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		ABOVE THIS LIN	E FOR DIVISION USE ONLY		
		NEW MEXICO OIL CONSE - Engineering E 1220 South St. Francis Drive,	Bureau -		
		ADMINISTRATIVE AF	PLICATIO	N CHECK	LIST
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	[D]	Other: Specify			- Fullebod 7 Fel
[2]	NOTIFICAT [A]	<b>ION REQUIRED TO:</b> - Check The Working, Royalty or Overri	nose Which Apply ding Royalty Inter	y, or Does No rest Owners	ot Apply #44 30-025-40579
	[B]	Offset Operators, Leasehold	lers or Surface Ow	vner	- (-uecos lasali-
	[C]	Application is One Which R	Requires Published	d Legal Notice	17Fed. 14 30-225-41232
	[D]	Notification and/or Concurr U.S. Bureau of Land Management - Commi	ent Approval by E issioner of Public Lands, St	BLM or SLO	POUL - BAAdLeyjPelce tached and/or.
	[E]	For all of the above, Proof o	f Notification or I	Publication is At	tached, and/or, 73/0
	[F]	Waivers are Attached			- 62-0257 G-06 5263407PUPN
[3]	SUBMIT AC OF APPLIC	CURATE AND COMPLETE IN ATION INDICATED ABOVE.	FORMATION F	REQUIRED TO	PROCESS THE TYPE Some Spring 97853

[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.

Pail Donhac	Regulatory Compliance Prof	04.28.16
 Signature	Title	Date

Erin.Workman@dvn.com E-mail Address

Erin Workman Print or Type Name



Devon Energy Corporation 333 West Sheridan Avenue Oklahoma City, OK 73102-5010 405 552-7970 Phone Erin.workman@dvn.com

# RECEIVED OCD

April 28, 2016

2015 HAY -2 A' 11: 13

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

Re: Request for Central Tank Battery, Pool Commingle Ichabod 7 Fed 1H & 4H and Green Wave 20 Fed 1H Sec 7, T26S, R34E & Sec. 20, T26S, R34E API #30-025-40043, #30-025-40574, & 30-025-40383 Pool 97892 WC-025 G-06 S263407P: Upper; Bone Spring & 7310 Bradley, Delaware Lease Numbers: NMNM14990 & NMNM14991 Lea County, New Mexico

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B & the BLM approved application for a Central Tank Battery\Pool Commingle for the aforementioned wells.

The working interest, royalty interest and overriding royalty interest owners are not identical; notification has been sent via certified mail (see attached).

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 552-7970.

Sincerely,

rkman

Regulatory Compliance Professional

Enclosures

District 1 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

### 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 XNo 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

		<del>v</del>					
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes		
Wildcat, Bone Spring – Ichabod 7 Fed 1H	42.1						
Bradley, Delaware – Ichabod 7 Fed 4H & Green Wave 20 Fed 1H	43.7	_					
		_					
(2) Are any wells producing at top allowa	bles? 🗌 Yes 🛛 No						
(3) Has all interest owners been notified by certified mail of the proposed commingling? $\Box$ Yes $\Box$ No.							

(4) Measurement type: Detering Well Test Method & Tank Gauging

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

#### (B) LEASE COMMINGLING Please attach sheets with the following information

Yes No

(1) Pool Name and Code.

(2) Is all production from same source of supply?  $\Box$  Yes  $\boxtimes$  No

(3) Has all interest owners been notified by certified mail of the proposed commingling?

(4) Measurement type: Metering . Other (Tank Gauging)

#### (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

Is all production from same source of supply? □Yes ⊠No
 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. In	clude lease numbers if Federal or State lands are involved.								
(3) Lease Names, Jease 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 DI DOLLAR TITLE:	Regulatory Compliance Professional. DATE: 04.28.16								
TYPE OR PRINT NAME: Erin Workman	_TELEPHONE NUMBER:405-552-7970								
E-MAIL ADDRESS: Erin.Workman@dvn.com									

## APPLICATION FOR A CENTRAL TANK BATTERY, POOL COMMINGLE

### Proposal for Ichabod 7 Fed 1H & 4H and the Green Wave 20 Fed 1H:

Devon Energy Production Company, LP is requesting approval for a Central Tank Battery, Pool Commingle for the following wells:

