

07/11/2012 DATE IN	SUSPENSE	Erin Workman ENGINEER	07/13/2012 LOGGED IN	PLC TYPE	PJ00121 9559900 APP NO.
-----------------------	----------	--------------------------	-------------------------	-------------	----------------------------

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 _____

00RID 6137
 API 30-025-36798
 37069
 37620
 40928
 Redbull 31 #1, 2, 3, 4H
 Located Lea County
 31-235-35E
 2012
 1:40
 00000

[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.

Erin Workman
Print or Type Name

Erin Workman
Signature

Regulatory Compliance Associate
Title

7-10-12
Date

Erin.workman@dvn.com
E-mail Address



Devon Energy Production Company
333 W. Sheridan
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-7970
Erin.Workman@devn.com

July 10, 2012

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

**Re: Central Tank Battery, Pool/Lease Commingle, Off Lease Measurement, Sales, & Storage
Red Bull 31 State 1, Red Bull 31 State 2, Red Bull 31 State 3, and Red Bull 31 State 4H
Sec 31-T23S-R35E
VA-2488 & VA-2478
API # 30-025-36798, 30-025-37069, 30-025-37620, & 30-025-40428
Antelope Ridge; Bone Spring Pool Code: 2200
Cinta Rojo; Delaware Pool Code: 96341
Lea County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B and C-103 Sundry Notice of Intent to a Central Tank Battery, Pool/Lease Commingle, Off Lease Measurement, Sales, & Storage for the aforementioned wells.

The working interest, royalty interest and overriding royalty interest owners in both leases are not identical; parties have been notified via certified mail (see attached).

Should you require any additional information or assistance, please do not hesitate to contact me at (405) 552-7970.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Erin Workman
Regulatory Compliance Associate

Enclosures

RECEIVED OCD
2012 JUL 11 P 1:40



Devon Energy Corporation
333 W. Sheridan Ave
Oklahoma City, OK 73102-8260

405 235 3611 Phone
www.devonenergy.com

July 10, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Request Central Tank Battery, Pool/Lease Commingle,
Off Lease Measurement, Sales, & Storage
Red Bull 31 State 1, Red Bull 31 State 2, Red Bull 31 State 3, & Red Bull 31 State 4H
Sec 31-T23S-R35E
API # 30-025-36798, 30-025-37069, 30-025-37620, & 30-025-40428
Pool 2200 Antelope Ridge; Bone Spring
Pool 96341 Cinta Rojo; Delaware
Lea County, New Mexico

Gentlemen:

This is to advise you that Devon Energy Production Company, LP, is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval to a central tank battery; pool/lease commingle, off lease measurement, sales & storage permit.

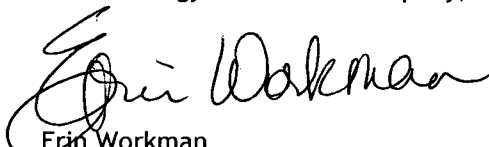
A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Please contact the undersigned at (405) 552-7970 should you have any questions or need anything further.

Sincerely,

Devon Energy Production Company, L.P.


Erin Workman
Regulatory Compliance Associate

Enclosure

RECEIVED OGD
2012 JUL 11 P 1:40

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Devon Energy Production Co., LP

OPERATOR ADDRESS: 333 W. Sheridan Ave., OKC, OK 73102

APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. PLC-354

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
2200 Antelope Ridge; Bone Spring					
96341 Cinta Rojo; Delaware					
Red Bull 31 State 1 – 2200 & 96341	41 /1275.0				
Red Bull 31 State 2 – 96341	41 /1315.2				
Red Bull 31 State 3 – 2200 & 96341	42/1312.5				
Red Bull 31 State 4H - 96341	39.8/1342.9				

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☐ Metering ☒ Other – Well Test Method

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☐ Metering ☒ Other - Well Test Method

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☒ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE:

Erin Workman

TITLE: Regulatory Compliance Associate

DATE:

7-10-12

TYPE OR PRINT NAME: Erin Workman

TELEPHONE NUMBER: 405-552-7970

E-MAIL ADDRESS: Erin.workman@dmn.com

Red Bull 31 State 1
Sec 23, T23S, R35E
1300FSL, 2610FWL
Lea N.M
API# 30-025-36798

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 inaccessible.

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: Equalizer Line 

Valve #4: Circ./Drain Line 

Valve #5: Sales Line 

Valve #6: Test Load Line 

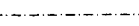
Buried Lines: 

Firewall: 

