
12/1/2009	0	5	0
12/2/2009	0	6	0
12/3/2009	0	0	0
12/4/2009	0	0	0
12/5/2009	17	27	38
12/6/2009	11	51	53
12/7/2009	33	56	28
12/8/2009	0	49	0
12/9/2009	33	35	34
12/10/2009	15	43	28
12/11/2009	26	48	28
12/12/2009	28	49	28
12/13/2009	32	50	26
12/14/2009	29	49	24
12/15/2009	31	50	28
12/16/2009	23	50	30
12/17/2009	31	51	28
12/18/2009	30	44	27
12/19/2009	24	45	28
12/20/2009	28	43	28
12/21/2009	28	51	28
12/22/2009	21	49	28
12/23/2009	20	49	24
12/24/2009	33	48	24
12/25/2009	31	50	27
12/26/2009	29	49	24
12/27/2009	31	51	28
12/28/2009	31	50	28
12/29/2009	25	50	29
12/30/2009	31	52	28
12/31/2009	25	49	0
	697	1303	724



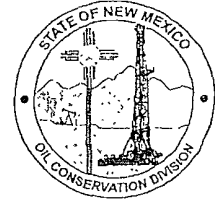
New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Surface Commingling Order CTB-610

February 11, 2010

Devon Energy Production Company
20 North Broadway – CT 3.056
Oklahoma City, Oklahoma 73102-8260

Attention: Stephanie Ysasaga:

Devon Energy Production Company is hereby authorized to surface commingle gas production from the Hackberry; Bone Spring, North Pool (97056) from the following leases and wells.

Lease: **Federal Lease No. NM-66437**

Wells: Hackberry 6 Fed. Well No.1 (API No. 30-015-31020) NW/4SE/4, Sect. 6, T-19-S, R-31-E

Lease: **Federal Lease No. NM-100561**

Well: Strawberry 7 Fed. Well No. 1 (API No. 30-015-31876) NE/4NW/4 Sect. 7, T-19-S, R-31-E.

All in NMPM, Eddy County, New Mexico

Commingled gas production from the wells detailed above shall be measured and sold at the Frontier Central Delivery Point (CDP), located in Section 18, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico.

Gas production from the Strawberry 7 Federal Well No. 1 shall be measured by gas allocation meter, and the Subtraction Method shall be used to allocate production back to the Hackberry 6 Federal Well No.1. The gas allocation meter shall be calibrated quarterly.


NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Artesia District office of the Division prior to implementation of commingling operations.



February 11, 2010
Page 2

DONE at Santa Fe, New Mexico, on February 11, 2010.

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

MARK E. FESMIRE, P.E.,
Acting Division Director

MEF/re

cc: Oil Conservation Division – Artesia
Bureau of Land Management (BLM) - Carlsbad

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Off-Lease Measurement, Sales and Surface Commingling

Conditions of Approval

Approval of surface commingling and off-lease sales and/or measurement is subject to the following conditions of approval:

1. This agency shall be notified of any change in sales method or location of sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval is subject to like approval by the New Mexico Oil Conservation Division.
5. Additional wells and/or leases require additional commingling approvals.
6. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
7. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
8. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "standard Environmental Colors" – Shale Green, Munsell Soil Color No. 5Y 4/2.
9. If any additional wells are added to this CDP, a gas meter will have to be installed on the Hackberry 6 Federal # 1, after commingling approval has been submitted for additional wells.

COAs on prior Approval

Strawberry 7- 1&3 and Hackberry 6-1

Devon Energy Production Co., LP

March 10, 2010

**Condition of Approval
Commingle on and off lease**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
8. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to MMS as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to MMS. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.