Federal Lease NMN	M114991 (12.5%)						
Well Name	Location	API #	Pool 7310	BOPD	OG	MCFPD	BTU
Green Wave 20 Fed	1H Sec. 20, SWSW, T26S,	R34E 30-025-40	383 Bradley, Delaware	15	43.7*	28	1283.2
Federal Lease NMN	M114990 (12.5%)						
Well Name	Location	API #	Pool 7310	BOPD	OG	MCFPD	BTU
Ichabod 7 Fed 4H	Sec. 7, SESE, T26S, R34E	30-025-40574	Bradley, Delaware	20	43.7	36	1256.7
Federal Lease NMN	M114990 (12.5%)						
Well Name	Location	API #	Pool 97892	BOPD	OG	MCFPD	BTU
Ichabod 7 Fed 1H	Sec. 7, SESE, T26S, R34E	30-025-40043	WC-025 G-06 S263407P: Upper; Bone Spring	]	17 4	2.1 73	1101.2

\*Proposed number, oil gravity will be provided upon receipt.

Attached is a map that displays the federal leases and well locations in Sections 7 & 20, T26S, R34E

The BLM's interest in all three wells is 12.5%

### Oil & Gas metering:

The central tank battery is located on the shared pad of the Ichabod 7 Fed 1H & 4H in Sec. 7, SESE, T26S, R34E, Lea County, New Mexico. The Ichabod 7 Fed 1H & 4H production will flow through a production header with isolation lines to route each wells production. From this point one well will be on test and its production routed through the test equipment. The Green Wave 20 Fed 1H will utilize a production separator/heater treater at the Green Wave 20 Fed 1H. Oil will be sold by Tank gauge method and utilized for both batteries.

The Ichabod 7 Fed 1H & 4H will have three oil tanks that the Ichabod 7 Fed 1H & 4H will utilize. The Green Wave 20 Fed 1H will have three tanks at its location in Sec. 20, T26S, R34E that it will utilize and all three wells will have a common Regency CDP #57363 located northwest of the Ichabod 7 Fed 1H battery in SESE in Sec. 7, T26S R34E. The oil, gas, and water volumes from the Ichabod wells producing to the Ichabod 7 Fed 1H battery will be determined by utilizing a test separator/heater treater at the proposed facility. The oil, gas, and water volumes from the Green Wave well producing to the Green Wave battery will be determined by utilizing a test separator/heater treater at that facility. Both wells will utilize production equipment except during well test method, which will be conducted twice a month for a minimum of 24 hours.

The well which is on test production from the Ichabod 7 Fed 1H & 4H will flow into a two phase separator, where after separation gas combines with gas from the production side, and is then routed to the gas test meter # **390-49-183**, into the check meter #**390-12-137**, and to the Regency CDP #**57363** located northwest of the Ichabod 7 Fed 1H battery in SESE in Sec. 7, T26S R34E. After separation, the produced water and oil the flow into the FWKO, where after separation the oil flows into the horizontal heater, then into one of the 500 bbl. oil tanks where the tank gauge method is utilized to test the oil. The water flows into from the FWKO, then through the turbine meter, and then combines with the water from the horizontal heater, and flows into one of the 500 bbl. produced water tanks, along with the water from the other well.

The Green Wave 17 Fed 1H well will flow into its own two phase separator, where after separation gas is routed to the gas allocation meter #390-12-173, then flows to the Ichabod 7 Fed 1H and commingles with the gas and flows Regency CDP #57363 located northwest of the Ichabod 7 Fed 1H battery in SESE in Sec. 7, T26S R34E. After separation, the produced water and oil flow into the FWKO, then to the heater\treater, and into an oil production where it is combined with the other wells oil, and then into one of the 500 bbl. oil tanks. The oil is then measured utilizing the tank gauge method. The water is metered using a turbine meter, then flows to the 500 bbl. produced water tank, along with the water from the other wells.