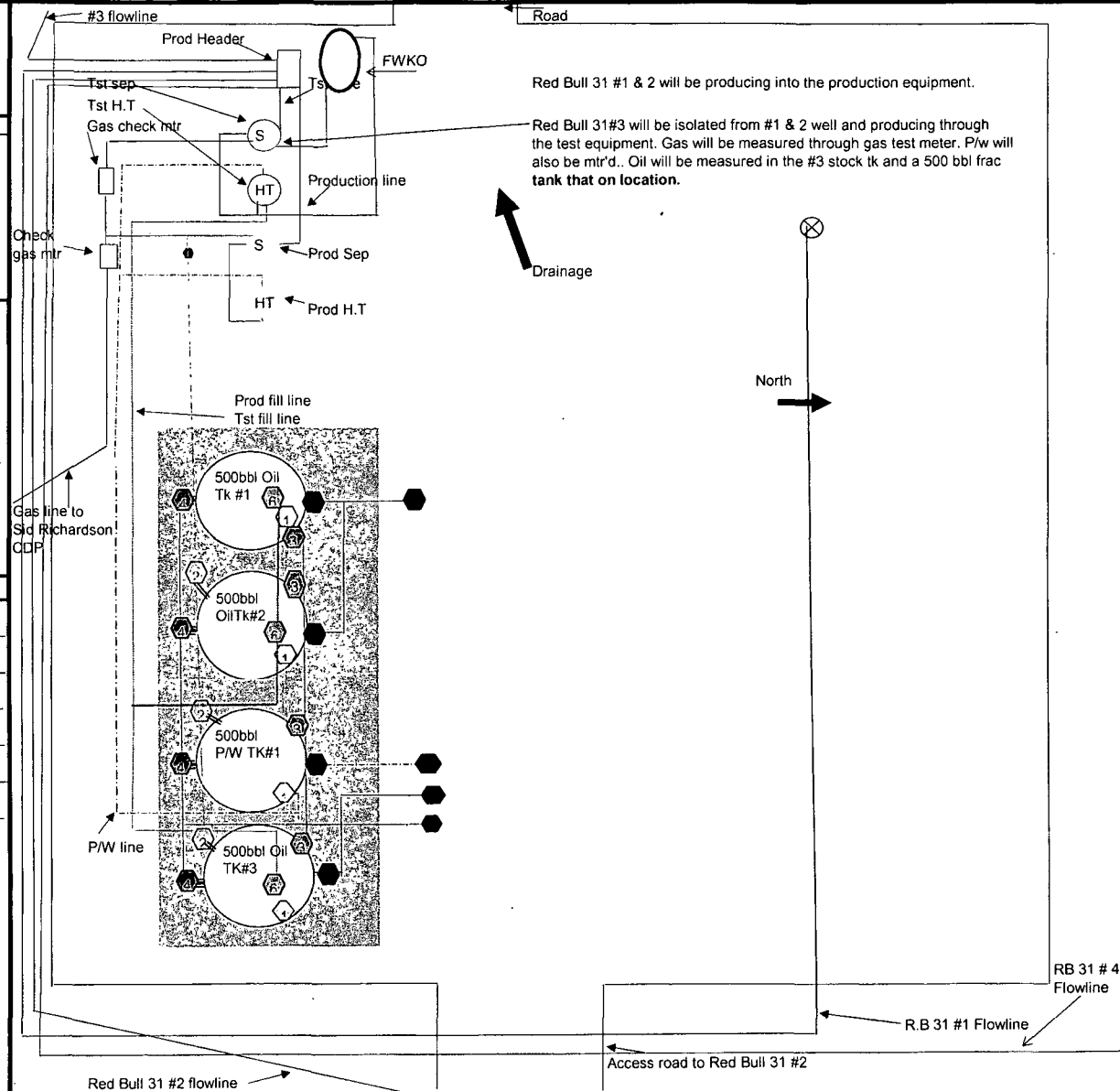
Wellhead: 

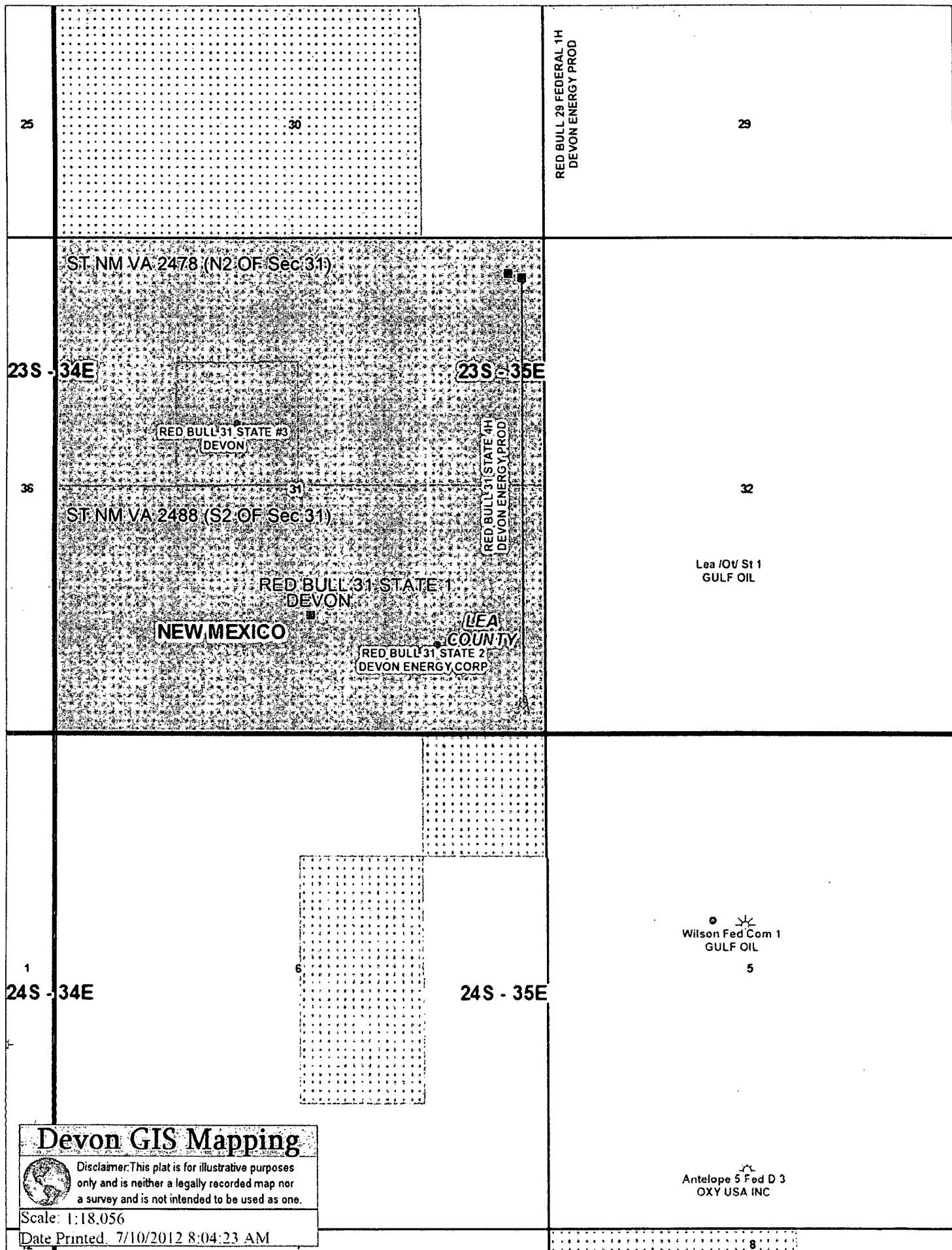
Stak-pak: 

