

DATE IN <u>5.16.12</u>	SUSPENSE	ENGINEER <u>[Signature]</u>	LOGGED IN <u>5/16/12</u>	TYPE <u>OLM</u>	APP NO. <u>1213750275</u>
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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



Devon 6137

Falcon 32 state # 1,3,4,5

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 _____

30-025-33001
 " " - 35640
 " " - 36555
 " " - 39861

Pffone call
 6/21/12
 asked for
 well breakout
 on ownership

- [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

Melanie Crawford
 Signature

Regulatory Analyst
 Title

5-14-12
 Date

Melanie.Crawford@dvn.com
 E-mail Address

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 Avenue, 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 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
59945 - Triste Draw; Delaware West	41.5/1265.2			
59945 - Triste Draw; Delaware West	41.5/1267.7			
59945 - Triste Draw; Delaware West	41.5/1271.1			
53805 - Sand Dunes; Bone Spring, South	41.5/1267.7			

- (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 Well Test - Monthly
(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. WEST TRISTE DRAW, DEL (59945)
(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: Melanie Crawford TITLE: Regulatory Analyst

DATE: 5-14-12

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

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



Devon Energy Corporation
333 W. Sheridan Avenue
Oklahoma City, OK 73102

405 235 3611 Phone
www.devonenergy.com

May 14, 2012

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

**Re: Off Lease Gas Measurement, Sales, & Storage
Falcon 32 State 1, Falcon 32 State 3, Falcon 32 State 4, & Falcon 32 State 5Y
API: 30-025-33001, 30-025-35640, 30-025-36555, 30-025-39661
Sec 32-23S-32E
Lease: V-3407
Triste Draw; Delaware West Pool Code: 59945
~~Sand Dunes, Bone Spring, South Pool Code: 53805~~
Lea County, New Mexico**

DIFFERENT "LEASES"

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 and C-107B Sundry Notice of Intent to Off Lease Gas Measurement, Sales & Storage the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners in are not uniformed; notification was sent to the interest owners 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

Melanie Crawford
Regulatory Analyst

Enclosures

- 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. V-3407
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 32 Township 23S Range 32E 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Off Lease Gas Measurement, Sales & Storage <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 to Off -Lease Gas Measurement, Sales & Storage the following wells:

- Falcon 32 State 1 30-025-33001 59945: Triste Draw; Delaware West
- Falcon 32 State 3 30-025-35640 59945: Triste Draw; Delaware West
- Falcon 32 State 4 30-025-36555 59945: Triste Draw; Delaware West
- Falcon 32 State 5Y 30-025-39661 ~~53805: Sand Dunes; Bone Spring, South~~

There will be a central tank battery located at the Falcon 32 State 1 location for all 4 wells. The four Falcon wells will be the only wells producing to the facility. The gas production from the four wells will flow to a DCP CDP Gas Sales Meter 131-55-042 which is located in Section 6-T24S-R32E at the Zia 6 Federal 1 location. The DCP CDP for the 4 Falcon wells is separate from the CDP for the Zia 6 Federal 1 well. Production from the four Falcon wells will flow to a header before flowing to the tank battery.

