

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 _____

Devon Energy Production Company, L.P.
 (637)
 Cotton Draw 14 Fed Com #1H
 30-015-42091
 Paduca; Bone Spring (96641)

[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 (Must check if notification sent)
 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.

Chance Bland
 Print or Type Name

Signature

Regulatory Compliance Prof.
 Title

04/17/17
 Date

Chance.bland@dm.com
 E-mail Address



Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 552-7970 Phone
Erin.workman@dvn.com

April 17, 2017

RECEIVED OCO

2017 APR 26 A 8:55

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

Re: **Central Tank Battery**
Cotton Draw 14 Fed Com 1H, 2H & Cotton Draw Fed 3H & 4H
Sec., T, R: Sec 14, T25S, R31E
Lease: NMNM13428 & NMLC 061862
API: 30-015-42091, 30-015-42092, 30-015-42504, 30-015-42505
Pool: Paduca; Bone Spring
County: Eddy Co., New Mexico

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 Notice of Intent for a Central Tank Battery for the aforementioned wells.

The working interest, royalty interest and overriding royalty interest owners are not identical and have been notified of this proposal by certified mail (see attached).

Subsequently 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.

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 228-8593.

Sincerely,

Chance Bland
Regulatory Compliance Professional

Enclosures

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

Energy, Minerals and Natural Resources Department

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 – fill if Pool Commingle

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

- (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 (Coriolis & 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 (Coriolis & 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:  TITLE: Reg Prof. DATE: 4/17/17

TYPE OR PRINT NAME: Chance Bland TELEPHONE NUMBER: 405-228-8593

E-MAIL ADDRESS: chance.bland@dvn.com

APPLICATION FOR A CENTRAL TANK BATTERY/OFF LEASE MEASUREMENT, SALES, & STORAGE

Proposal for Cotton Draw 14 Fed Wells:

Devon Energy Production Company, LP is requesting approval for a Central Tank Battery/Off Lease Measurement, Sales, & Storage for the following wells:

Federal Lease NMLC061862, NMNM0000503, CA NMNM 134248 (12.5%)

Well Name	Location	API#	Pool 96641	BOPD	OG	MCFPD	BTU
Cotton Draw 14 Fed Com 1H	Sec. 14, T25S, R31E	30-015-42091	Paduca; Bone Spring (O)	141	43	572	1288
Cotton Draw 14 Fed Com 2H	Sec. 14, T25S, R31E	30-015-42092	Paduca; Bone Spring (O)	148	44	623	1288

Federal Lease NMLC061862, (12.5%)

Well Name	Location	API#	Pool 96641	BOPD	OG	MCFPD	BTU
Cotton Draw 14 Fed 3H	Sec. 14, T25S, R31E	30-015-42504	Paduca; Bone Spring (O)	229	44	1048	1288
Cotton Draw 14 Fed 4H	Sec. 14, T25S, R31E	30-015-42505	Paduca; Bone Spring (O)	234	44	534	1288

*All numbers are proposed number.

Attached is a map that displays the federal leases and well locations in Sec. 14, T25S, R31E & Sec. The BLM's interest in all four wells is 12.5%

Oil & Gas metering:

The central tank battery is located at the Cotton Draw 14 in NE/4 NW/4 of Sec. 14 25S 32E in Lea County, New Mexico. The production from each well will flow through an individual dedicated three phase separator with measurement for all three phase. The measurement devices are as follows: 1) Oil measurement is a Micro Motion Coriolis Meter, 2) Water measurement is a Magnetic flow meter, 3) Gas measurement is an Orifice meter tube with EFM. All water is to be commingled and sent to the water tanks. Gas recovered from the ULPS via the VRU will be allocated back to each well utilizing a percentage of each wells monthly oil production.

A total of four (4) production wells will flow into the COTTON DRAW 14 Battery. All oil from all four wells will commingle into a common header after measured by individual 3 phase separators. The commingled oil will then be refined by a dedicated heater treater.

The COTTON DRAW 14 Battery will have four (4) oil storage tanks for these wells. Measurement is done through a LACT unit utilizing a SMITH PD METER. LACT Meter **number provided upon receipt**. All commingled gas will be sold through a Federal Measurement Point on location. Oil, gas, and water volumes from each well producing to this battery will be determined by using individual metered separators.

The Cotton Draw 14 Fed Com 1H flows directly to a dedicated three phase separator where all 3 phases are separated and metered. Gas flows through the gas allocation meter (**number provided upon receipt**), then combines with the gas from the other wells and is measured by the Federal Measurement Point Meter (**number provided upon receipt**). Oil is metered with a Micro Motion Coriolis Meter (**number provided upon receipt**). After measurement, the oil combines with the Cotton Draw 14 Fed Com 2H and goes to a heater treater for further refinement. Refined oil then dumps to a common ULPS where it combines with oil from the Cotton Draw 14 Fed 3H and Cotton Draw 14 Fed 4H wells and to the 4 oil storage tanks where it can be sold through a LACT.