Production line: 

Water line: 

Gas Meter   





Devon GIS Mapping



Disclaimer: This plat is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one.

Scale: 1:18,056

Date Printed: 7/10/2012 8:04:23 AM

Antelope 5 Fed D 3
OXY USA INC

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. See Below
5. Indicate Type of Lease FED <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. See Below
7. Lease Name or Unit Agreement Name See Below
8. Well Number See Below
9. OGRID Number 6137
10. Pool name or Wildcat See Below

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator Devon Energy Production Company, LP
3. Address of Operator 333 W Sheridan Avenue Oklahoma City, Oklahoma 73102 (405) 552-7970

4. Well Location Unit Letter _____ : _____ feet from the _____ line and _____ feet from the _____ line Section 31 Township 23S Range 35E NMPM Lea County New Mexico
11. Elevation (Show whether DR, RKB, RT, GR, etc.) n/a

Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>
OTHER: Central Tank Battery, Pool/Lease Commingle, Off Lease Measurement, Sales, & Storage <input checked="" type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

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., LP respectfully requests a Central Tank Battery, Pool/Lease Commingle, Off Lease Measurement, Sales and Storage for the following wells:

Red Bull 31 State 1	30-025-36798	2200 Antelope Ridge; Bone Spring	Lease Number: VA-2488 DHC-3561 & OLS-194
Red Bull 31 State 2	30-025-37069	96341 Cinta Rojo; Delaware	Lease Number: VA-2488 PC-1180
Red Bull 31 State 3	30-025-37620	2200 Antelope Ridge; Bone Spring	Lease Number: VA-2478 OLS-194
*Red Bull 31 State 4H	30-025-40428	96341 Cinta Rojo; Delaware	Lease Number: VA 2478

A central tank battery will be located on the Red Bull State 1 Location for all four wells. The wells gas production will flow to the SUG CDP 57 which is located a quarter of a mile south of the Red Bull 31 State 1 location. These will be the only wells utilizing the battery and CDP at this time. The well test method will be used for the wells allocation. ROW has or will be obtained.

The working interest, royalty interest and overriding royalty interest owners are not identical; parties have been notified via certified mail (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: Erin Workman TITLE: Regulatory Compliance Associate DATE: 07-10-12

Type or print name Erin Workman E-mail address: Erin.workman@dvn.com Telephone No. (405) 552-7970
For State Use Only

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

Precision Gas Measurement, Inc.

Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	REDBULL 31 ST. 4
Location ID	39049067
Sample Date	7/3/2012
WATER	
Method Name	BTUH2S.met
Injection Date	2012-07-06 09:47:04

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0681	0.4	0.4	0.00080	0.009
NITROGEN	3.7148	0.0	0.0	0.03593	0.410
CARBON DIOXIDE	2.6678	0.0	0.0	0.04054	0.457
METHANE	65.5272	663.4	651.8	0.36296	11.158
ETHANE	13.8628	245.9	241.6	0.14392	3.724
PROPANE	8.3416	210.4	206.7	0.12700	2.308
I-BUTANE	0.9722	31.7	31.1	0.01951	0.320
N-BUTANE	2.5608	83.7	82.3	0.05139	0.811
I-PENTANE	0.7476	30.0	29.5	0.01862	0.275
N-PENTANE	0.6922	27.8	27.3	0.01724	0.252
C6+	0.8449	43.4	42.7	0.02719	0.368
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1336.7	1313.4	0.84510	20.092

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	97.0	
Flowing Pressure (psia)	117.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1336.7	1313.4
Gross Heating Value (BTU / Real cu.ft.)	1342.9	1320.1
Relative Density (G), Real	0.8487	0.8451
Compressibility (Z) Factor	0.9954	0.9949
Total GPM	20.092	19.851
Wobbe Index	1457.7	1436.0

Chesapeake Investments
PO Box 18756
Oklahoma City, OK 73154-8806

Certified Mailing
Number: 7010 1060
0000 923 3312

Chesapeake Energy Corporation
PO Box 548806
Oklahoma City, OK 73154-8806

Certified Mailing
Number: 7010 1060
0000 0923 3329

State of New Mexico
Commission of Public Lands
PO Box 1148
Santa Fe, NM 87504-1148

Certified Mailing
Number: 7010 1060
0000 0917 5599

Arcadia Resources LP
PO Box 548806
Oklahoma City, OK 73154-8806

Certified Mailing
Number: 7010 1060
0000 0917 5582



Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

April 25, 2012

Devon Energy Corporation
20 North Briadway
Oklahoma City, OK 73102-8260

Attention: Ms. Melanie Crawford

Re: Request Central Tank Battery, Pool/ Lease Commingle
Off Lease Measurement, Sales, and Storage
Red Bull 31 State 1, Red Bull 31 State 2, and Red Bull 31 State 3
Sec. 31-23S-35E
API: 30-025-36798, 30-025-37069, 30-025-37620
Pool 2200 Antelope Ridge; Bone Spring
Pool 96341 Cinta Rojo; Delaware
Lea County, New Mexico

Dear Ms. Crawford:

We are in receipt of your application of February 28, 2012 requesting a central tank battery, pool/lease commingle, off lease measurement, sales and storage for the above captioned wells.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division. Please submit a copy of the NMOCD's approval to this office.

