

DATE IN 1/23/07	SUSPENSE	ENGINEER D. CATANACH	LOGGED IN 1/24/07	TYPE OLM	APP NO. PTDS0702451373
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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



196

### 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 \_\_\_\_\_

#### [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.

Print or Type Name

Signature

Title

Date

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 Company, L.P.

OPERATOR ADDRESS: 20 North Broadway, Oklahoma City, Oklahoma 73102-8260

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
					2007 JUN 23 AM 10 17

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

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

(4) Measurement type: ☐ Metering ☐ Other (Specify)

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

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

(1) Pool Name and Code.

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

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

(4) Measurement type: ☐ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

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

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

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

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

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

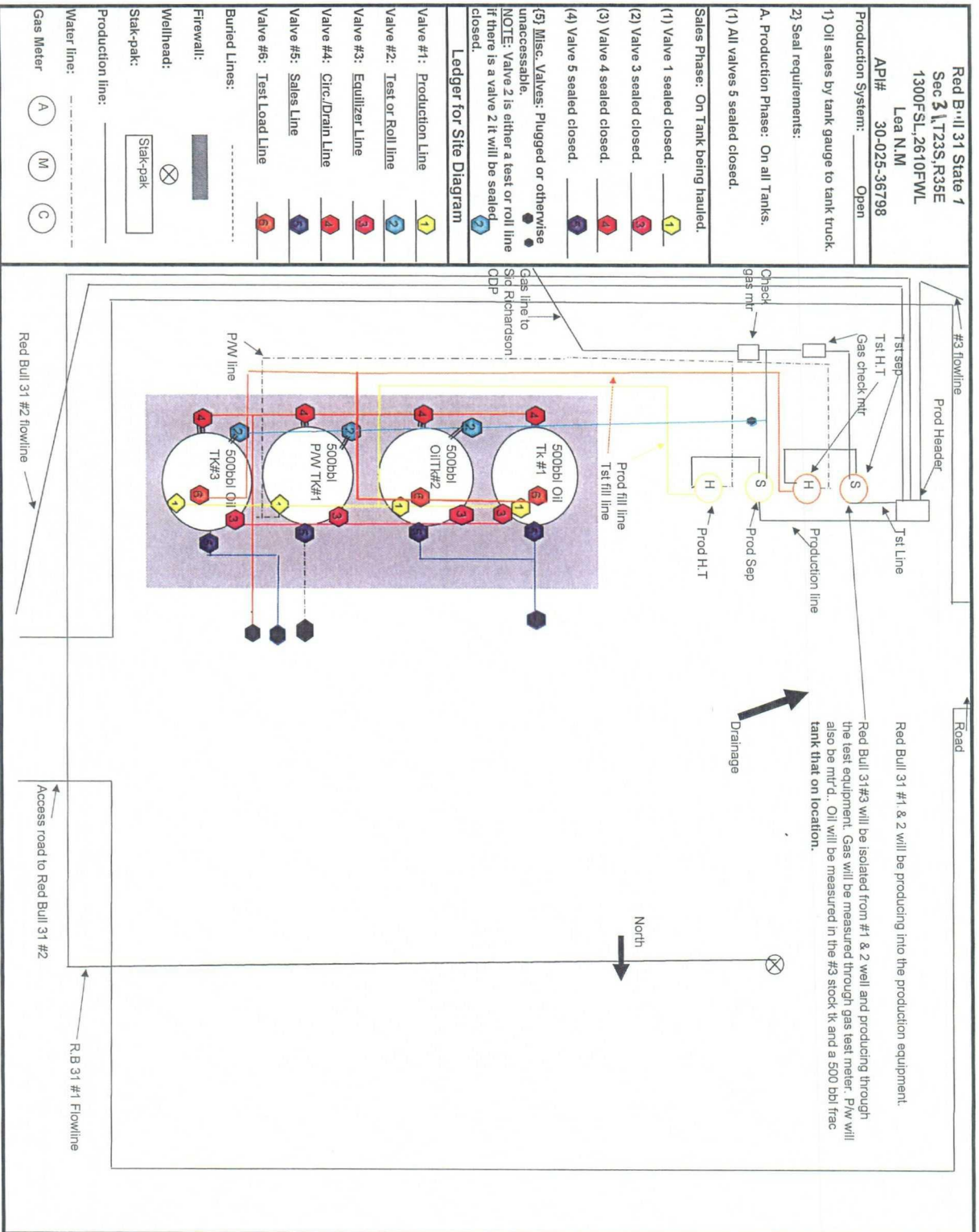
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE:  TITLE: Sr. Staff Engineering Technician DATE: January 18, 2006

