

DATE IN <u>12.20.10</u>	SUSPENSE	ENGINEER <u>RE</u>	LOGGED IN <u>12.20.10</u>	TYPE <u>OLM</u>	APP NO. <u>1035439116</u>
-------------------------	----------	--------------------	---------------------------	-----------------	---------------------------

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

Filaree 24C FedCom

ADMINISTRATIVE APPLICATION CHECKLIST *30-015-34446*

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]

Fed Eddy

[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 Off Lease Gas Sales

200 DEC 15 P 3:21

RECEIVED OOD

[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

11/30/10
 Date

Melanie.Crawford@dmv.com
 e-mail Address

OLM-28



Devon Energy Production Company
20 North Broadway - CT 3.058
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-4524
Fax (405)-552-1358
Melanie.Crawford@devn.com

November 29, 2010

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
Filaree 24C Federal Com 4
API # 30-015-34446
Sec 24-T22S-R25E
Lease: NMNM-054477-A; CA NM-114026
Happy Valley; Morrow (GAS) - Pool Code: 78060
Eddy County, New Mexico**

RECEIVED OOD
2010 DEC 15 P 3:21

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B, OCD Form C-103 Sundry Notice of Intent for Off-Lease Gas Measurement and Sales. The working interest, royalty interest and overriding royalty interest owners are not identical; parties have been notified via certified mail.

BLM sundry approval and BLM conditions of approval 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
Regulatory Analyst

Enclosures

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: 20 North Broadway, Ste 1500

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

(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: Melanie Crawford TITLE: Regulatory Analyst

DATE: 11/30/10

TYPE OR PRINT NAME Melanie Crawford

TELEPHONE NO.: (405)- 552-4524

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

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 27, 2004

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.)		WELL API NO. 30-015-34446
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Devon Energy Production Company, LP		6. State Oil & Gas Lease No. NMNM-055477-A; CA NM-14026
3. Address of Operator 20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-4524		7. Lease Name or Unit Agreement Name Filaree 24C Fed Com
4. Well Location (See Below) Unit Letter <u>C</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>24</u> Township <u>22S</u> Range <u>25E</u> NMPM Eddy County New Mexico		8. Well Number 4
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 6137
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 OTHER: Off Lease Gas Measurement & Sales

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐

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., LLP respectfully requests permission for Off Lease Gas Measurement & Sales for Filaree 24C Federal Com 4. Produced gas will flow through a stack-pak 1st and then the Compressor Ajax DPC 60 SN 71061 (the compressor has no fuel meter, we calculate the fuel usage) located on location. The gas will then flow to the Filaree 24C Federal Com 4 Check Meter (located next to the CDP) and then to the Enterprise CDP Sales Meter # 68705 which is located 915.7 feet North of the Filaree 24 C Federal Com 4 Well in section 13 T22S R25E, Eddy County, New Mexico. No other wells are connected to the gas line and reported gas volumes are the CDP sales meter volumes. These volumes are compared against the check meter volumes.

Waste is not induced and no correlative rights are impaired.

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

ROW will or has already been obtained.

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 11/30/10

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

405 235 3611 Phone
www.devonenergy.com

December 2, 2010

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Off Lease Gas Measurement & Sales Application
Filaree 24C Federal Com 4
Sec 24, T22S, R25E
API # 30-015-34446
Pool 78060 - Happy Valley; Morrow (Gas)
Eddy County, New Mexico

To Whom It May Concern:

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.

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.

A handwritten signature in cursive script that reads "Melanie Crawford". The signature is written in dark ink and is positioned above the printed name and title.

Melanie Crawford
Regulatory Analyst

Enclosure

Mona L Coffield
PO Box 8028
Santa Fe, NM 87504

(24)

Certified Mail Number: 7008 1830 0003 1982 7146

Unit Petroleum Company
Ref: Div 52 (Liles)
Dept 247
Tulsa, OK 74182

Certified Mail Number: 7008 1830 0003 182 7153

Yates Petroleum Corporation
Kathy H Porter AIF
105 South 4th Street
Artesia, NM 88210

Certified Mail Number: 7008 1830 0003 1982 6804

George G Vaught Jr
PO Box 13557
Denver, CO 80201-3557

Certified Mail Number: 7008 1830 0003 1982 6798

Read & Stevens Inc
PO Box 1518
Roswell, NM 88202

Certified Mail Number: 7008 1830 0003 1982 6781

EOG Resources Inc
PO Box 840321
Dallas, TX 75284-0321

Certified Mail Number: 7008 1830 0003 1982 6774

Minerals Management Service
Royalty Management Program
PO Box 5810
Denver, CO 80217-5810