Our approval does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Please submit a \$30.00 dollar filing fee.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY:

Larry J. Roybal, Director

RP/LR/jm

cc: Reader File,

OCD-Mr. Ed Martin

OCD-Ed Martin,



Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

June 14, 2012

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

Attn: Ms. Melanie Crawford

Re: Amended Surface Commingling Application
State Lese No. VA-2488-0
Red Bull 31 State #2
SE/4SE/4 Section 31-23S-35E
Lea County, New Mexico

Dear Ms. Crawford:

We have received your letter of March 29, 2012 requesting our approval to amend the previously approved application to surface commingle the production from the Red Bull 31 State Well No. 2 located in the SE/4SE/4 of Section 31-23S-35E into one tank battery located on State lease No. VA-2488-0. The Red Bull 31 State Well No. 1 tank battery is located in the SE/4SW/4 of Section 31-23S-35E, Lea County, New Mexico.

The amendment application requests to use monthly periodic well tests to measure production.

Since it appears that all the New Mexico Oil Conservation Divisions (OCD) rules and regulations have been complied with and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation your application is approved. Any deviation from the substance of your application will be cause for rescinding our approval, and our approval is subject to like approval by the OCD.

Our approval does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Please submit a thirty dollar (\$30) filing fee and a copy of the OCD's approval.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
Larry J. Roybat, Director

Oil, Gas and Minerals Division
(505) 827-5744
RP/LR/pm

cc: Reader File,
OCD-Attention: Mr. Ed Martin

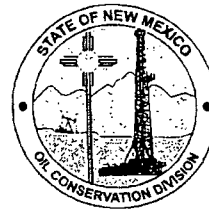
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order PLC-354-A

April 5, 2012

Devon Energy Production Co., LP
20 North Broadway
Oklahoma City, OK 73102

Attention: Melanie Crawford

Devon Energy Production Company, LP ("Devon") is hereby authorized to surface commingle **oil and gas production** from the following Pools located in Township 23 South, Ranges 35 East, NMPM, Lea County, New Mexico.

Antelope Ridge; Bone Spring Gas Pool (2200)
Cinta Rojo; Delaware Gas Pool (96341)

and from the following diversely owned wells located on State leases in Lea County, New Mexico:

Well Name & Number	API No.	Well Location	S-T-R
Red Bull 31 State Well No. 1	30 -25-36798	SE/4SW/4	31-23S-35E
Red Bull 31 State Well No. 2	30-025-37069	SE/4SE/4	31-23S-35E
Red Bull 31 State Well No. 3	30 025 37620	SE/4NW/4	31-23S-35E

The commingled oil and gas production shall be measured and sold at the Central Tank Battery (CTB) located in Section 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico. Oil and gas production from the wells is approved for off lease measurement and sales.

The Red Bull 31 Well Nos. 1, 2, and 3 are stripper wells. The original Order No. PLC-354 required metering to allocate production back to the wells. The operator now requests to use monthly periodic well tests to measure production. The request by the operator is hereby approved, and therefore production shall be measured by monthly periodic well tests.

The producer/operator shall notify the transporter of this commingling authority.



Administrative Order PLC-354-A

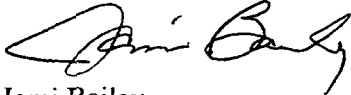
April 5, 2012

Page 2 of 2

The operator shall notify the Hobbs district office of the Division upon commencement of commingling operations.

This Order supersedes Order No. PLC-354

DONE at Santa Fe, New Mexico, on April 5, 2012.

A handwritten signature in black ink, appearing to read "Jami Bailey", written in a cursive style.

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division District Office – Hobbs
State Land Office – oil, gas, and minerals division – Santa Fe


devon

Devon Energy Production Company
20 North Broadway, CT 3.058
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-5424
Fax (405)-552-8113
Melanie.Crawford@devon.com

March 29, 2012

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

3,5.12 RE 3,5.12 PLC PTG W
1209629062

Re: Pool/Lease Commingle, Off Lease Measurement, Sales, & Storage
Red Bull 31 State 1, Red Bull 31 State 2, & Red Bull 31 State 3
Sec 31-T23S-R35E
VA-2488 & VA-2478
API # 30-025-36798, 30-025-37069, & 30-025-37620
Antelope Ridge; Bone Spring Pool Code: 2200
Cinta Rojo; Delaware Pool Code: 96341
Lea County, New Mexico

Amend PLC-35

Dear Mr. Ezeanyim:

Please find attached previously approved application PLC-354 for the aforementioned wells. The previous application was approved for oil and gas production to be measured continuously with allocation meters before commingling with production from other wells. I would like to amend the previous approved application to "Well Test" Method for the measurement type.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-4524.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Melanie Crawford
Regulatory Analyst

Enclosures

PLC-354-A

District I

1625 N. French Drive, Hobbs, NM 88240

District II

1301 W. Grand Ave, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-107-B

Revised June 10, 2003

OIL CONSERVATION DIVISION1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Devon Energy Production Co., LP

OPERATOR ADDRESS: 20 North Broadway, Oklahoma City, OK 73102

APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)LEASE TYPE: ☐ Fee ☒ State ☐ FederalIs this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. PLC-354

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
2200 Antelope Ridge; Bone Spring					
96341 Cinta Rojo; Delaware					
Red Bull 31 State 1 - 2200 & 96341	41 /1275.0				
Red Bull 31 State 2 - 96341	41 /1315.2				
Red Bull 31 State 3 - 2200 & 96341	42/1312.5				