Oil production will be allocated on a daily basis based on the tank gauging method for each well. The Ichabod 7 Fed 1H & 4H gas production from the test gas meter #390-49-183 and the Green Wave 17 Fed 1H production from the Gas allocation meter #390-12-173 will commingle and flow through Regency's CDP #57363 in SESE in Sec. 7, T26S R34E. Gas production from all three

wells will be allocated on a daily basis using the gas allocation meters. 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:**

The flow of produced fluids is shown in detail on the enclosed Process Flow Diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter. The proposed commingling is appropriate based on the BLM's guidance in IM 2013-152. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed commingling will reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

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.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

Signed:

Printed Name: Erin Workman Title: Regulatory Compliance Professional Date: 04.28.16

District II       State of New Mexico         1625 N. French Dr., Hobbs, NM 88240       Energy, Minerals & Natural Resources Department         District II       Sound Ascouw, Artesia, NM 88210         1301 W. Grand Ascouw, Artesia, NM 88210       ENERGY, Minerals & Natural Resources Department         1301 W. Grand Ascouw, Artesia, NM 88210       ENERGY, Minerals & Natural Resources Department         1301 W. Grand Ascouw, Artesia, NM 88210       ENERGY ATTION DIVISION         District IV       1220 South St. Francis Dr.         13000 Rin Brans Rd., Artes, NM 87505       Santa Fe, NM 87505         1220 S St. Francis Dr., Santa Full       UBBSSOCD         WELL LOCATION AND ACREAGE DEDICATION						Revised Submit on Di Di	orm C-102 October 1 e copy to a strict Offic ENDED R	5,2009 ppropriate re		
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division

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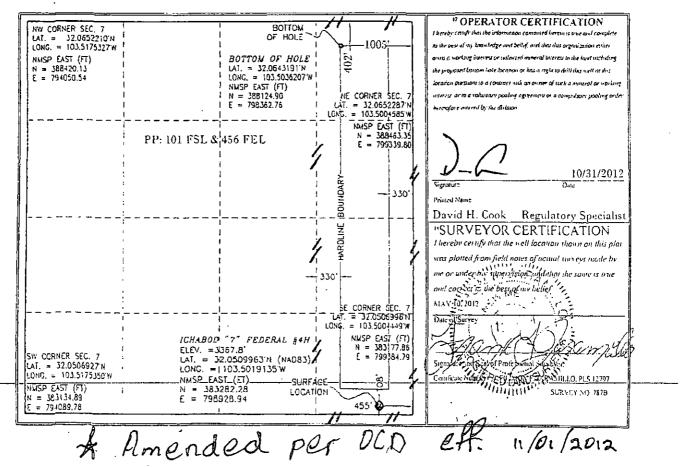
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# HOBBS OCD

# NOV 01 2012

1303 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Actec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505			ə 5	OIL CO	ONSERVAT 20 South St. Santa Fe, N	Resources Depar TON DIVISIO Francis Dr.			ober 15.2009 y to appropriate	
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

1980'		330'	GREEN WAVE 17 FED-1H BHL NMSP-5 (NAD 83) Y = 382862 9' N X = 801368 2' W N. LAT.= N32* 02' 59.25* W. LONG.= W103* 28' 38.59"	NE COR SEC 17 NMSP-E (NAD 83) Y = 39218 2*N X = 504674.4* E N LAT.= N32* 03* 02.51* W LONG.= W103* 29* 00.14*	OPERATOR CERTIFICATION / herrby corrify that the information contained herrby to true and complete to the best of my browledge and bellof, and that this organization, rither rows a worthing interest or undeseed mathematic interests in the land titulating the proposed bation hole isolation reas a right to drill this well at this location reas a right to drill this well at this location pursuant is a convict with an energy of such as many or working interest, or to voluntary pasting agreement or a compulsery pasting order hereisfore entered by the division
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	N 00"228"33" W 4914.				SURVEYORS CERTIFICATION I hereby certify that the well location shaum an this plat was pletted from field notes of actual surveys made by me or under my supervision, and that the same to the or and correct to the best of my tettof. May 31, 2012
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SW COR SEC 17 NMSP-E (NAD 33) Y = 377902.6' N X = 799430 A' E N LAT.= N32' 02' 10.31' W LONG.= W103' 30' 01.54' 1980'	   		SHL NMSP-5 (NAD 83) Y = 377948.8' N X = 801410.4' W N. LAT.= N32' D2' 10.62" W. LONG.= W103" 29' 38,54"	SE COR SEC 17, NMSP-E (NAD 83) Y = 377355 9 N X = 304720 1' E N LAT = N32° 02' 10.24' W LONG = W103° 29' 00.09'	Job No. WTC-18540 IAMES E TOM/KLNS 1479 Certifies.e Number

# OCT 0 1 2014



Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 7310

April 28, 2016

## CERTIFIED MAIL RETURN RECEIPT REQUESTED

Interest Owners

Re: Request for Central Tank Battery, Pool Commingle

- Ichabod 7 Fed 1H & 4H and Green Wave 20 Fed 1H
   Sec 7, T26S, R34E & Sec. 20, T26S, R34E
   API #30-025-40043, #30-025-40574, & 30-025-40383
- Pool 97892 WC-025 G-06 S263407P: Upper; Bone Spring & 7310 Bradley, Delaware
- Lease Numbers: NMNM14990 & NMNM14991
- 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 permit a Central Tank Battery, Pool Commingle of production from the following leases and pools.