The Cotton Draw 14 Fed Com 2H flows directly to a dedicated three phase separator where all 3 phases are separated and metered. Gas flows through the gas allocation meter (**number provided upon receipt**), then combines with the gas from the other wells and is measured by the Federal Measurement Point Meter (**number provided upon receipt**). Oil is metered with a Micro Motion Coriolis Meter (**number provided upon receipt**). After measurement, the oil combines with the Cotton Draw 14 Fed Com 2H and goes to a heater treater for further refinement. Refined oil then dumps to a common ULPS where it combines with oil from the Cotton Draw 14 Fed 3H and Cotton Draw 14 Fed 4H wells and to the 4 oil storage tanks where it can be sold through a LACT.

The Cotton Draw 14 Fed 3H flows directly to a dedicated three phase separator where all 3 phases are separated and metered. Gas flows through the gas allocation meter (**number provided upon receipt**), then combines with the gas from the other wells and is measured by the Federal Measurement Point Meter (**number provided upon receipt**). Oil is metered with a Micro Motion Coriolis Meter (**number provided upon receipt**). After measurement, the oil combines with the Cotton Draw 14 Fed 4H and goes to a heater treater for further refinement. Refined oil then dumps to a common ULPS where it combines with oil from the Cotton Draw 14 Fed Com 1H and Cotton Draw 14 Fed Com 2H wells and to the 4 oil storage tanks where it can be sold through a LACT.

The Cotton Draw 14 Fed 4H flows directly to a dedicated three phase separator where all 3 phases are separated and metered. Gas flows through the gas allocation meter (**number provided upon receipt**), then combines with the gas from the other wells and is measured by the Federal Measurement Point Meter (**number provided upon receipt**). Oil is metered with a Micro Motion Coriolis Meter (**number provided upon receipt**). After measurement, the oil combines with the Cotton Draw 14 Fed 3H and goes to a heater treater for further refinement. Refined oil then dumps to a common ULPS where it combines with oil from the Cotton Draw 14 Fed Com 1H and Cotton Draw 14 Fed Com 2H wells and to the 4 oil storage tanks where it can be sold through a LACT.

A free water knockout is used to capture emulsified oil in the water stream from the 3 phase separators. Over time, oil will build up in the free water knockout and dump into the same oil header that the heater treater dump lines are connected into which feeds the ULPS. This provides recovery of small volumes of oil that were not separated at the 3 phase separator and ensures that the oil does not enter the water storage tanks.

Oil production will be allocated on a daily basis based on the Micro Motion Coriolis Meter for each well. The total sales gas production will be metered by the Federal Measurement Point (to be specified). Gas allocation to each well is calculated by determining the percentage contribution that each well produced on a daily basis via the individual well gas meters and multiplying the percentage by the total gas sales volume. 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 are not identical and have been notified of this proposal via certified mail (see attached).

Signed: 

Printed Name:

Title: ENGINEER

4/17/2017

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-42091	² Pool Code 96641	³ Pool Name Paduca; Bone Spring
⁴ Property Code 40411	⁵ Property Name COTTON DRAW 14 FED COM	
⁶ OGRID No. 6137	⁷ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁸ Well Number 1H
		⁹ Elevation 3400.6

¹⁰ Surface Location

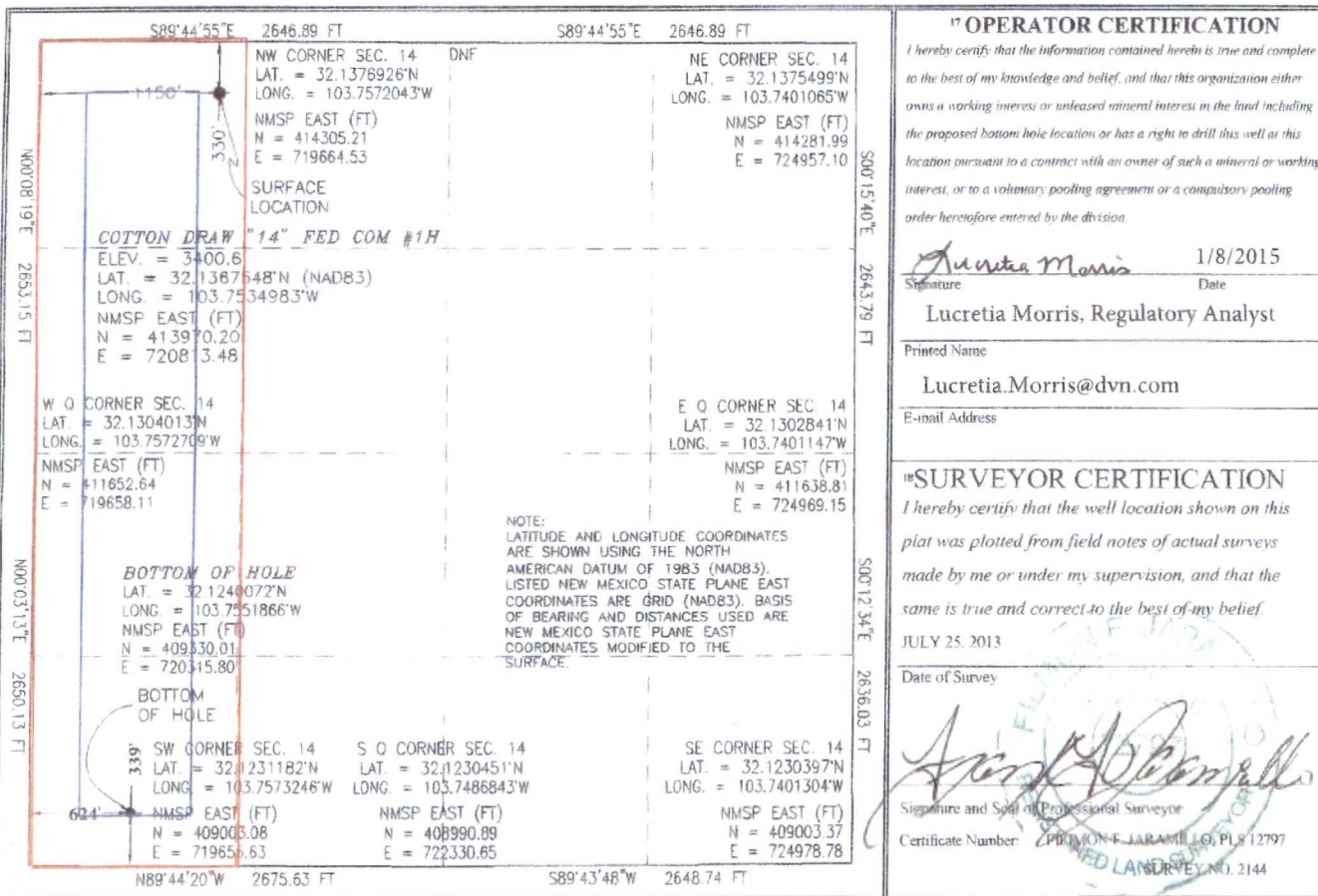
U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	25 S	31 E		330	NORTH	1150	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	25 S	31 E		339	SOUTH	624	WEST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