(2) Are any wells producing at top allowables? ☐ Yes ☒ No(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.(4) Measurement type: ☐ Metering ☒ Other - Well Test(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☒ No(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No(4) Measurement type: ☒ Metering ☐ Other (Specify)**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☒ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: _____

TITLE: Regulatory Analyst

DATE: _____

TYPE OR PRINT NAME: Melanie Crawford

TELEPHONE NUMBER: 405-552-4524

E-MAIL ADDRESS: Melanie.Crawford@dmr.com

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order PLC-354

March 22, 2012

Devon Energy Production Co., LP
20 North Broadway
Oklahoma City, OK 73102

Attention: Melanie Crawford

Devon Energy Production Company, LP ("Devon") is hereby authorized to surface commingle **oil and gas production** from the following Pools located in Township 23 South, Ranges 35 East, NMPM, Lea County, New Mexico.

Antelope Ridge; Bone Spring Gas Pool (2200)
Cinta Rojo; Delaware Gas Pool (96341)

and from the following diversely owned wells located on State leases in Lea County, New Mexico:

Well Name & Number	API No.	Well Location	S-T-R
Red Bull 31 State Well No. 1	30 -25-36798	SE/4SW/4	31-23S-35E
Red Bull 31 State Well No. 2	30-025-37069	SE/4SE/4	31-23S-35E
Red Bull 31 State Well No. 3	30 025 37620	SE/4NW/4	31-23S-35E

The commingled oil and gas production shall be measured and sold at the Central Tank Battery (CTB) meter located in Section 31, Township 223 South, Range 35 East, NMPM, Lea County, New Mexico. Oil and gas production from the wells is approved for off lease measurement and sales.

Oil and gas production from the wells shall be measured continuously with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated semi-annually.

The producer/operator shall notify the transporter of this commingling authority.



Administrative Order PLC-354
Mar 22, 2012
Page 2 of 2

The operator shall notify the Hobbs district office of the Division upon commencement of commingling operations.

DONE at Santa Fe, New Mexico, on March 22, 2012.

A handwritten signature in black ink, appearing to read "Jami Bailey".

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division District Office – Hobbs
State Land Office – oil, gas, and minerals division – Santa Fe



Devon Energy Production Company
20 North Broadway - CT 3.058
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-5424
Fax (405)-552-8113
Melanie.Crawford@dev.com

February 28, 2012

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

**Re: Central Tank Battery, Pool/Lease Commingle, Off Lease Measurement, Sales, & Storage
Red Bull 31 State 1, Red Bull 31 State 2, & Red Bull 31 State 3
Sec 31-T23S-R35E
VA-2488 & VA-2478
API # 30-025-36798, 30-025-37069, & 30-025-37620
Antelope Ridge; Bone Spring Pool Code: 2200 ✓
Cinta Rojo; Delaware Pool Code: 96341 ✓
Lea County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B and C-103 Sundry Notice of Intent to a Central Tank Battery, Pool/Lease Commingle, Off Lease Measurement, Sales, & Storage for the aforementioned wells.

The working interest, royalty interest and overriding royalty interest owners in both leases are not identical; parties have been notified via certified mail (see attached).

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-4524.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Melanie Crawford
Regulatory Analyst

Enclosures

PTGW

DATE IN 3.1.12	SUSPENSE	ENGINEER RE.	LOGGED IN 3.1.12	TYPE PLC	APP NO. 1206144788
----------------	----------	--------------	------------------	----------	--------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Devon

Red Bull 31 State #, #

ADMINISTRATIVE APPLICATION CHECKLIST

30-025-36

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

30-025-37
30-025-37

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

Lea

- [D] Other: Specify _____

[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.

Melanie Crawford
 Print or Type Name

Signature

Melanie Crawford

Regulatory Analyst
 Title

2-28-12
 Date

Melanie.Crawford@dmv.com
 E-mail Address

01 - 354

Red Bull 31 State 1
Sec 23,T23S,R35E
1300FSL,2610FWL
Lea N.M
API# 30-025-36798

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: Test Load Line

Buried Lines:

Firewall:

Wellhead:

Stak-pak:

Production line:

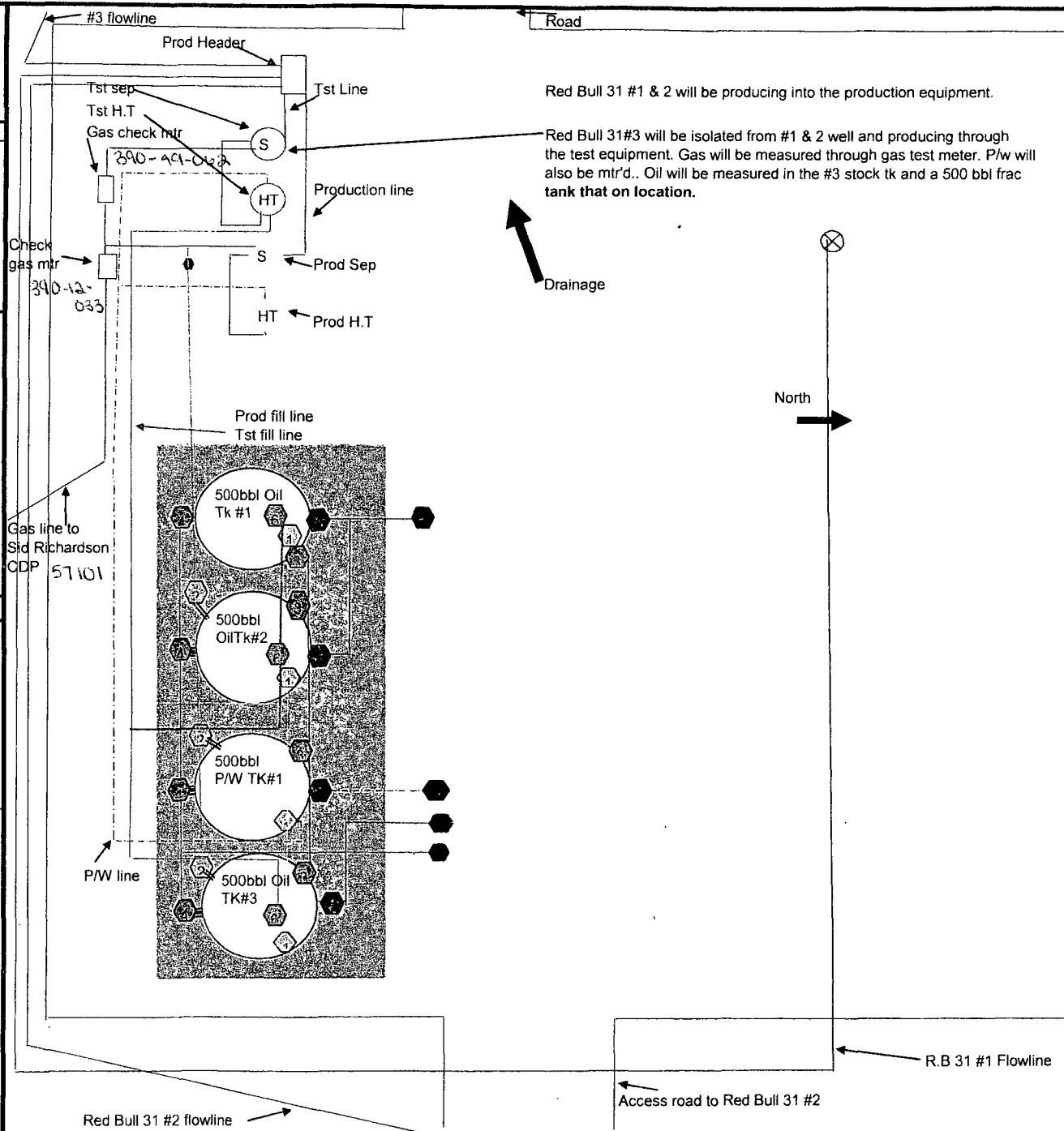
Water line:

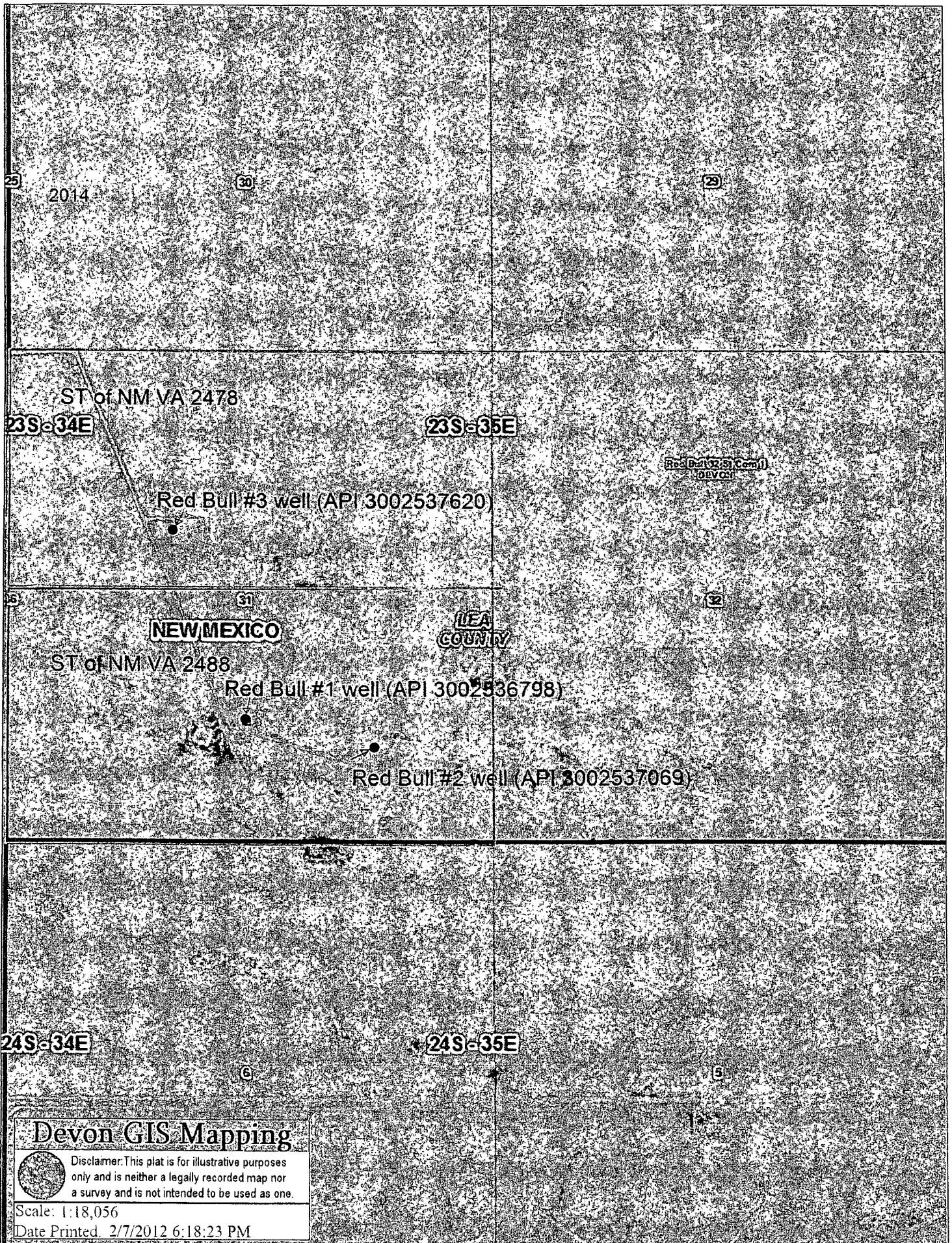
Gas Meter

A

M

C





District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Devon Energy Production Co., LP
OPERATOR ADDRESS: 20 North Broadway, Oklahoma City, OK 73102
APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
2200 Antelope Ridge; Bone Spring					
9634I Cinta Rojo; Delaware					
Red Bull 31 State 1 - 2200 & 9634I	41 /1275.0				
Red Bull 31 State 2 - 9634I	41 /1315.2				
Red Bull 31 State 3 - 2200 & 9634I	42/1312.5				

(2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.
(4) Measurement type: ☒ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.
(2) Is all production from same source of supply? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(3) Has all interest owners been notified by certified mail of the proposed commingling? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
(4) Measurement type: <input checked="" type="checkbox"/> Metering <input type="checkbox"/> Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Melanie Crawford TITLE: Regulatory Analyst

DATE: 2-28-12

TYPE OR PRINT NAME: Melanie Crawford TELEPHONE NUMBER: 405-552-4524

E-MAIL ADDRESS: Melanie.Crawford@dvn.com

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-1
May 27, 2

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

WELL API NO.

See Below

5. Indicate Type of Lease

FED ☐ STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

See Below

7. Lease Name or Unit Agreement Name

See Below

8. Well Number

See Below

9. OGRID Number

6137

10. Pool name or Wildcat

See Below

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) 552-4524

4. Well Location

Unit Letter _____ : _____ feet from the _____ line and _____ feet from the _____ line

Section 31 Township 23S Range 35E NMPM Lea County New Mexico

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

n/a

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Central Tank Battery, Pool/Lease Commingle, Off Lease Measurement, Sales, & Storage ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Co., LP respectfully requests a Central Tank Battery, Pool/Lease Commingle, Off Lease Measurement, Sales and Storage the following wells:

Red Bull 31 State 1	30-025-36798	2200 Antelope Ridge; Bone Spring	Lease Number: VA-2488	DHC-3561 & OLS
		96341 Cinta Rojo; Delaware		
Red Bull 31 State 2	30-025-37069	96341 Cinta Rojo; Delaware	Lease Number: VA-2488	PC-1180
Red Bull 31 State 3	30-025-37620	2200 Antelope Ridge; Bone Spring	Lease Number: VA-2478	OLS-194
		96341 Cinta Rojo; Delaware		

A central tank battery will be located on the Red Bull 31 State 1 location for all three wells. The wells gas production will flow to the SUG CDP 57 which is located a quarter of mile south of the Red Bull 31 State 1 location. These will be the only wells utilizing these battery and CDP at this time. The well test method will be used for the wells allocation...

The working interest, royalty interest and overriding royalty interest owners are not identical; parties have been notified via certified mail (see attach

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: Melanie Crawford TITLE: Regulatory Analyst DATE: 2-29-12

Type or print name Melanie Crawford E-mail address: Melanie.Crawford@dvn.com Telephone No. (405) 552-4524

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Precision Gas Measurement, Inc.

Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	RED BULL 31 ST. CPD
Location ID	39012133
Sample Date	2/20/2012
WATER	
Method Name	BTUH2S.met
Injection Date	2012-02-24 15:46:42

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0101	0.1	0.1	0.00012	0.001
NITROGEN	4.5865	0.0	0.0	0.04436	0.506
CARBON DIOXIDE	0.8268	0.0	0.0	0.01256	0.142
METHANE	72.1390	730.3	717.6	0.39958	12.275
ETHANE	11.0070	195.2	191.8	0.11427	2.955
PROPANE	6.1856	156.0	153.3	0.09418	1.710
I-BUTANE	0.8752	28.5	28.0	0.01756	0.287
N-BUTANE	2.2444	73.4	72.1	0.04504	0.710
I-PENTANE	0.7471	30.0	29.4	0.01861	0.274
N-PENTANE	0.6453	25.9	25.5	0.01608	0.235
C6+	0.7330	37.7	37.0	0.02358	0.319
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1277.1	1254.8	0.78595	19.416

Results Summary

Result	Dry	Sat
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	60.4	
Flowing Pressure (psia)	43.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1277.1	1254.8
Gross Heating Value (BTU / Real cu.ft.)	1282.2	1260.4
Relative Density (G), Real	0.7887	0.7862
Compressibility (Z) Factor	0.9960	0.9956
Total GPM	19.416	19.186
Wobbe Index	1443.7	1421.4

Precision Gas Measurement, Inc.

Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	REDBULL 31 ST. 1
Location ID	39049062
Sample Date	2/20/2012
WATER	
Method Name	BTUH2S.met
Injection Date	2012-02-24 15:14:40

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0304	0.2	0.2	0.00036	0.004
NITROGEN	4.3499	0.0	0.0	0.04207	0.480
CARBON DIOXIDE	1.2305	0.0	0.0	0.01870	0.211
METHANE	72.6961	735.9	723.1	0.40266	12.370
ETHANE	10.5594	187.3	184.0	0.10963	2.834
PROPANE	5.9188	149.3	146.7	0.09011	1.637
I-BUTANE	0.8507	27.7	27.2	0.01707	0.279
N-BUTANE	2.0631	67.5	66.3	0.04140	0.653
I-PENTANE	0.7738	31.0	30.5	0.01928	0.284
N-PENTANE	0.6634	26.7	26.2	0.01653	0.241
C6+	0.8639	44.4	43.6	0.02780	0.376
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1270.0	1247.9	0.78561	19.370

Results Summary

Result	Dry	Sat
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	61.0	
Flowing Pressure (psia)	45.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1270.0	1247.9
Gross Heating Value (BTU / Real cu.ft.)	1275.0	1253.4
Relative Density (G), Real	0.7884	0.7859
Compressibility (Z) Factor	0.9960	0.9956
Total GPM	19.370	19.141
Wobbe Index	1436.0	1413.8

Precision Gas Measurement, Inc.

Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	REBULL 31 ST. 2
Location ID	39049062
Sample Date	2/20/2012
WATER	
Method Name	BTUH2S.met
Injection Date	2012-02-24 16:10:55

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu. ft.)	Gross HV (Sat.) (BTU / Ideal cu. ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu. ft.)
H2S	0.0025	0.0	0.0	0.00003	0.000
NITROGEN	5.0135	0.0	0.0	0.04849	0.554
CARBON DIOXIDE	0.2302	0.0	0.0	0.00350	0.039
METHANE	70.7144	715.9	703.4	0.39169	12.035
ETHANE	11.4618	203.3	199.8	0.11900	3.077
PROPANE	6.6876	168.7	165.7	0.10182	1.850
I-BUTANE	0.8664	28.2	27.7	0.01739	0.285
N-BUTANE	2.4184	79.1	77.7	0.04853	0.765
I-PENTANE	0.8633	34.6	34.0	0.02151	0.317
N-PENTANE	0.8543	34.3	33.7	0.02128	0.311
C6+	0.8876	45.6	44.8	0.02856	0.387
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1309.7	1286.9	0.80179	19.620

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	60.0	
Flowing Pressure (psia)	44.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1309.7	1286.9
Gross Heating Value (BTU / Real cu.ft.)	1315.2	1292.9
Relative Density (G), Real	0.8048	0.8020
Compressibility (Z) Factor	0.9958	0.9954
Total GPM	19.620	19.387
Wobbe Index	1466.1	1443.7

Precision Gas Measurement, Inc.

Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	REDBULL 31 ST. 3
Location ID	39049062
Sample Date	220/2012
WATER	
Method Name	BTUH2S.met
Injection Date	2012-02-24 16:18:10

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0000	0.0	0.0	0.00000	0.000
NITROGEN	5.2362	0.0	0.0	0.05064	0.578
CARBON DIOXIDE	0.1532	0.0	0.0	0.00233	0.026
METHANE	70.8978	717.7	705.2	0.39270	12.066
ETHANE	11.2697	199.9	196.4	0.11700	3.026
PROPANE	6.4035	161.5	158.7	0.09749	1.771
I-BUTANE	0.8468	27.6	27.1	0.01699	0.278
N-BUTANE	2.4729	80.9	79.5	0.04963	0.783
I-PENTANE	0.9123	36.6	35.9	0.02273	0.335
N-PENTANE	0.8922	35.8	35.2	0.02223	0.325
C6+	0.9154	47.1	46.2	0.02945	0.399
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1307.1	1284.3	0.80120	19.587

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	59.0	
Flowing Pressure (psia)	46.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1307.1	1284.3
Gross Heating Value (BTU / Real cu.ft.)	1312.5	1290.2
Relative Density (G), Real	0.8042	0.8014
Compressibility (Z) Factor	0.9959	0.9954
Total GPM	19.587	19.354
Wobbe Index	1463.6	1441.2



Devon Energy Corporation
20 North Broadway
Oklahoma City, OK 73102-8260

405 235 3611 Phone
www.devonenergy.com

February 28, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Request Central Tank Battery, Pool/Lease Commingle,
Off Lease Measurement, Sales, & Storage
Red Bull 31 State 1, Red Bull 31 State 2, & Red Bull 31 State 3
Sec 31-T23S-R35E
API # 30-025-36798, 30-025-37069, & 30-025-37620
Pool 2200 Antelope Ridge; Bone Spring
Pool 96341 Cinta Rojo; Delaware
Lea County, New Mexico

Gentlemen:

This is to advise you that Devon Energy Production Company, LP, is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval to a central tank battery, pool/lease commingle, off lease measurement, sales & storage permit.

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Please contact the undersigned at (405) 552-4524 should you have any questions or need anything further.

Sincerely,

Devon Energy Production Company, L.P.

A handwritten signature in black ink that reads "Melanie Crawford". The signature is written in a cursive, flowing style.

Melanie Crawford
Regulatory Analyst

Enclosure

Chesapeake Investments
PO Box 18756
Oklahoma City, OK 73154-8806

Certified Mailing
Number: 7010 1060
0000 0917 5650

Chesapeake Energy Corporation
PO Box 548806
Oklahoma City, OK 73154-8806

Certified Mailing
Number: 7010 1060
0000 0917 5643

State of New Mexico
Commission of Public Lands
PO Box 1148
Santa Fe, NM 87504-1148

Certified Mailing
Number: 7010 1060
0000 0917 5636

From: Crawford, Melanie [Melanie.Crawford@dvn.com]
Sent: Tuesday, March 20, 2012 12:57 PM
To: Ezeanyim, Richard, EMNRD
Subject: RE: Red Bull wells

Red Bull 31 State 3 30-025-37620 8bopd & 14mcf
Unit F 1980 FNL & 1980 FWL in Section 31-T23S-35E

SE/SW
SE/SW
SE/SW

Red Bull 31 State 3 30-025-37620 8bopd & 14mcf
Unit F

Thanks
Mel

Melanie Crawford

Regulatory Analyst
Devon Energy Corporation
Corporate Tower 03.058
405-552-4524 direct
405-552-1358 fax
melanie.crawford@dvn.com

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s) and may be confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.