A copy of our application submitted to the Division, along with the approval from the Bureau of Land Management is attached.

Subsequent drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

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.

Brin Workman, Regulatory Compliance Professional

Enclosure

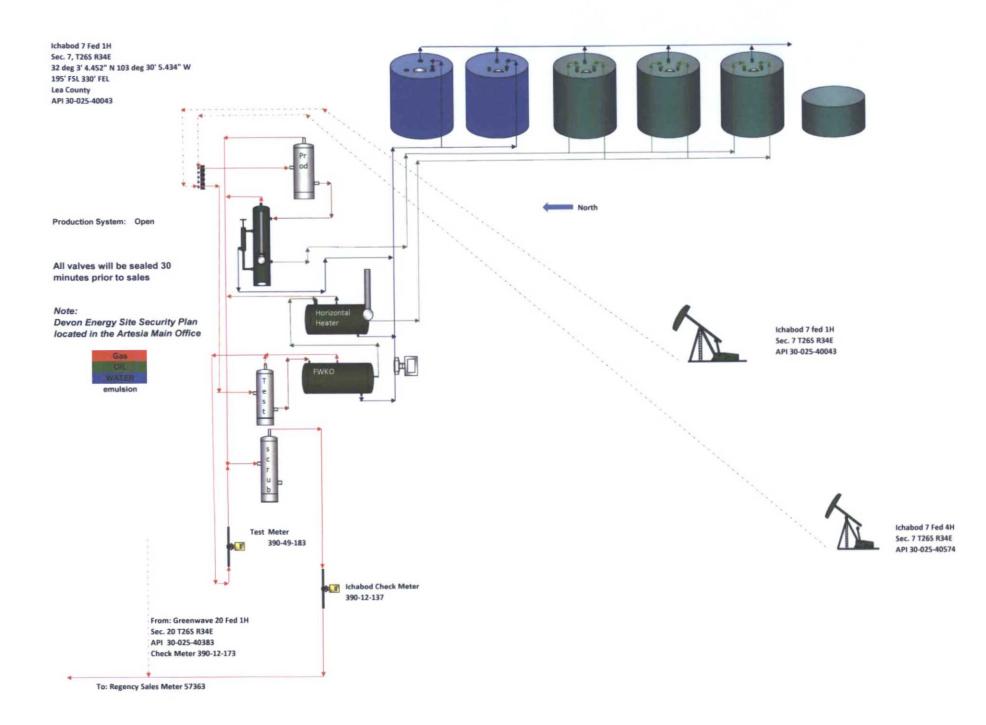
## **E-CERTIFIED MAILING LIST**

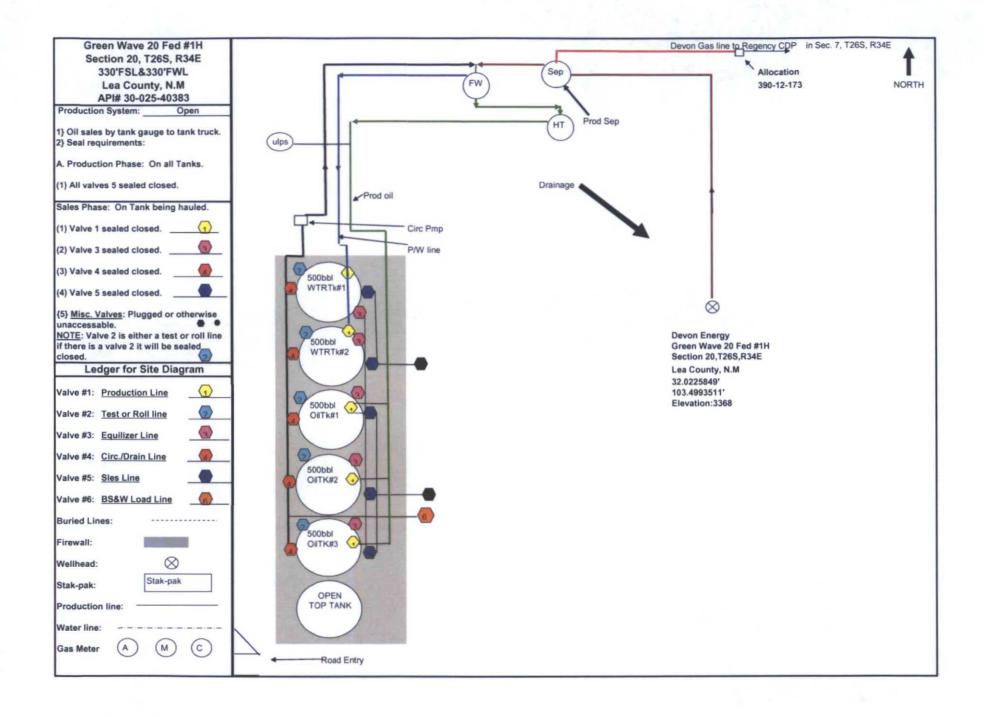
Commingle Mailing Reference: Ichabod 7 Fed 1H Battery