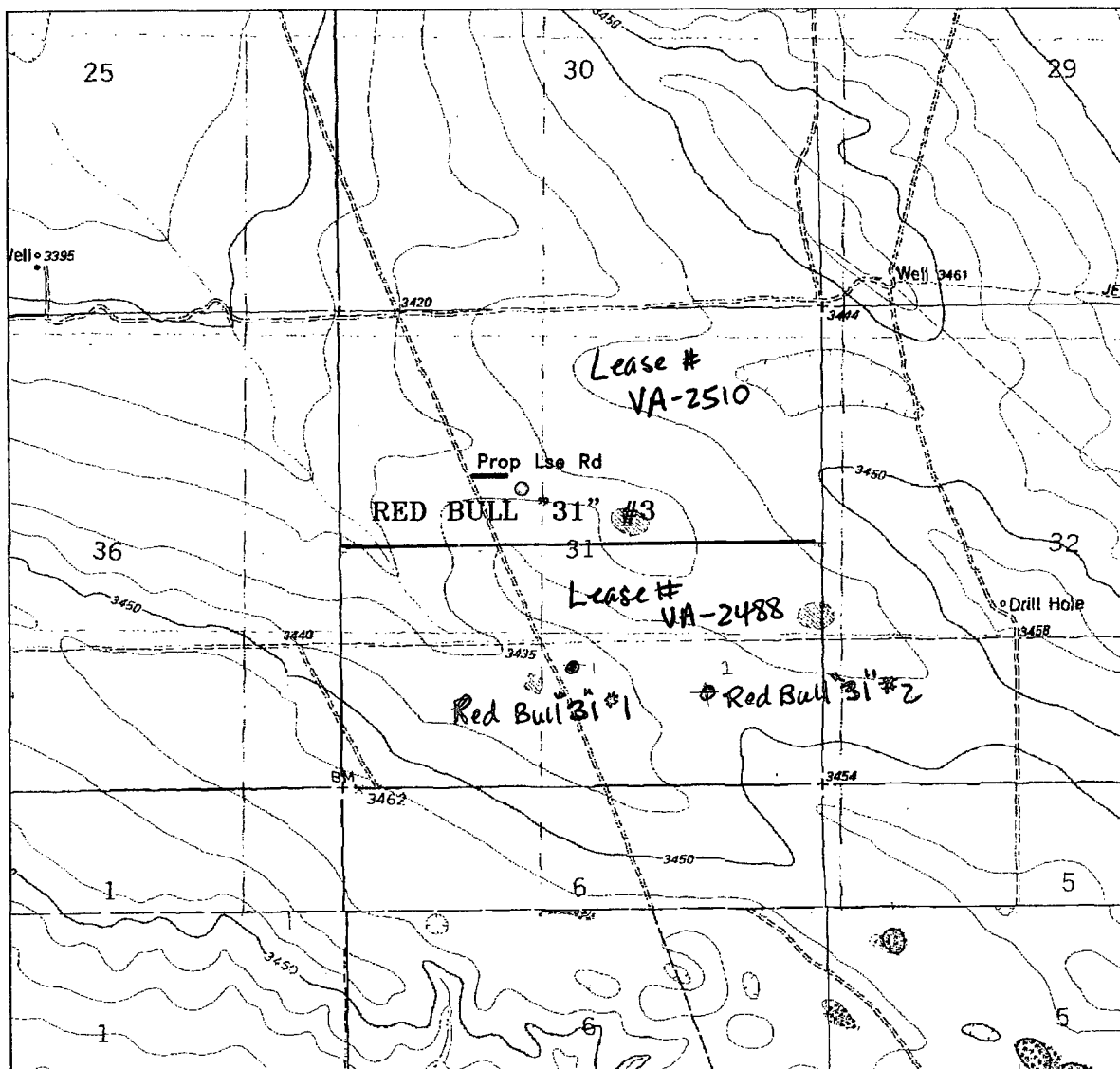
TYPE OR PRINT NAME Norvella Adams TELEPHONE NO.: 405-552-8198