PP: 336' FNL & 906' FWL, Sec 14, T25S, R31E

Project Area:

Producing Area:

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
81 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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Revised August 1, 2011
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-42092		² Pool Code 96641		³ Pool Name Paduca; Bone Spring	
⁴ Property Code 40411		⁵ Property Name COTTON DRAW 14 FED COM			⁶ Well Number 2H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3400.6

¹⁰ Surface Location

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	25 S	31 E		330	NORTH	1200	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	14	25 S	31 E		330	SOUTH	1920	WEST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

<p>S89°44'55"E 2646.89 FT</p> <p>S89°44'55"E 2646.89 FT</p> <p>1200'</p> <p>NW CORNER SEC. 14 LAT. = 32.1376926°N LONG. = 103.7572043°W NMSP EAST (FT) N = 414305.21 E = 719664.53</p> <p>W Q CORNER SEC. 14 LAT. = 32.1304013°N LONG. = 103.7572709°W NMSP EAST (FT) N = 411652.64 E = 719658.11</p> <p>SW CORNER SEC. 14 LAT. = 32.1231182°N LONG. = 103.7573246°W NMSP EAST (FT) N = 409003.08 E = 719655.63</p> <p>1920'</p> <p>SE CORNER SEC. 14 LAT. = 32.1230397°N LONG. = 103.7401304°W NMSP EAST (FT) N = 409003.37 E = 724978.78</p>		<p>NE CORNER SEC. 14 LAT. = 32.1375499°N LONG. = 103.7401065°W NMSP EAST (FT) N = 414281.99 E = 724957.10</p> <p>E Q CORNER SEC. 14 LAT. = 32.1302841°N LONG. = 103.7401147°W NMSP EAST (FT) N = 411638.81 E = 724969.15</p>	
<p>000°08'19"E 2653.15 FT</p> <p>000°03'13"E 2650.13 FT</p> <p>000°15'40"E 2643.79 FT</p> <p>000°12'34"E 2636.03 FT</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Lucretia Morris</i> 1/8/2015 Signature Date</p> <p>Lucretia Morris, Regulatory Analyst Printed Name</p> <p>Lucretia.Morris@dvn.com E-mail Address</p> <p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JULY 25, 2013 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number: 12797 SURVEY NO. 2145</p>	

PP: 340' FNL & 1556' FWL, Sec 14, T25S, R31E

Project Area:

Producing Area:

District I
1625 N. French Dr. Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St. Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-0720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr. Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-42504		² Pool Code 96641		³ Pool Name Paduca; Bone Spring	
⁴ Property Code 313486		⁵ Property Name COTTON DRAW 14 FEDERAL			⁶ Well Number 3H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3414.5

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	25 S	31 E		330	NORTH	1200	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	14	25 S	31 E		332	SOUTH	1985	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			

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.

