



New Mexico Energy, Minerals and Natural Resources Department

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Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order CTB-596
December 31, 2008

Devon Energy Production Company
20 North Broadway,
Oklahoma City, OK 73010-8260

Attention: Ms. Norvella Adams

Devon Energy Production Company ("Devon") is hereby authorized to surface commingle oil and gas production from the following-described pool (hereinafter referred to as the Watkins 32 State Tank Battery), in Lea County, New Mexico:

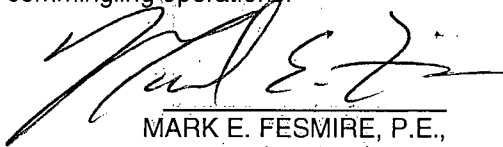
Watkins 32 State #1	30-025-31735	Unit F
N. Lusk 32 State #1	30-025-35747	Unit C
Hulkster #1	30-025-38446	Unit D

All these wells produce only from the North Lusk-Bone Spring Pool (41450). State Lease LG-7655-4 covers all of the N/2 of Section 32 and ownership is identical between these three wells.

Well production shall be allocated back from the oil and gas sales points to each well based on periodic well tests. The sales point for oil and gas shall be on this lease.

This installation shall be installed and operated in accordance with the applicable rules and regulations of the Division applicable to surface commingling.

It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the district office of the Division upon commencement of commingling operations.



MARK E. FESMIRE, P.E.,
Division Director

MEF/wvjj

cc: Oil Conservation Division – Hobbs
State Land Office – Oil, Gas, and Minerals Division