E-MAIL ADDRESS: norvella.adams@dvn.com



**Red Bull 31 State 2**  
**Sec 31 T23S R35E**  
**983' FNL + 1298' FEL**  
**Lea N.M.**  
**API # 30-025-37069**

**Red Bull 31 State 3**  
**Sec 31 T23S R35E**  
**1980' FNL + 1980' FWL**  
**Lea N.M.**  
**API # 30-025-37620**



### RED BULL "31" #3

Located at 1980' FNL AND 1980' FWL  
 Section 31, Township 23 South, Range 35 East,  
 N.M.P.M., Lea County, New Mexico.

**basin**  
**surveys**  
 focused on excellence  
 in the oilfield

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basinsurveys.com

W.O. Number: 6053AA - KJG CD#4

Survey Date: 12-12-2005

Scale: 1" = 2000'

Date: 12-13-2005

**DEVON ENERGY**  
**PROD. CO., L.P.**

**Red Bull 31 State 3 – Off-Lease Storage and Measurement  
Devon Energy Production Company, L.P.**

**Form C-107-B additional information (3)**

Red Bull 31 State 1  
Lease # VA-2488  
API # 30-025-36798

Red Bull 31 State 2  
Lease # VA-2488  
API # 30-025-37069

Red Bull 31 State 3  
Lease # VA-2510  
API # 30-025-37620



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

January 18, 2007

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Chesapeake Exploration Limited Partnership  
PO Box 18496  
Oklahoma City, OK 73154-0496

Re: Request for Off-Lease Storage and Measurement  
Red Bull 31 State 3  
Sections 31, Township 23 South, Range 35 East  
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 off-lease storage and measurement of production from the Red Bull 31 State 3 well.

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 NMOCD within 20 days from the date of this letter.

Should you have any questions, please contact the undersigned at 405-228-8753.

Yours truly,

Devon Energy Production Company, LP

Mark Oates  
Sr. Staff Landman

Enclosure



**Mark A. Oates**

Sr. Staff Landman Tel. (405) 228-8753 Fax (405) 552-8113 E-Mail [mark.oates@devn.com](mailto:mark.oates@devn.com)

**Devon Energy Corporation**

20 North Broadway  
Oklahoma City, Oklahoma 73102-8260

January 19, 2007

State of New Mexico  
Commissioner of Public Lands  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Mr. Jeff Albers

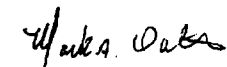
RE: Red Bull State #3  
Section 31, T23S, R35E  
Lea County, New Mexico

Dear Mr. Albers:

Please be advised that Devon Energy Production Company, L.P. is filing an application with the New Mexico Oil Conservation Division seeking approval to permit off-lease storage and measurement of production from the Red Bull 31 State #3 well. A copy of Devon's application is enclosed for your review and file.

Should you have questions, please feel free to contact me at (405) 228-8754.

Very truly yours,  
DEVON ENERGY PRODUCTION COMPANY, L.P.

  
Mark A. Oates  
Senior Staff Landman

Enclosure

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