<p>S89°44'55"E 2646.89 FT</p> <p>NW CORNER SEC. 14 LAT. = 32.1376926°N LONG. = 103.7572043°W NMSP EAST (FT) N = 414305.21 E = 719664.53</p> <p>W Q CORNER SEC. 14 LAT. = 32.1304013°N LONG. = 103.7572709°W NMSP EAST (FT) N = 411652.64 E = 719658.11</p> <p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.</p> <p>SW CORNER SEC. 14 LAT. = 32.1231182°N LONG. = 103.7573246°W NMSP EAST (FT) N = 409003.08 E = 719655.63</p>		<p>S89°44'55"E 2646.89 FT</p> <p>NE CORNER SEC. 14 LAT. = 32.1375499°N LONG. = 103.7461065°W NMSP EAST (FT) N = 414281.99 E = 724957.10</p> <p>COTTON DRAW "14" FEDERAL #3H ELEV. = 3414.5 LAT. = 32.1366753°N (NAD83) LONG. = 103.7439836°W NMSP EAST (FT) N = 413957.26 E = 723758.78</p> <p>SE CORNER SEC. 14 LAT. = 32.1230397°N LONG. = 103.7401304°W NMSP EAST (FT) N = 409003.37 E = 724978.78</p> <p>S Q CORNER SEC. 14 LAT. = 32.1230451°N LONG. = 103.7486843°W NMSP EAST (FT) N = 408990.89 E = 722310.65</p>		<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Megan Moravec</i> 4/14/2015 Signature Date Megan Moravec, Regulatory Analyst Printed Name Megan.Moravec@dmv.com E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JULY 25, 2013 Date of Survey <i>Mark Jaramillo</i> Signature and Seal of Professional Surveyor Certificate Number: 12797 SURVEY NO. 2146</p>	
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PP: 440' FNL & 1550' FEL, Sec 14-T25S-31E

Project Area:
Producing Area:

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-0720
District III
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Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-42505	² Pool Code 96641	³ Pool Name Paduca; Bone Spring
⁴ Property Code 313486	⁵ Property Name COTTON DRAW 14 FEDERAL	⁶ Well Number 4H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3415.3

¹⁰ Surface Location

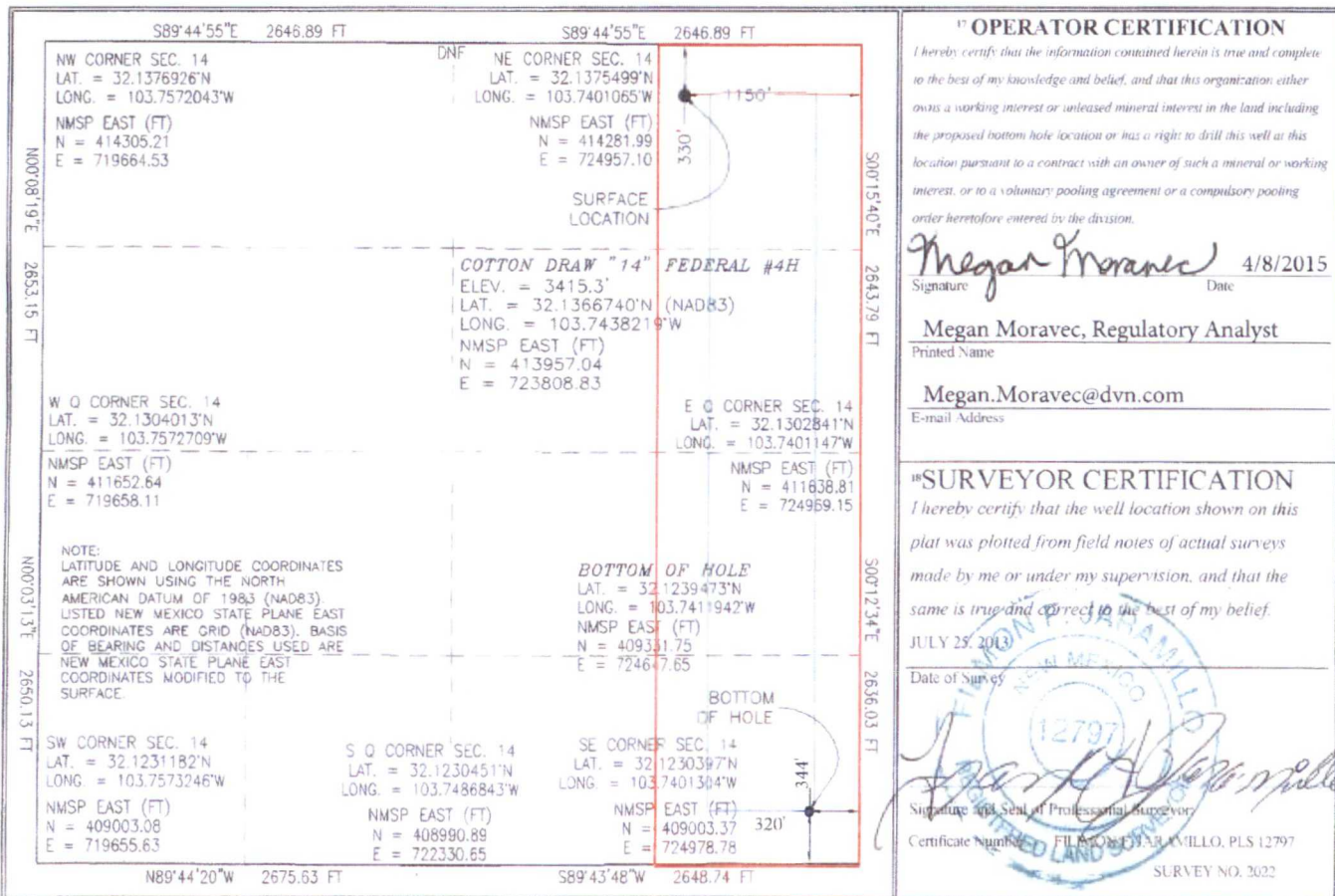
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	25 S	31 E		330	NORTH	1150	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	25 S	31 E		344	SOUTH	320	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