<b>Repondent Name/Address:</b>	E-Certified Mailing Number:
Chevron North America Exploration & Pro. Co. 1400 Smith Street, Room 43198 Houston, TX 77002	9214 8901 5271 8100 1334 45
BLM	9214 8901 5271 8100 1334 52

BLM 620 E. Green Street Carlsbad, NM 88220-6292

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	3	NESW				NESW				NESW		is neither a	is for iBustrative purposes only and legally recorded map nor a survey and ded to be used as one. Devon make ty, representation, or guarantee of an kind regarding this map.
SESE		SESW	SWSE	SESE	SWSW	SESW	SWSE	SESE	swsw	SESW	SV	Datum: North American 15 Created by p	27, Units Degree Nilj3
-	4										14	Map is current as of Feet	1 in. = 2,083.3 feet
NENE	ALE AN	NENW	NWNE	NENE	NWNW	NENW	NWNE	NENE	NWNW	NENW	NW	0 500 1,000	2,000
				12							ALC: NO		
			B 18	-	Ŧ		Late Late	i Kar	E-1122	Server 1		Well Location	
SENE		SENW	SWNE	SENE	SWNW	SENW	SWNE	SENE	SWNW	SENW	SW	<ul><li>Surfac</li><li>Bottor</li></ul>	
1	2			1 201	SREEN WAVE 20 FEDE								n Il Delivery Point
NESE	A B C	1	9 NWSE	NESE	S NWSW	2	0 NWSE	NESE	NWSW	2	1 NV	Flow L	
	3				IAVE			NESE				Projec	
				Constant of	N NI				4.3			Devon Lease	hold
SESE		NESW	SWSE	SESE	SWSW	NESW SESW	SWSE	SESE	swsw	NESW	SV		WNM 114990
	4			20 marsh				E la la la					WNM 114991
The s	1. 1. 1.			1000							and a	USA N	WNM 114992
NENE	1	NENW	NWNE	NENE	NWNW	NENW	NWNE	NENE	NWNW	NENW	NW		





