



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-614

April 20, 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 Happy Valley; Delaware Pool (**29665**) from the following leases and wells.

Lease: **State Lease No. LG-8291**

Well: Algerita 32 State Well No.1 (**API No. 30-015-35339**) SW/4SW/4, Sect. 32, T-22-S, R-26-E

Lease: **Federal Lease No. NM-97120**

Well: Rustler Hills Fed. Well No. 2 (**API No. 30-015-36084**) NE/4NW/4 Sect. 5, T-23-S, R-26-E.

All in NMPM, Eddy County, New Mexico

Commingled gas production from the wells detailed above shall be measured at the Algerita 32 State Well No. 1 Central Tank battery (CTB), located in Unit M of Section 32, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. The commingled gas production shall be flared subject to the provisions of NTL-4A, and the Division approved application for exception to the No-Flare Rule (Form C-129) pursuant to 19.15.7.37 NMAC and 19.15.18.12 NMAC.

Oil production from the wells shall not be commingled. However, the oil production from the wells is approved for off-lease measurement and storage.

NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

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



April 20, 2010
Page 2

DONE at Santa Fe, New Mexico, on April 20, 2010.



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

MEF/re

cc: Oil Conservation Division – Artesia
Bureau of Land Management (BLM) – Carlsbad
State Land Office (SLO) – Oil, Gas and Minerals Division