Certified Mail Number: 7008 1830 0003 1982 6767

Pitch Energy Corp
PO Box 227
Artesia, NM 88211-0227

Certified Mail Number: 7008 1830 0003 1982 6750

Kingdom Investments Limited
1601 Elm Street Ste 3400
Dallas, TX 75201-7201

Certified Mail Number: 7008 1830 0003 1982 6743

Lowe Royalty Partners LP
PO Box 4887 Dept 4
Houston, TX 77210-4887

Certified Mail Number: 7008 1830 0003 1982 6736

Jareed Partners Ltd
A Texas Limited Partnership
PO Box 51451
Midland, TX 79710-1451

Certified Mail Number: 7008 1830 0003 1982 6293

Cimarex Energy Company
#774031
4031 Solutions Center
Chicago, IL 60677-4000

Certified Mail Number: 7008 1830 0003 1982 6286

GoldKing Energy Partners I LP
One Shell Plaza
910 Louisiana St, Ste 5030
Houston, TX 77002

Certified Mail Number: 7008 1830 0003 1982 6903

Robert N Enfield Irrevoc Trust
Wells Fargo Bank BBA Trustee
PO Box 5383
Denver, CO 80217-5383

Certified Mail Number: 7008 1830 0003 1982 7467

Betty A Lamb, Sep Prop
The First Nat'l Bank as Agent
PO Box AA
Artesia, NM 88211-7526

Certified Mail Number: 7008 1830 0003 1982 7474

N Raymond Lamb Test Trust - Betty A Lamb, Nancy Lamb, Noelle Lamb, Sally Lamb,
Chumbley & Penelope Lamb, ttees
The First Nat'l Bank as Agent
PO Box AA
Artesia, NM 88211-7526

Certified Mail Number: 7008 1830 0003 1982 7481

Penwell Employee Royalty Pool
200 N Loraine Suite 1550
Midland, TX 79701

Certified Mail Number: 7008 1830 0003 1982 7498

Estate of David Goodnow, Edward B Goodnow Executor
% James Corrie
209 E Raymond Ave
Alexandria, VA 22301

Certified Mail Number: 7008 1830 0003 1982 7504

Robo Royalty Partners Ltd
DBA RRP 2001 Ltd
PO Box 671099
Dallas, TX 75367-1099

Certified Mail Number: 7008 1830 0003 1982 7511

Sandra Mary Thoma
A Single Woman
789 W Hellsgate Dr
Strawn, TX 76475

Certified Mail Number: 7008 1830 0003 1982 7528

Energy Royalties LLC
PO Box 271165
Houston, TX 77277-1165

Certified Mail Number: 7008 1830 0003 1982 7535

Bitter End Royalties LP
PO Box 671099
Dallas, TX 75367-1099

Certified Mail Number: 7008 1830 0003 1982 7542

Rave Energy Inc
910 Louisiana St, Ste 5030
Houston, TX 77002

Certified Mail Number: 7008 1830 0003 1982 7368

John L Thoma
PO Box 863418
Plano, TX 75086

Certified Mail Number: 7008 1830 0003 1982 7375

Curtis A Anderson
Edna I Anderson, AS JT WROS
3807 S C R 1135
Midland, TX 79701

Certified Mail Number: 7008 1830 0003 1982 7382

Collins & Ware Inc
508 West Wall, Suite 1200
Midland, TX 79701

Certified Mail Number: 7008 1830 0003 1982 7399

H S Ross & Henry S Ross Trustee
124 Monarch Bay
South Laguna, CA 92677

Certified Mail Number: 7008 1830 0003 1982 7405

Herbert E Ware III
PO Box 3601
Midland, TX 79702

Certified Mail Number: 7008 1830 0003 1982 6699

Paul R Barwis
% Dutton Harris & Co
PO Box 230
Midland, TX 79702

Certified Mail Number: 7008 1830 0003 1982 6682

Hayes Land LP
PO Box 51510
Midland, TX 79710-1510

Certified Mail Number: 7008 1830 0003 1982 6705

Hayes Land & Production LP
PO Box 51407
Midland, TX 79710-1510

Certified Mail Number: 7008 1830 0003 1982 6712

James A Allega
43096 Warwick Drive
Bryan, TX 77802-5661

Certified Mail Number: 7008 1830 0003 1982 6729

Ernie Bello
1630 Liholiho St, #804
Honolulu, HI 96822

Certified Mail Number: 7008 1830 0003 1982 6897

Agnes Cluthe Oliver Trust & William B Oliver Trust
Brown Brothers Harriman TR Co Successor Trustee
919 N Market St, Ste 710
Wilmington, DE 19801-3065