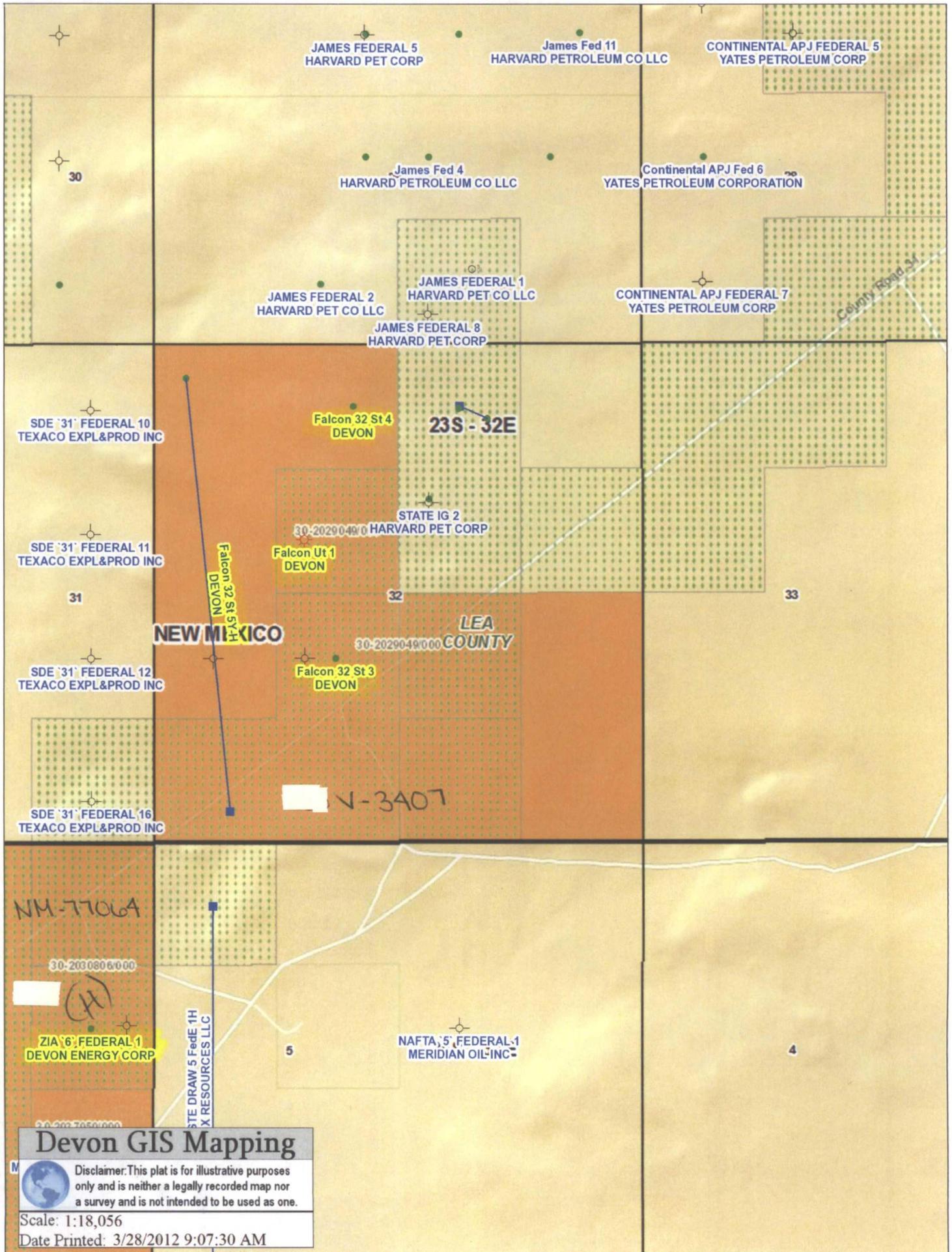
The working interest, royalty interest and overriding royalty interest owners are not identical; parties have been notified via certified mail (see attached).

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: Melanie Crawford TITLE: Regulatory Analyst DATE: 5-14-12

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): _____



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: 3/28/2012 9:07:30 AM



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

405 235 3611 Phone
www.devonenergy.com

May 14, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Request for Off Lease Gas Measurement, Sales & Storage
Falcon 32 State 1, Falcon 32 State 3, Falcon 32 State 4 & Falcon 32 State 5Y
Sec 32-T235-R32E
API # 30-025-33001, 30-025-35640, 30-025-36555, & 30-025-39661
Pool 59945 - Triste Draw; Delaware West
Pool 53805 - Sand Dunes; Bone Spring, South
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 for off lease gas measurement, sales & storage for the above wells.

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.


Melanie Crawford
Regulatory Analyst

Enclosure

Falcon 32 State #1 Battery
 Section 32, T23S, R32E
 Footage
 Eddy, County, N.M
 API# 30-025-33001

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. 

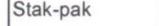
Ledger for Site Diagram

- Valve #1: Production Line 
- Valve #2: Test or Roll line 
- Valve #3: Equilizer Line 
- Valve #4: Circ./Drain Line 
- Valve #5: Sles Line 
- Valve #6: BS&W Load Line 

Buried Lines: 

Firewall: 