PP: 488' FNL & 1033' FEL, Sec 14-T25S-R31E

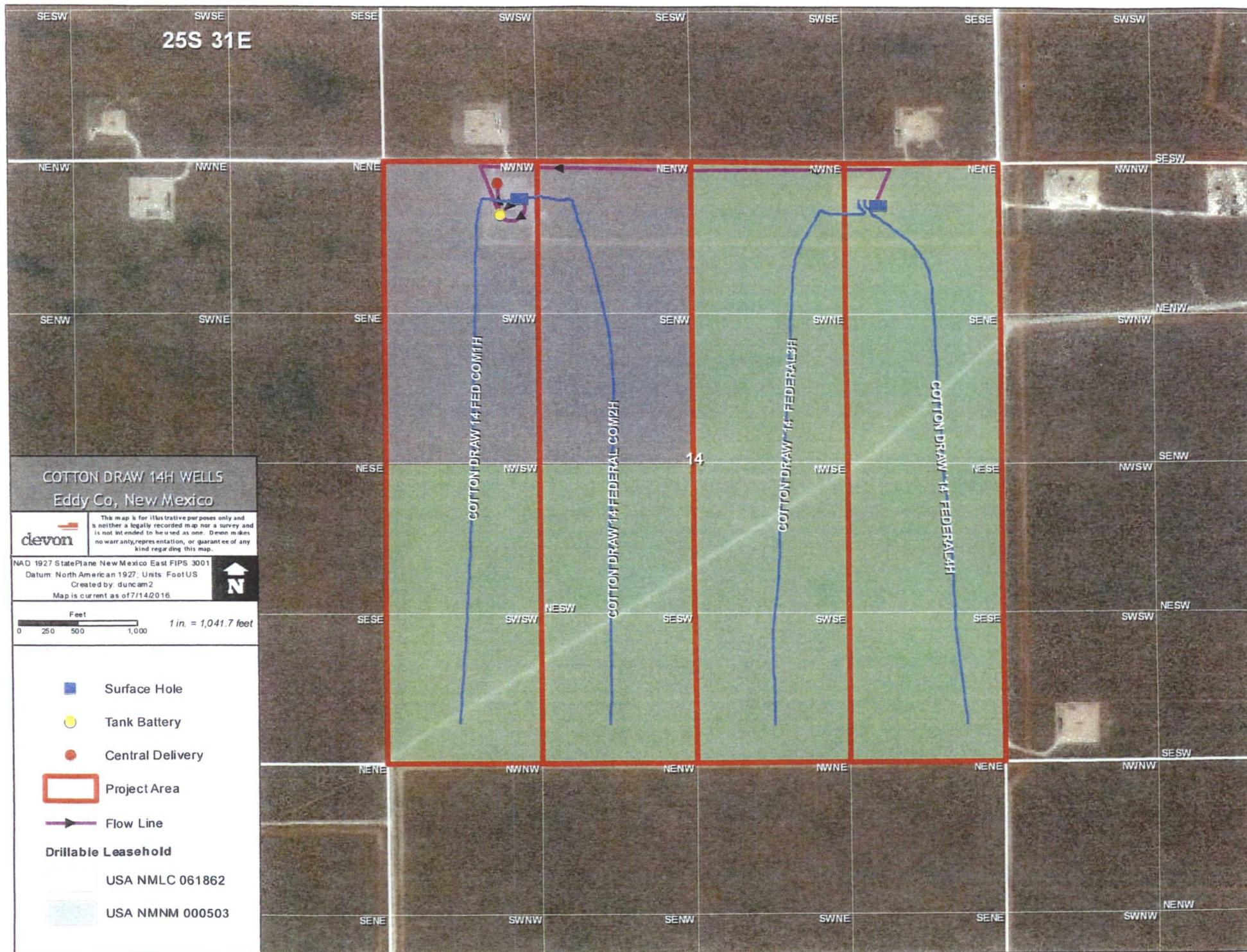
Project Area:

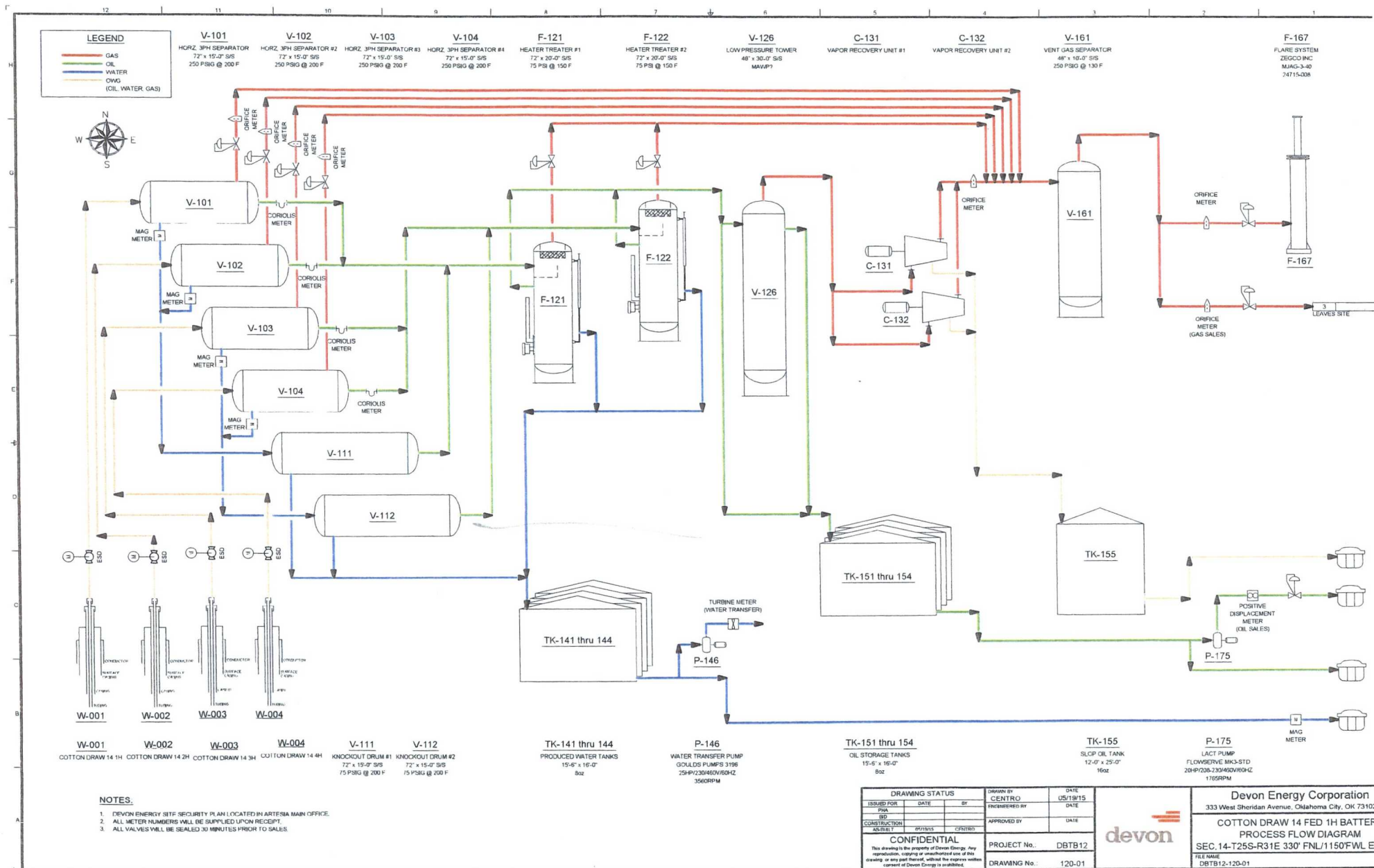
Producing Area:

Name1	Int. Type	Name2	Name3	Name4	Street 1	City	State	Postal Code	Cert. Mailing TR#
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Cotton Draw 14 Fed 1H Battery

XTO ENERGY INC	WI	JP MORGAN CHASE DALLAS			PO BOX 730586	DALLAS	TX	75373-0586	92148901527181001742 19
MICHAEL LEE PRUDE	OR				1401 W WASHINGTON AVE	ARTESIA	NM	88210	92148901527181001742 26
BALLARD E SPENCER TRUST INC	OR				PO BOX 6	ARTESIA	NM	88211-0006	92148901527181001742 33
JANICE MENDOZA BRYAN	OR				PO BOX 972	POHNPEI	FM	96941	92148901527181001742 19
BARRY EUGENE BRYAN	OR				PO BOX 207	VIDA	OR	97488	92148901527181001742 40
BRYNNE LEE BRYAN	OR				900 W 14TH ST APT 7	SAN PEDRO	CA	90731-3938	92148901527181001742 57
EDEN MENDOZA BRYAN	OR				31 MEYERS CT	GREENVILLE	SC	29609	92148901527181001742 64
MORRIS E SCHERTZ	OR				PO BOX 2588	ROSWELL	NM	88202-2588	92148901527181001742 71
BETTY JO BRYAN BRADSHAW	OR				PO BOX 761	PLACITAS	NM	87043	92148901527181001742 88
ROLLA R HINKLE III	OR				PO BOX 2292	ROSWELL	NM	88202-2292	92148901527181001742 95
ONRR	RI	ROYALTY MANAGEMENT PROGRAM			PO BOX 25627	DENVER	CO	80225-0627	92148901527181001743 01
MADISON M HINKLE	OR				PO BOX 2292	ROSWELL	NM	88202-2292	92148901527181001743 18
MCCAW PROPERTIES LLC	OR	A NEW MEXICO LIMITED LIABILITY CO	WILLIAM J MCCAW PARTNER		PO BOX 127	ARTESIA	NM	88211-0376	92148901527181001743 25
FOERTSCH OIL & GAS LP	OR				PO BOX 663	MIDLAND	TX	79702	92148901527181001743 23