Form 3160-5 (August 2007) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter a abandoned well. Use form 3160-3 (APD) for such proposa						OMB N	
	SUBMIT IN TRI	PLICATE - Other instruc	ctions on rev	erse side.		7. If Unit or CA/Agree MultipleSee At	ement, Name and/or No.
1. Type of Well						<ol> <li>Well Name and No. MultipleSee Atta</li> </ol>	iched
2. Name of Opera			ERIN WORK	MAN		9. API Well No. MultipleSee At	Itached
3a. Address 333 WEST S	SHERIDAN AVE CITY, OK 7310		-	. (include area code 2-7970	>)	10. Field and Pool, or MultipleSee At	
4. Location of We	ll (Footage, Sec., T	., R., M., or Survey Description	<i>i</i> )			11. County or Parish,	and State
MultipleSee	e Attached					LEA COUNTY, NM	
12	2. CHECK APPI	ROPRIATE BOX(ES) TO	) INDICATE	NATURE OF	NOTICE, RI	EPORT, OR OTHEI	R DATA
TYPE OF S	UBMISSION			ΤΥΡΕ Ο	F ACTION		
🛛 Notice of I	ntent	🗖 Acidize	🗖 Dee	pen	Product	ion (Start/Resume)	UWater Shut-Off
_		Alter Casing	🗇 Frac	ture Treat	🗖 Reclam	ation	Well Integrity
Subsequent	кероп	Casing Repair	—	Construction	🗖 Recomp		☑ Other Surface Commingling
🗖 Final Aban	donment Notice	□ Change Plans □ Convert to Injection				☐ Temporarily Abandon ☐ Water Disposal	
If the proposal i Attach the Bond following comp testing has been determined that Devon Energ Commingle f Ichabod 7 Fe Sec. 7, SESI 30-025-4004 97892 WC-0 NMNM14499 Ichabod 7 Fe Sec. 7, SESI 30-025-4057	is to deepen direction d under which the wo letion of the involved completed. Final At the site is ready for f gy Production Cor for the following w ed 1H E, T26S, R34E 325 G-06 S263407 90 ed 4H E, T26S, R34E	npany, LP respectfully re rells: 7P: Upper; Bone Spring	give subsurface the Bond No. or sults in a multipl ed only after all	locations and meas a file with BLM/BL e completion or rec requirements, inclu-	ured and true ve A. Required sul completion in a t ding reclamation	rtical depths of all pertin sequent reports shall be rew interval, a Form 316 n, have been completed, a	ent markers and zones. filed within 30 days 0-4 shall be filed once
14. Thereby centry		Electronic Submission # For DEVON ENER	IGY PRODUC	10N CO LP, sen	nt to the Hobb	ร์	
Name (Printed/		mmitted to AFMSS for pro	cessing by Li		•	MPLIANCE ANALY	ST
Signature	(Electronic S	Submission)		Date 02/27/2	2015		
	<u>`````````````````````````````````</u>	THIS SPACE FO	DR FEDERA			SE	
Conditions of approv certify that the applic which would entitle t	ant holds legal or equilibrium to condu	CK d. Approval of this notice does hitable title to those rights in the et operations thereon. U.S.C. Section 1212, make it a	e subject lease	TitleTECHNIC Office Hobbs	······	ske to any donartmost or	Date 02/23/2016
States any false, fic	ctitious or fraudulent s	statements or representations as	to any matter w	thin its jurisdiction.		ince to any department of a	agoney of the Onitett

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\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

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## Additional data for EC transaction #293380 that would not fit on the form

#### 5. Lease Serial No., continued

NMNM114990 NMNM114991

#### Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM114990	NMNM114990	ICHABOD 7 FED 1H	30-025-40043-00-51	Sec 7 T26S R34E SESE 195FSL 330FEL
NMNM114990	NMNM114990	ICHABOD 7 FEDERAL 4H	30-025-40574-00-S1	Sec 7 T26S R34E SESE 108FSL 455FEL
NMNM114991	NMNM114991	GREEN WAVE 20 FEDERAL 1H	30-025-40383-00-\$1	Sec 20 T26S R34E SWSW 330FSL 330FWL

#### 10. Field and Pool, continued

WC-025 G09 S263504N

32. Additional remarks, continued

7310 Bradley, Delaware NMNM144990

Green Wave 20 Fed 1H Sec. 20, SWSW, T26S, R34E 30-025-40383 7310 Bradley, Delaware NMNM144991

Verbal approval was given by Duncan Whitlock

The central tank battery is located on the shared pad of the Ichabod 7 Fed 1H & 4H in Sec. 7, SESE, T26S, R34E, Lea County, New Mexico. The Ichabod 7 Fed 1H & 4H production will flow through a production header with isolation lines to route each wells production. From this point one well will be on test and its production routed through the test equipment. The Green Wave 20 Fed 1H will utilize a test separator/heater treater at the Green Wave 20 Fed 1H. Tank gauge method utilized for both batteries. VRU will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Ichabod 7 Fed 1H will have three oil tanks that the Ichabod 7 Fed 1H & 4H will utilize and the Green Wave 20 Fed 1H will have three tanks at its location in Sec. 20, T26S, R34E that it will utilize and all three wells will have a common Regency CDP #57363 located northwest of the Ichabod 7 Fed 1H battery in Sec. 7, T26S R34E. The oil, gas, and water volumes from the Ichabod wells producing to the Ichabod 7 Fed 1H battery will be determined by utilizing a test separator/heater treater at the proposed facility. The oil, gas, and water volumes from the Green Wave well producing to the Green Wave battery will be determined by utilizing a test separator/heater treater at that facility.