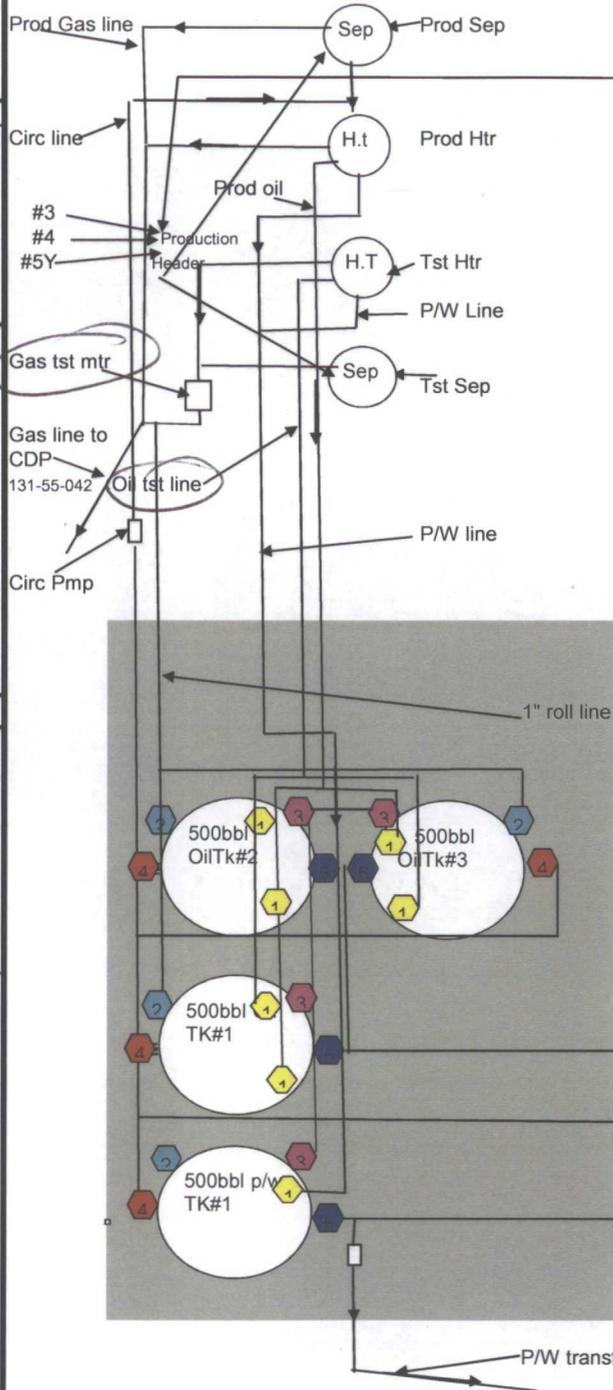
Wellhead: 

Stak-pak: 

Production line: 

Water line: 

Gas Meter   



Devon Energy
 Falcon 32 State #1 Battery
 Section 32, T23S, R32E
 Eddy, County, N.M
 API 30-025-33001

- Production System Open
- 1. Production Phase OT#1
 - {1} valve #1 and 3 open
 - {2} valve 2, 4, & 5 sealed closed.
 - {3} Valve on tk #2 positioned.
 - A. Valve 1, 2, 4, 5 sealed closed.
 - B. Valve 3 open.
- Sales Phase OT#1
- 1. Valves 1, 2, 3, & 4 sealed closed
 - 2. Valve #5 in open position
 - 3. OT#2 positioned
 - A. Valve 1, 3 open
 - B. Valve 2, 4 & 5 sealed close

Road Entry 

Precision Gas Measurement, Inc.
Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	FALCON 32 ST. 1
Location ID	39049057
Sample Date	4/30/2012
Method Name	BTUC6+.met
Injection Date	2012-05-04 11:43:29
Report Date	2012-05-04 11:49:29

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.)
NITROGEN	4.3637	0.0	0.0	0.04221	0.482
CARBON DIOXIDE	0.1191	0.0	0.0	0.00181	0.020
METHANE	74.7744	757.0	743.8	0.41418	12.722
ETHANE	10.2773	182.3	179.1	0.10670	2.758
PROPANE	5.7070	143.9	141.4	0.08689	1.578
I-BUTANE	0.7317	23.8	23.4	0.01468	0.240
N-BUTANE	1.8857	61.7	60.6	0.03784	0.597
I-PENTANE	0.5760	23.1	22.7	0.01435	0.211
N-PENTANE	0.6289	25.3	24.8	0.01567	0.229
C6+	0.9362	48.1	47.3	0.03012	0.408
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1265.2	1243.2	0.76444	19.245

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	92.0	
Flowing Pressure (psia)	66.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1265.2	1243.2
Gross Heating Value (BTU / Real cu.ft.)	1270.0	1248.4
Relative Density (G), Real	0.7670	0.7649
Compressibility (Z) Factor	0.9962	0.9958
Total GPM	19.245	19.017
Wobbe Index	1450.1	1427.5