WC Name	Month	Year	Oil DN Name	Prod
COTTON DRAW 14 FED COM 2H	1	2016	COTTON DRAW 14 FED 1H OIL	4,868.14
COTTON DRAW 14 FED COM 1H	1	2016	COTTON DRAW 14 FED 1H OIL	5,675.23
COTTON DRAW 14 FED 4H	1	2016	COTTON DRAW 14 FED 1H OIL	8,553.69
COTTON DRAW 14 FEDERAL 3H	1	2016	COTTON DRAW 14 FED 1H OIL	6,731.46
COTTON DRAW 14 FED COM 2H	2	2016	COTTON DRAW 14 FED 1H OIL	4,927.35
COTTON DRAW 14 FED COM 1H	2	2016	COTTON DRAW 14 FED 1H OIL	4,355.88
COTTON DRAW 14 FED 4H	2	2016	COTTON DRAW 14 FED 1H OIL	7,382.45
COTTON DRAW 14 FEDERAL 3H	2	2016	COTTON DRAW 14 FED 1H OIL	8,160.82
COTTON DRAW 14 FED COM 2H	3	2016	COTTON DRAW 14 FED 1H OIL	4,349.87
COTTON DRAW 14 FED COM 1H	3	2016	COTTON DRAW 14 FED 1H OIL	4,386.90
COTTON DRAW 14 FED 4H	3	2016	COTTON DRAW 14 FED 1H OIL	6,814.05
COTTON DRAW 14 FEDERAL 3H	3	2016	COTTON DRAW 14 FED 1H OIL	6,817.01
COTTON DRAW 14 FED COM 2H	4	2016	COTTON DRAW 14 FED 1H OIL	4,133.18
COTTON DRAW 14 FED COM 1H	4	2016	COTTON DRAW 14 FED 1H OIL	3,827.80
COTTON DRAW 14 FED 4H	4	2016	COTTON DRAW 14 FED 1H OIL	3,851.68
COTTON DRAW 14 FEDERAL 3H	4	2016	COTTON DRAW 14 FED 1H OIL	6,966.37
COTTON DRAW 14 FED COM 2H	5	2016	COTTON DRAW 14 FED 1H OIL	4,317.06
COTTON DRAW 14 FED COM 1H	5	2016	COTTON DRAW 14 FED 1H OIL	3,888.63
COTTON DRAW 14 FED 4H	5	2016	COTTON DRAW 14 FED 1H OIL	7,149.98
COTTON DRAW 14 FEDERAL 3H	5	2016	COTTON DRAW 14 FED 1H OIL	6,759.40
COTTON DRAW 14 FED COM 2H	12	2015	COTTON DRAW 14 FED 1H OIL	4,779.31
COTTON DRAW 14 FED COM 1H	12	2015	COTTON DRAW 14 FED 1H OIL	4,800.06
COTTON DRAW 14 FED 4H	12	2015	COTTON DRAW 14 FED 1H OIL	7,489.43
COTTON DRAW 14 FEDERAL 3H	12	2015	COTTON DRAW 14 FED 1H OIL	7,144.78

Well ID	WC ID	WC Name	Year	Month	Gas DOI/Unit Name	Gas DN ID	Prod Days	Prod	Flare	Fuel 1
36049	1	COTTON DRAW 14 FED COM 2H	2016	1	COTTON DRAW 14 FED COM 2H	48681 23		17,226	2,239	296
36087	1	COTTON DRAW 14 FED COM 1H	2016	1	COTTON DRAW 14 FED COM 1H	48681 29		24,314	3,160	417
37476	1	COTTON DRAW 14 FED 4H	2016	1	COTTON DRAW 14 FED 4H	48681 29		20,800	2,677	354
37582	1	COTTON DRAW 14 FEDERAL 3H	2016	1	COTTON DRAW 14 FED 3H	48681 21		22,311	2,898	383
36049	1	COTTON DRAW 14 FED COM 2H	2016	2	COTTON DRAW 14 FED COM 2H	48681 29		21,811	1,906	281
36087	1	COTTON DRAW 14 FED COM 1H	2016	2	COTTON DRAW 14 FED COM 1H	48681 29		24,950	2,180	321
37476	1	COTTON DRAW 14 FED 4H	2016	2	COTTON DRAW 14 FED 4H	48681 29		22,424	1,959	289
37582	1	COTTON DRAW 14 FEDERAL 3H	2016	2	COTTON DRAW 14 FED 3H	48681 28		42,940	3,751	553
36049	1	COTTON DRAW 14 FED COM 2H	2016	3	COTTON DRAW 14 FED COM 2H	48681 31		23,888	67	353
36087	1	COTTON DRAW 14 FED COM 1H	2016	3	COTTON DRAW 14 FED COM 1H	48681 31		22,559	64	333
37476	1	COTTON DRAW 14 FED 4H	2016	3	COTTON DRAW 14 FED 4H	48681 29		23,772	67	351
37582	1	COTTON DRAW 14 FEDERAL 3H	2016	3	COTTON DRAW 14 FED 3H	48681 28		34,679	98	513
36049	1	COTTON DRAW 14 FED COM 2H	2016	4	COTTON DRAW 14 FED COM 2H	48681 30		22,378	80	364
36087	1	COTTON DRAW 14 FED COM 1H	2016	4	COTTON DRAW 14 FED COM 1H	48681 30		20,209	72	328
37476	1	COTTON DRAW 14 FED 4H	2016	4	COTTON DRAW 14 FED 4H	48681 22		10,720	38	174
37582	1	COTTON DRAW 14 FEDERAL 3H	2016	4	COTTON DRAW 14 FED 3H	48681 30		39,016	139	634
36049	1	COTTON DRAW 14 FED COM 2H	2016	5	COTTON DRAW 14 FED COM 2H	48681 31		22,538	243	375
36087	1	COTTON DRAW 14 FED COM 1H	2016	5	COTTON DRAW 14 FED COM 1H	48681 31		18,539	200	308
37476	1	COTTON DRAW 14 FED 4H	2016	5	COTTON DRAW 14 FED 4H	48681 25		15,311	165	255
37582	1	COTTON DRAW 14 FEDERAL 3H	2016	5	COTTON DRAW 14 FED 3H	48681 31		36,764	395	612
36049	1	COTTON DRAW 14 FED COM 2H	2015	12	COTTON DRAW 14 FED COM 2H	48681 26		21,687	1,244	270
36087	1	COTTON DRAW 14 FED COM 1H	2015	12	COTTON DRAW 14 FED COM 1H	48681 26		22,667	1,300	283
37476	1	COTTON DRAW 14 FED 4H	2015	12	COTTON DRAW 14 FED 4H	48681 26		27,427	1,573	342
37582	1	COTTON DRAW 14 FEDERAL 3H	2015	12	COTTON DRAW 14 FED 3H	48681 26		32,494	1,864	405