Row has or will be sent in for approval.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

Thank You

## Revisions to Operator-Submitted EC Data for Sundry Notice #293380

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	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	SURCOM NOI	SURCOM NOI
Lease:	NMNM114990	NMNM114990 NMNM114991
Agreement:		
Operator:	DEVON ENERGY 333 WEST SHERIDAN AVENUE OKC, OK 73102 Ph: 405-552-7970	DEVON ENERGY PRODUCTION CO LP 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102 Ph: 405 235 3611
Admin Contact:	ERIN WORKMAN REGULATORY COMPLIANCE PROF. E-Mail: Erin.workman@dvn.com	ERIN WORKMAN REGULATORY COMPLIANCE ANALYST E-Mail: Erin.workman@dvn.com
	Ph: 405-552-7970	Ph: 405-552-7970
Tech Contact:	ERIN WORKMAN REGULATORY COMPLIANCE PROF. E-Mail: Erin.workman@dvn.com	ERIN WORKMAN REGULATORY COMPLIANCE ANALYST E-Mail: Erin.workman@dvn.com
	Ph: 405-552-7970	Ph: 405-552-7970
Location: State: County:	NM LEA	NM LEA
Field/Pool:	WC-025G-06S263407P:BS	BRADLEY WC-025 G06 S263407P WC-025 G09 S263504N
Well/Facility:	ICHABOD 7 FED 1H Sec 7 T26S R34E 195FSL 330FEL	ICHABOD 7 FED 1H Sec 7 T26S R34E SESE 195FSL 330FEL
		ICHABOD 7 FEDERAL 4H Sec 7 T26S R34E SESE 108FSL 455FEL GREEN WAVE 20 FEDERAL 1H Sec 20 T26S R34E SWSW 330FSL 330FWL

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

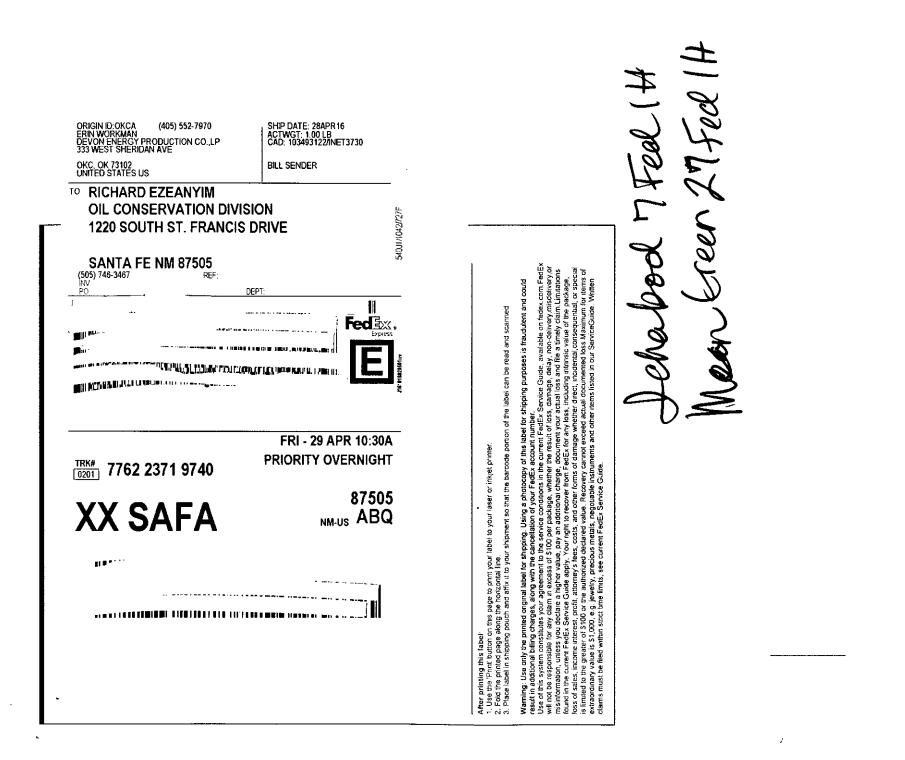
## Ichabod 7 Fed 1H, Ichabod 7 Fed 4H and Green Wave 20 Fed 1H 3002540043, 3002540574, 3002540383 Leases: NM114990, NM114991

## Devon Energy Production Co. February 22, 2016 Condition of Approval

Pool Commingling of lease production on the Ichabod 7 Fed 1H & 4H, (Delaware and Bone Springs), Commingling of gas from the Ichabod 7 Fed 1H & 4H with the Green Wave 20 Fed 1H. Off lease sales of gas for the Green Wave 20 Fed 1H at the Ichabod 7 Fed 1H & 4H battery.