Precision Gas Measurement, Inc.
Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	FALCON 32 ST. 3
Location ID	39049057
Sample Date	4/30/2012
Method Name	BTUC6+.met
Injection Date	2012-05-04 12:13:21
Report Date	2012-05-04 12:19:36

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.)
NITROGEN	4.3154	0.0	0.0	0.04174	0.476
CARBON DIOXIDE	0.1190	0.0	0.0	0.00181	0.020
METHANE	74.7985	757.2	744.0	0.41431	12.726
ETHANE	10.2228	181.3	178.2	0.10613	2.744
PROPANE	5.6979	143.7	141.2	0.08675	1.575
I-BUTANE	0.7365	24.0	23.6	0.01478	0.242
N-BUTANE	1.9115	62.5	61.4	0.03836	0.605
I-PENTANE	0.6002	24.1	23.7	0.01495	0.220
N-PENTANE	0.6511	26.2	25.7	0.01622	0.237
C6+	0.9471	48.7	47.8	0.03047	0.412
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1267.7	1245.6	0.76552	19.258

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	91.0	
Flowing Pressure (psia)	64.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1267.7	1245.6
Gross Heating Value (BTU / Real cu.ft.)	1272.5	1250.9
Relative Density (G), Real	0.7681	0.7659
Compressibility (Z) Factor	0.9962	0.9958
Total GPM	19.258	19.030
Wobbe Index	1451.9	1429.3

Precision Gas Measurement, Inc.
Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	FALCON 32 ST. 4
Location ID	39049057
Sample Date	4/30/2012
Method Name	BTUC6+.met
Injection Date	2012-05-04 11:33:34
Report Date	2012-05-04 11:41:38

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.)
NITROGEN	4.3281	0.0	0.0	0.04186	0.478
CARBON DIOXIDE	0.1884	0.0	0.0	0.00286	0.032
METHANE	74.4644	753.8	740.7	0.41246	12.669
ETHANE	10.3191	183.0	179.9	0.10713	2.770
PROPANE	5.7718	145.6	143.0	0.08788	1.596
I-BUTANE	0.7536	24.6	24.1	0.01512	0.247
N-BUTANE	1.9475	63.7	62.6	0.03908	0.616
I-PENTANE	0.6021	24.1	23.7	0.01500	0.221
N-PENTANE	0.6492	26.1	25.6	0.01617	0.236
C6+	0.9758	50.2	49.3	0.03140	0.425
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1271.1	1248.9	0.76896	19.291

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	89.0	
Flowing Pressure (psia)	67.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1271.1	1248.9
Gross Heating Value (BTU / Real cu.ft.)	1276.0	1254.3
Relative Density (G), Real	0.7716	0.7694
Compressibility (Z) Factor	0.9962	0.9957
Total GPM	19.291	19.063
Wobbe Index	1452.6	1430.0

Precision Gas Measurement, Inc.
Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	FALCON 32 ST. 5Y
Location ID	39049057
Sample Date	4/30/2012
Method Name	BTUC6+.mer
Injection Date	2012-05-04 11:09:58
Report Date	2012-05-04 11:19:47

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.)
NITROGEN	4.3856	0.0	0.0	0.04242	0.484
CARBON DIOXIDE	0.1256	0.0	0.0	0.00191	0.022
METHANE	74.6223	755.4	742.3	0.41333	12.696
ETHANE	10.3224	183.1	179.9	0.10717	2.770
PROPANE	5.7546	145.1	142.6	0.08761	1.591
I-BUTANE	0.7321	23.9	23.4	0.01469	0.240
N-BUTANE	1.8723	61.2	60.2	0.03757	0.592
I-PENTANE	0.5650	22.7	22.3	0.01407	0.207
N-PENTANE	0.6197	24.9	24.5	0.01544	0.225
C6+	1.0004	51.4	50.5	0.03219	0.436
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1267.7	1245.7	0.76641	19.265

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	95.0	
Flowing Pressure (psia)	43.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1267.7	1245.7
Gross Heating Value (BTU / Real cu.ft.)	1272.6	1251.0
Relative Density (G), Real	0.7690	0.7668
Compressibility (Z) Factor	0.9962	0.9958
Total GPM	19.265	19.037
Wobbe Index	1451.2	1428.6

Submit To Appropriate District Office
Two Copies
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, 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