Certified Mail Number: 7008 1830 0003 1982 6880

Bryan Bell Family Ltd Pshp
%Bryan Bell – General Partner
1331 Third Street
New Orleans, LA 70130

Certified Mail Number: 7008 1830 0003 1982 6873

Richard L Griffith
640 Alta Vista St, Apt 302
Santa Fe, NM 87505-4106

Certified Mail Number: 7008 1830 0003 1982 6866

Jack C Hale
PO Box 634
Thayne, WY 83127

Certified Mail Number: 7008 1830 0003 1982 6859

Sanford J Hodge, III
4323 Gilbert Ave, Villa #2
Dallas, TX 75219-2209

Certified Mail Number: 7008 1830 0003 1982 6842

Joseph Randall Hodge
PO Box 5238
Austin, TX 78763

Certified Mail Number: 7008 1830 0003 1982 6835

Charles C Johnston
%Ultracenz Corporation
1440 W Indiantown Rd, Ste 350
Jupiter, FL 33458-7925

Certified Mail Number: 7008 1830 0003 1982 6828

Ruby F Kawasaki
734 Kalanipuer St
Honolulu, HI 96825

Certified Mail Number: 7008 1830 0003 1982 6811

E F Kirashige Trust
I M Kurashige, Trustee
2934 Oahu Ave
Honolulu, HI 96822-1730

Certified Mail Number: 7008 1830 0003 1982 6606

Dennis I Maehara Trust
439-A Wyllie St
Honolulu, HI 96817

Certified Mail Number: 7008 1830 0003 1982 6590

Lester G Naito
98-1370 Kanohi Street
Aiea, HI 96701

Certified Mail Number: 7008 1830 0003 1982 6583

Alphonso Ragland
6936 Helsem Way
Dallas, TX 75230

Certified Mail Number: 7008 1830 0003 1982 6576

Adolph P Shuman
2701 16th St
San Francisco, CA 94104

Certified Mail Number: 7008 1830 0003 1982 6569

Space Building Corp
PO Box 283
East Tauton, MA 02718-0283

Certified Mail Number: 7008 1830 0003 1982 6552

J Frederick Van Vranken Jr
PO Box 264
Jericho, NY 11753

Certified Mail Number: 7008 1830 0003 1982 6668

Robert B Bunn
TTEE Robert B Bunn Rev Lt DTD 5/18/82
2493 Makiki Heights Dr
Honolulu, HI 96822-2547

Certified Mail Number: 7008 1830 0003 1982 6644

Taurus Royalty LLC
% Robert B Payne Jr
PO Box 1477
Little Elm, TX 75068-1477

Certified Mail Number: 7008 1830 0003 1982 6637

Vendetta Royalty Partners Ltd, Vendetta Royalty MGMT LLC
General Partner, Robert A Helms Mngr
PO Box 141638
Austin, TX 78714-1638

Certified Mail Number: 7008 1830 0003 1982 6620

Irene Mcisaac
3452 Lyrac St
Oakton, VA 22124-2213

Certified Mail Number: 7008 1830 0003 1982 6613

OPERATOR'S COPY

Form 3160-5
(February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No. NMNM-055477-A **55477 A**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Devon Energy Production Co., LP

3a. Address
20 North Broadway
OKC, OK 73102

3b. Phone No. (include area code)
(405)- 552-4524

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit C, 680' FNL & 1980' FWL, Section 24, T22S, R25E

7. If Unit of CA/Agreement, Name and/or No.
CA NM-114026

8. Well Name and No.
Filaree 24C Federal Com 4

9. API Well No.
30-015-34446

10. Field and Pool or Exploratory Area
78060 Happy Valley; Morrow (GAS)

11. Country or Parish, State
Eddy County, NM

12. CHECK THE 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 type="checkbox"/> Other Off Lease Gas
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Measurement & Sales
	<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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 Production Co., LLP respectfully requests permission for Off Lease Gas Measurement & Sales for Filaree 24C Federal Com 4. Produced gas will flow through a stack-pak 1st and then the Compressor Ajax DPC 60 SN 71061 (the compressor has no fuel meter, we calculate the fuel usage) located on location. The gas will then flow to the Filaree 24C Federal Com 4 Check Meter (located next to the CDP) and then to the Enterprise CDP Sales Meter # 68705 which is located 915.7 feet North of the Filaree 24 C Federal Com 4 Well in section 13 T22S R25E, Eddy County, New Mexico. No other wells are connected to the gas line and reported gas volumes are the CDP sales meter volumes. These volumes are compared against the check meter volumes.