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTCarlsbad Field Office
Operator CopyFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

5. Lease Serial No.
NMLC061862
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
NMNM134248
8. Well Name and No.
COTTON DRAW 14 FED COM 1H
9. API Well No.
30-015-42091-00-S1
10. Field and Pool, or Exploratory
PADUCA
UNKNOWN
11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other
2. Name of Operator
DEVON ENERGY PRODUCTION CO LP
Contact: CHANCE BLAND
Email: chance.bland@devn.com
- 3a. Address
333 WEST SHERIDAN AVE
OKLAHOMA CITY, OK 73102
- 3b. Phone No. (include area code)
Ph: 405-228-8593
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 14 T25S R31E NWNW 330FNL 1150FWL
32.136755 N Lat, 103.753498 W Lon

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

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

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

Devon Energy Prod Co. Lp respectfully requests for a Central Tank Battery and a Surface Commingle for the following wells.

Cotton Draw 14 Fed Com 1H NW/NW Sec. 14, T25S, R31E 30-015-42091 Paduca; Bone Spring (O) ✓
NMNM 0000503, NMLC-061862

Cotton Draw 14 Fed Com 2H NE NW Sec. 14, T25S, R31E 30-015-42092 Paduca; Bone Spring (O) ✓
NMNM 0000503, NMLC-061862

Cotton Draw 14 Fed 3H NE/NE Sec. 14, T25S, R31E 30-015-42504 Paduca; Bone Spring (O) NMLC ✓
0061862

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #347653 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 08/12/2016 (16PP2005SE)	
Name (Printed/Typed) CHANCE BLAND	Title REG PROF
Signature (Electronic Submission)	Date 08/11/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J.D. Whitlock</i>	Title <i>TLPET</i>	Date <i>1/5/17</i>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <i>CFO</i>

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

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #347653 that would not fit on the form

32. Additional remarks, continued

Cotton Draw 14 Fed 4H NE/NE Sec. 14, T25S, R31E 30-015-42505 Paduca; Bone Spring (O) NMLC ✓
0061862

The central tank battery is located at the Cotton Draw 14 in NE/4 NW/4 of Sec. 14 25S 32E in Lea County, New Mexico. The production from each well will flow through an individual dedicated three phase separator with measurement for all three phase. The measurement devices are as follows: 1) Oil measurement is a Micro Motion Coriolis Meter, 2) Water measurement is a Magnetic flow meter, 3) Gas measurement is an Orifice meter tube with EFM. All water is to be commingled and sent to the water tanks. Gas recovered from the ULPS via the VRU will be allocated back to each well utilizing a percentage of each wells monthly oil production.

A total of four (4) production wells will flow into the COTTON DRAW 14 Battery. All oil from all four wells will commingle into a common header after measured by individual 3 phase separators. The commingled oil will then be refined by a dedicated heater treater.

The COTTON DRAW 14 Battery will have four (4) oil storage tanks for these wells. Measurement is done through a LACT unit utilizing a SMITH PD METER. LACT Meter number provided upon receipt. All commingled gas will be sold through a Federal Measurement Point on location. Oil, gas, and water volumes from each well producing to this battery will be determined by using individual metered separators.

Attachments Deliverables

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

Devon Energy Production Co.

January 5, 2017

Condition of Approval

Surface commingling, off lease/off CA storage measurement and sales, and alternate method of measurement.

Cotton Draw 14 Fed Com 1H, 2H, 3H & 4H

3001542091, 3001542092, 3001542504 & 3001542505

Lease NMNM0503, NMLC061862, & CA's NMNM134248, NMNM134246

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.
11. Approval for alternate method of measurement for oil production. Coriolis meters will be used off 3 phase separators for allocation of oil production and oil will be sold through a common Coriolis LACT meter at facility.