Oil Conservation Division
1220 South St. Francis Dr.,
Santa Fe, NM 87505

Form C-105
July 17, 2008

1 WELL API NO
30-025-39661

2. Type of Lease
 STATE FEE FED/INDIAN

3. State Oil & Gas Lease No.

RECEIVED
JUL 16 2010
HOBBSOCD

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4 Reason for filing
 COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only)
 C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33, attach this and the plat to the C-144 closure report in accordance with 19 15 17 13 K NMAC)

5. Lease Name or Unit Agreement Name
Falcon 32 State

6. Well Number.
5Y-H

7 Type of Completion
 NEW WELL WORKOVER DEEPENING PLUGBACK DIFFERENT RESERVOIR OTHER

8 Name of Operator
DEVON ENERGY PRODUCTION COMPANY, L.P.

9 OGRID
6137

10. Address of Operator
20 N Broadway, Oklahoma City, OK 73102

11. Pool name or Wildcat
Triste Draw
Sand Dunes Bone Spring South Delaware West

12 Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	M	32	23S	32E		351	SOUTH	842	WEST	Lea
III:	D	32	23S	32E		4948	NORTH	369	WEST	Lea

13 Date Spudded 3/01/10 14 Date TD Reached 3/25/10 15 Date Rig Released 3/29/10 16 Date Completed (Ready to Produce) 5/12/10 17 Elevations (DI* and RKB, RT, GR, etc) 3607' GR

18 Total Measured Depth of Well 12,715' 19 Plug Back Measured Depth 12,700' 20 Was Directional Survey Made? Yes 21 Type Electric and Other Logs Run BH/VOL;DUAL/SP/NEU/DENS,DUAL/LAT/MICRO/GUARD,CBI

22 Producing Interval(s), of this completion - Top Bottom Name
12,233-22' & 12,682-82' Brushy Canyon 8657 - 12682

23 CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LBS/FT	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	1048'	17 1/2"	1080 sx C/C	
9 5/8"	36#	2995'	12 1/2"		
9 5/8"	40#	4665'	12 1/2"	1370 sx C/C	TOC @ 6070' CBI
8 1/2"	17#	12,715'	8 1/2"	1500 sx II; 895 C/C	

24 LINER RECORD 25 TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	12,677'	

26 Perforation record (interval, size, and number)

Brushy Canyon
12,233-12,682' 4 @ 6 spf 24 holes
11,339-11,788 24 holes
10,445-10,894' 24 holes
9,551-10,000' 24 holes
8,657-9,106' 24 holes

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
12233-12682'	2Kg 7 5% NEPE 38000g XL pad, 95500g sd XL fluid, 10# Linear gel. Fl w/6250# 100 mesh, 156,750# 20/40 Ottawa, 46,250# 20/40 SLC RCN Spot 1250g 7 5% HCl
11339-11788'	1289g 7 5% HCl, 145,189g Spectra Star 2800, FL 10# Linear; 206,490# 100 mesh white sd; 20,40 sd white, super LC 20/40 (subsequent fracs reported on addl sundry)

28 PRODUCTION

Date First Production 5/12/10 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping Well Status (Prod or Shut-in) Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
5/12/10	24			172	152	597	883 721

Flow Tubing Press	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr)
			172	152	597	

29 Disposition of Gas (Sold, used for fuel, vented, etc) Sold 30 Test Witnessed By

31 List Attachments
Directional Survey CBI

32 If a temporary pit was used at the well, attach a plat with the location of the temporary pit

33 If an on-site burial was used at the well, report the exact location of the on-site burial:

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Latitude Longitude NAD 1927 1983

Signature *Judith A. Barnett* Judith A. Barnett, Regulatory Analyst Title 7/15/10 Date

E-mail Address *Judith.Barnett@dmv.com*

* Amended Eff date 02/01/12 PETROLEUM ENGINEER JUL 28 2010 MAR 29 2012 dm

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Friday, June 22, 2012 9:03 AM
To: 'Crawford, Melanie'
Cc: Ezeanyim, Richard, EMNRD
Subject: Off-lease Measurement of the Lea XA State wells in Sec 7 T18S R34E Lea County

Tracking:	Recipient	Read
	'Crawford, Melanie'	
	Ezeanyim, Richard, EMNRD	Read: 6/22/2012 9:21 AM

Melanie,
I re-read the rules and confirmed with our landman/attorney, Mr. David Brooks. It is true, if any of these wells have different owners and/or different percentages of ownership, (ORRI, RI, WI), then we have to consider them as being on separate "leases" as that term is defined in the OCD rules.