Waste is not induced and no correlative rights are impaired.

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

ROW will or has already been obtained.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
Melanie Crawford

Title Regulatory Analyst

Signature

Melanie Crawford

Date

11/30/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

LIE 7

Date

12-14-10

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

CF0

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.

(Instructions on page 2)

14



13

22S 25E



NM-055447-A



Filaree 24C Fed Com #4

23



NM-96568



Filaree 24C Fed Com #3

C.A. NM-114026

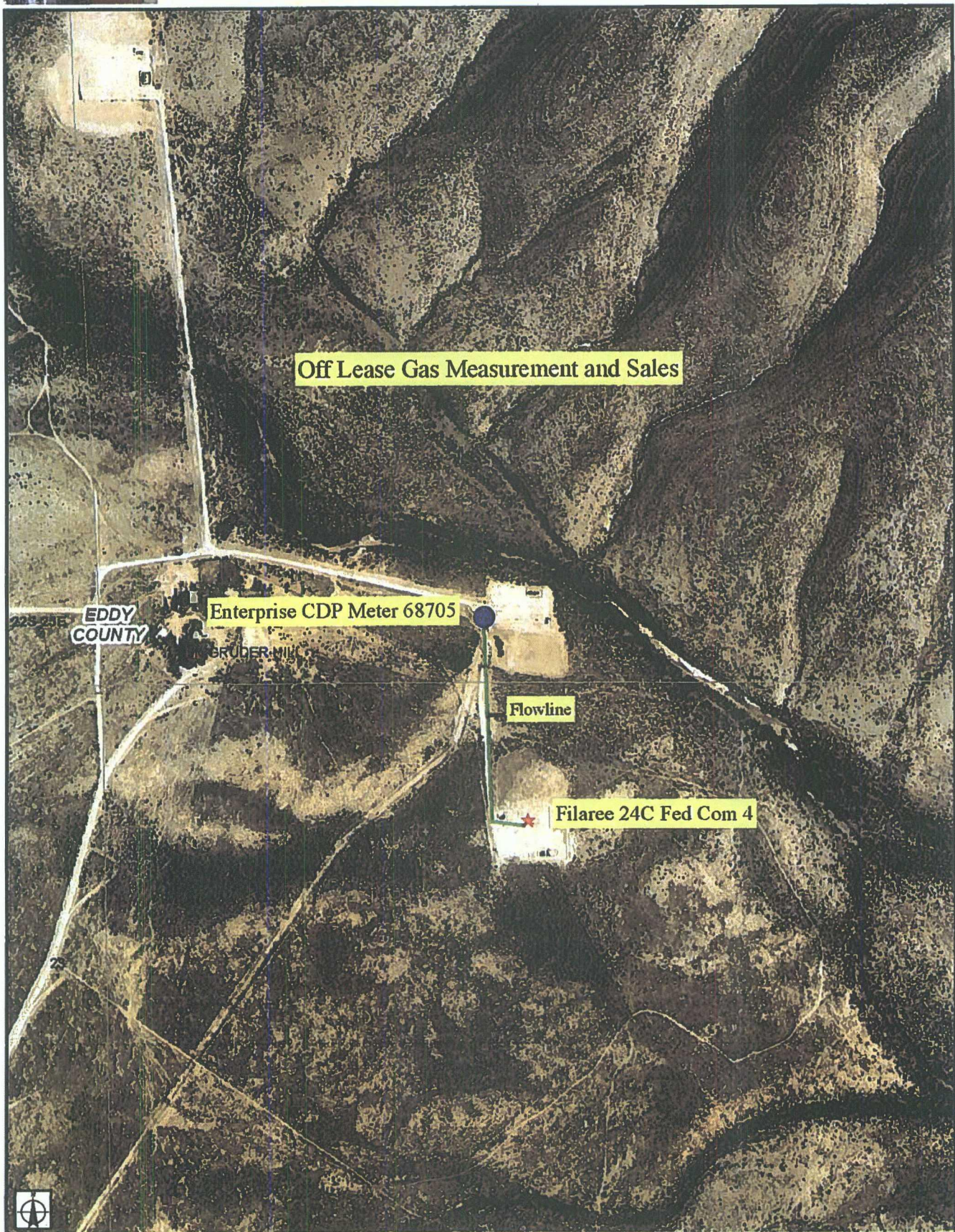
24

26



25





Filaree 24 C Fed Com 4
 Sec.25-T22S-R25E
 NENW 900FNL 990FEL
 EDDY County, NM
 API# 30-015-34446