- 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. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
- 7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
- 8. This agency shall be notified of any change in sales method or location of sales point.
- 9. Additional wells and/or leases require additional commingling approvals.
- 10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.

The approval of this commingling is as per Category I of IM NMPO-2013-02. These 3 wells are associated with 2 different leases and have the same royalty rate of 12.5%. By combining the production of these leases the royalty value will not affected due to the contract the operator has with the purchaser, which states that they will deem all production as sweet and will pay on a standard 40 API gravity for all production. The BTU value of the production is all the same being Bone Spring and Delaware gas with a BTU from 1283.2 to 1101.2. Therefore the commingling of these leases will have no royalty value issues do to this oil and gas being sold has no value difference. Therefore the commingling of these wells will have no royalty rate or royalty value issues do to everything being the similar. This does not mean that the allocation of production to each well will be 100% accurate each month. By approving this request it will only guarantee that the public's interest will not be compromised.



4/28/2016

https://www.fedex.com/shipping/shipmentConfirmationAction.handle?method=doContinue

	Production Summary R API: 30-025-40043			
	ICHABOD 7 FEDERAL #	001H		
	Printed On: Friday, May	20 2016		
			Productio	on
Year	Pool	Month	Oil(BBLS)	Gas(MCF)
	[97892] WC-025 G-06 S263407P;UPR BONE			
2015	SPRIN	Oct	195	2432
	[97892] WC-025 G-06 \$263407P;UPR BONE		<u> </u>	
2015	SPRIN	Nov	277	1119
	[97892] WC-025 G-06 S263407P;UPR BONE			
2015	SPRIN	Dec	412	1283
	[97892] WC-025 G-06 S263407P;UPR BONE		<u> </u>	
2016	SPRIN	Jan	479	504
	[97892] WC-025 G-06 \$263407P;UPR BONE	1		
2016	SPRIN	Feb	325	1607
	[97892] WC-025 G-06 \$263407P;UPR BONE			
2016	SPRIN	Mar	262	2046
CUM			40486	145725

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	Production Sun API: 30-02					
	ICHABOD 7 FEI Printed On: Mond					
	Production					
Year	Pool	Month	Oil(BBLS)	Gas(MCF)		
2015	[7310] BRADLEY;DELAWARE	Oct	11	17		
2015	[7310] BRADLEY;DELAWARE	Nov	218	207		
2015	[7310] BRADLEY;DELAWARE	Dec	202	772		
2016	[7310] BRADLEY;DELAWARE	Jan	343	570		
2016	[7310] BRADLEY;DELAWARE	Feb	271	2003		
2016	[7310] BRADLEY;DELAWARE	Mar	212	1171		
CUM			16120	61840		

## McMillan, Michael, EMNRD

From:	Workman, Erin <erin.workman@dvn.com></erin.workman@dvn.com>
Sent:	Monday, May 23, 2016 12:14 PM
То:	McMillan, Michael, EMNRD
Subject:	FW: Ichabod 7 Fed 1H Battery

Below is the breakdown of ownership per the landman.

## Erin Workman

Regulatory Compliance Professional Devon Energy Corporation Devon Energy Center 18.520 333 W. Sheridan Avenue OKC, OK 73102 405.552.7970 Direct

"Peace I leave with you; my peace I give you. I do not give to you as the world gives. Do not let your hearts be troubled and do not be afraid." John 14:27 (NIV)

From: Miller, Melissa Sent: Monday, May 23, 2016 1:09 PM To: Workman, Erin <Erin.Workman@dvn.com> Subject: Ichabod 7 Fed 1H Battery

Below is a breakdown of WI ownership in the wells going to the Ichabod 7 Fed 1H battery:

Well Name	DVN WI	CVX WI
Ichabod 7 Fed 1H	50%	50%
Ichabod 7 Fed 4H	100%	*
Green Wave 20 Fed 1H	100%	**

\*Chevron will have a 50% APO WI

\*\* Chevron can convert ORRI to a 10% WI APO

These are all Fed 1/8<sup>th</sup> leases.

Thanks!

Melissa Miller

Landman, RPL Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 73102 Office: 405-228-8756