This application is similar to the last one.
Please ask Ken Gray or whomever is your Landman resource if ownership is "identical" between the wells on this State Lease. If not, then which if any grouping of wells do have identical ownership.

Obviously you have provided notice as needed for Off Lease Measurement.

The information from your Landman would be used to style the correct "type" of surface permitting. And, in certain situations, Devon would need to use continuous measurement instead of well testing for groups of wells with identical ownership in order to protect the rights of the separate owners.

Thank You Much,

William V Jones, P.E.
Engineering, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
Tel 505.476.3448 ~ Fax 505.476.3462



Jones, William V., EMNRD

From: Crawford, Melanie <Melanie.Crawford@dvn.com>
Sent: Monday, August 27, 2012 7:40 AM
To: Jones, William V., EMNRD
Subject: RE: Lea and Falcon commingle applications from Devon

Okay, I think this is what you need, I grouped by what group had the same owners. Please note the percentages are different on what they have.

Betelgeuse Production

Falcon 32 State 1
Falcon 32 State 3

Otter Creek LLC

Falcon 32 State 1
Falcon 32 State 3

COG Operating LLC

Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

Ben J Fortson III Children Tr

Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

John Lawrence Thoma

Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

Sandra Mary Thoma

Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

Curtis A & Enda I Anderson Jt WROS

Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

Kimbell Art Foundation

Falcon 32 State 1

Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

Khody Land & Minerals CO
Falcon 32 State 4
Falcon 32 State 5HY

Mapoo-Net A Texas Gen Pnrshp, AIF James R Sharp
Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

Devon Energy Production Co LP
Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

State of New Mexico Commission of Public Lands
Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

Sundance Minerals 1
Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 5HY

Robert C Grable
Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

The Roach Foundation
Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

William K Burton
Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

CCB 1998 Trust, Ben J Fortson Jr Trustee
Falcon 32 State 1
Falcon 32 State 3

Falcon 32 State 4
Falcon 32 State 5HY

DCB 1998 Trust, Ben J Fortson Jr Trustee

Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

MWB 1198 Trust, Ben J Fortson Jr Trustee

Falcon 32 State 1
Falcon 32 State 3
Falcon 32 State 4
Falcon 32 State 5HY

Here are the Lea Wells, the percentages of ownership are all different.

Devon Energy Production Co LP

Lea XA State 3
Lea XA State 4
Lea XA State 2
Lea XA State 1

Energex 1194 Permian

Lea XA State 3
Lea XA State 4
Lea XA State 2
Lea XA State 1

State of New Mexico, Commission of Public Lands

Lea XA State 4
Lea XA State 3
Lea XA State 2
Lea XA State 1

Thanks
Mel

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]

Sent: Tuesday, August 21, 2012 3:58 PM

To: Crawford, Melanie

Subject: Lea and Falcon commingle applications from Devon

Hey Melanie,

In these two applications,

For example, in the Lea lease, you state in your application that these wells do NOT have identical ownership. I am just asking if any combination of these wells DO have identical ownership and if so, which wells could be grouped together, or are all four wells diversely owned?

For the wells with diverse ownership being combined prior to sales with the other wells, will you have continuous oil and gas meters? Or does Devon want to use "well testing" to allocate production of oil and gas EVEN between diversely owned wells?

Hope this helps,

Will

From: Crawford, Melanie [<mailto:Melanie.Crawford@dvn.com>]
Sent: Tuesday, August 21, 2012 2:43 PM
To: Jones, William V., EMNRD
Subject: RE: Approved Off Lease Measurement for Devon: Travis 23K State Com #1 30-015-27894

I sent you are decks that we use to determine the ownership. It has the ownership listed on those decks, I think I may be confused on what you are needing. Please advise.

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]
Sent: Tuesday, August 21, 2012 2:30 PM
To: Crawford, Melanie
Subject: RE: Approved Off Lease Measurement for Devon: Travis 23K State Com #1 30-015-27894

Melanie,

I got a list of parties noticed, but did you send me the groupings of identically owned wells to be involved with those commingles?

Will

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are 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.

FALCON 32 State 134 5x
11'

COG Operating LLC, Judy Moreland AIF
Fasken Center Tower II
550 W Texas Ave Ste 100
Midland, TX 79701

Certified Mailing
Number: 7010 1060
0000 0923 2476

Khody Land & Minerals Co
An Oklahoma Corp
3817 NW Expressway, Ste 950
Oklahoma City, OK 73112

Certified Mailing
Number: 7010 1060
0000 0923 2483

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

Certified Mailing
Number: 7010 1060
0000 0923 2490

Sundance Minerals I
PO Box 17744
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2506

Robert C Grable
201 Main Street, Ste 2500
Fort Worth, TX 76102-3129

Certified Mailing
Number: 7010 1060
0000 0923 2513

COG Operating LLC
PO Box 849929
Dallas, TX 75284-9929

Certified Mailing
Number: 7010 1060
0000 0923 2520

The Roach Foundation, Acct No 8300205110
Fort Worth Club Tower Pen II-J
777 Taylor Street
Fort Worth, TX 76102-0084

Certified Mailing
Number: 7010 1060
0000 0923 2537

William K Burton
301 Commerce Street, Ste 2900
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2544

CCB 1998 Trust, Ben J Fortson Jr, Trustee
301 Commerce Street, Ste 2900
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2551

DCB 1998 Trust, Ben J Fortson Jr Trustee
301 Commerce Street, Ste 2900
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2568

MWB 1998 Trust, Ben J Fortson Jr Trustee
301 Commerce St, Ste 2900
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2575

Ben J Fortson III Children Tr
Ben J Fortson III, Trustee
301 Commerce Street, Ste 2900
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2582

John Lawrence Thoma
A Single Man
PO Box 17656
Golden, CO 80402

Certified Mailing
Number: 7010 1060
0000 0923 2599

Sandra Mary Thoma
A Single Woman
8530 Mill Run Rd
Athens, TX 75751

Certified Mailing
Number: 7010 1060
0000 0923 2605

Curtis A Anerson & Edna I Anderson JT WROS
9314 Cherry Brook Ln
Frisco, TX 75033

Certified Mailing
Number: 7010 1060
0000 0923 2612

Mailed May 14, 2012

COG Operating LLC, Judy Moreland AIF
Fasken Center Tower II
550 W Texas Ave Ste 100
Midland, TX 79701

Certified Mailing
Number: 7010 1060
0000 0923 2476

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PO Box 1148
Santa Fe, NM 87504-1148

Certified Mailing
Number: 7010 1060
0000 0923 2490

Sundance Minerals I
PO Box 17744
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2506

Robert C Grable
201 Main Street, Ste 2500
Fort Worth, TX 76102-3129

Certified Mailing
Number: 7010 1060
0000 0923 2513

COG Operating LLC
PO Box 849929
Dallas, TX 75284-9929

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Number: 7010 1060
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0000 0923 2575

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Ben J Fortson III, Trustee
301 Commerce Street, Ste 2900
Fort Worth, TX 76102

Certified Mailing
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0000 0923 2582

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A Single Man
PO Box 17656
Golden, CO 80402

Certified Mailing
Number: 7010 1060
0000 0923 2599

Sandra Mary Thoma
A Single Woman
8530 Mill Run Rd
Athens, TX 75751

Certified Mailing
Number: 7010 1060
0000 0923 2605

Curtis A Anerson & Edna I Anderson JT WROS
9314 Cherry Brook Ln
Frisco, TX 75033

Certified Mailing
Number: 7010 1060
0000 0923 2612

Kimball Art Foundation
301 Commerce St, Ste 2300
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2629

Khody Land & Minerals Co
Gina Hohenberger AIF, Mailcode 5084
PO Box 660367
Dallas, TX 75266-0367

Certified Mailing
Number: 7010 1060
0000 0923 2636

Mapoo-Net, James R Sharp AIF
%Mineral Acq Partners Inc
PO Box 268946
Oklahoma City, OK 73126-8946

Certified Mailing
Number: 7010 1060
0000 0923 2643

Betelgeuse Production, B.C. Edwards
PO Box 1937
Fredericksburg, TX 78624

Certified Mailing
Number: 7010 1060
0000 0923 2650

Otter Creek LLC
PO Box 1557
Sealy, TX 77474

Certified Mailing
Number: 7010 1060
0000 0923 2667

Kimball Art Foundation
301 Commerce St, Ste 2300
Fort Worth, TX 76102

Certified Mailing
Number: 7010 1060
0000 0923 2629

Khody Land & Minerals Co
Gina Hohenberger AIF, Mailcode 5084
PO Box 660367
Dallas, TX 75266-0367

Certified Mailing
Number: 7010 1060
0000 0923 2636

Mapoo-Net, James R Sharp AIF
%Mineral Acq Partners Inc
PO Box 268946
Oklahoma City, OK 73126-8946

Certified Mailing
Number: 7010 1060
0000 0923 2643

Betelgeuse Production, B.C. Edwards
PO Box 1937
Fredericksburg, TX 78624

Certified Mailing
Number: 7010 1060
0000 0923 2650

Otter Creek LLC
PO Box 1557
Sealy, TX 77474

Certified Mailing
Number: 7010 1060
0000 0923 2667

Folios 32, 5, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

Well Selection Criteria Quick Print

opno = 6137 and WH_SEC = 32 and WH_TWPN = 23 and WH_TWPD Like 'S' and WH_RNGN = 32 and WH_RNGD Like 'E' and WL_STATUS Like 'A'

API Well #	Well Name and No.	Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Rng	Ft N/S	Ft E/W	UICPrmt	Lst Insp Dt
30-025-36555-00-00	FALCON 32 STATE	DEVON ENERGY PRODUCTION	O	A	Lea	S	C	32	23 S	32 E	660 N	2150 W		10/5/2010
30-025-33001-00-00	FALCON 32 STATE	DEVON ENERGY PRODUCTION	O	A	Lea	S	F	32	23 S	32 E	2080 N	1650 W		10/5/2010
30-025-35640-00-00	FALCON 32 STATE	DEVON ENERGY PRODUCTION	O	A	Lea	S	K	32	23 S	32 E	1980 S	1980 W		10/5/2010
30-025-39661-00-00	FALCON 32 STATE	DEVON ENERGY PRODUCTION	O	A	Lea	S	M	32	23 S	32 E	351 S	842 W		10/5/2010
30-025-39661-00-00	FALCON 32 STATE	DEVON ENERGY PRODUCTION	O	A	Lea	S	M	32	23 S	32 E	351 S	842 W		10/5/2010

COMPANY, LP

Bobby
 #1) West TRISTE DRAW; DELAWARE (59945) (40 acres)
 #3) "
 #4) "
 #5Y) "
 SAL 351 FSL
 (M) 842 FWL

 BAL 4948 FSL
 (D) 369 FWL

333 W. SHERIDAN AVE, OKC, OK 73102

SURFACE COMMINGLE APPLICATION CHECKLIST

5/27/2011

Company: Devon Energy Prod Co, LP (187) Contact: MELANIE CRAWFORD
 Date in: 5/16/12 Data Request? _____

Location: (Tsp/Rge) 32/235/32E/LEA

Commingle	Battery or "Store" Location	Sales Location	Offlease?
Oil or Cond. <u>yes</u>	<u>30-025-33001</u> <u>@ Falcon 32 State #1</u>	<u>same</u>	<u>no</u>
Gas <u>yes</u>	<u>oil</u>	<u>@ Zia 6 Fed #1</u> <u>H/6/245/32E</u>	<u>yes</u>

Ownership: Identical? no Diverse? no (with OLIVE NOTICE)
 Included Notice List? yes
 Date of Last Notice: 5/14/12
 Permit Type: CTB-

Lease (y/n): Federal/Tribal no State yes Fee yes
 Allocation: Continuous Metering _____ Well Tests yes Subtraction _____ Other _____

Noticed? _____ What Parameter for future additions? _____

Future Addition

# All Pool Names	Pool Num	Type
<u>Walt TRISTE DRAW; Del</u>	<u>59945</u>	<u>oil</u>
<u>SOUTH SAND DRAW; B. SF</u>	<u>53805</u>	<u>oil</u>
3		
4		

Offlease?	SurfLoc	API Numbers	Pool#(s)	Acres	Descr.	DHC Permit
<u>yes</u>		<u>30-025-33001</u>	<u>59945</u>	<u>40</u>	<u>F</u>	<u>-</u>
<u>yes</u>		<u>-35640</u>	<u>"</u>	<u>40</u>	<u>K</u>	<u>-</u>
<u>yes</u>		<u>-36555</u>	<u>"</u>	<u>40</u>	<u>C</u>	<u>-</u>
<u>yes</u>		<u>-39661</u>	<u>"</u>	<u>160</u>	<u>D</u>	<u>-</u>

Falcon 32 State #1
#3
#4
#5

V-3407 [NW/4 Sec 32
 S 1/2 Sec 32