Production System: _____ Closed

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. 1

(2) Valve 3 sealed closed. 3

(3) Valve 4 sealed closed. 4

(4) Valve 5 sealed closed. 5

(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. 2

Ledger for Site Diagram

Valve #1: Production Line 1

Valve #2: Test or Roll line 2

Valve #3: Equalizer Line 3

Valve #4: Circ./Drain Line 4

Valve #5: Sales Line 5

Valve #6: BS&W Load Line 6

Buried Lines: -----

Firewall:

Wellhead: X

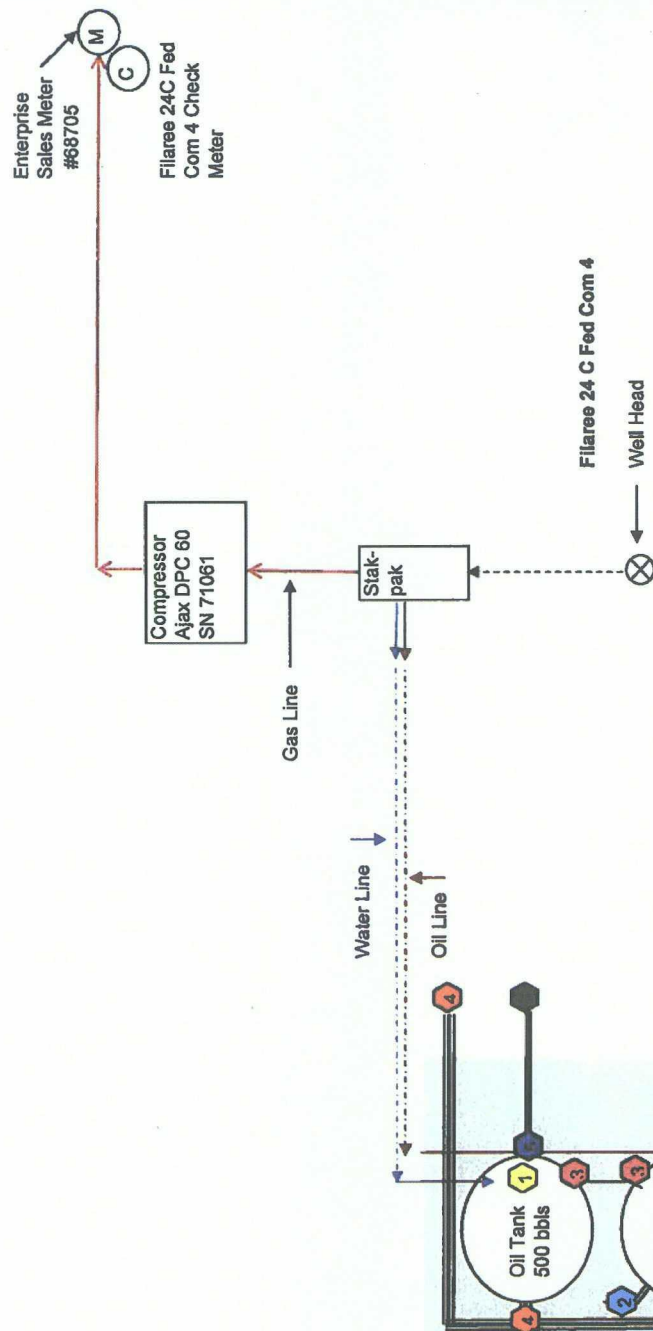
Stak-pak: Stak-pak

Production line: _____

Water line: -----

Gas Meter A M C

North





Devon Energy Production Company
20 North Broadway - CT 3.058
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-4524
Fax (405)-552-1358
Melanie.Crawford@devn.com

November 29, 2010

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
Filaree 24C Federal Com 4
API # 30-015-34446
Sec 24-T22S-R25E
Lease: NMNM-054477-A; CA NM-114026
Happy Valley; Morrow (GAS) - Pool Code: 78060
Eddy County, New Mexico

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B, OCD Form C-103 Sundry Notice of Intent for Off-Lease Gas Measurement and Sales. The working interest, royalty interest and overriding royalty interest owners are not identical; parties have been notified via certified mail.

BLM sundry approval and BLM conditions of approval 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.

A handwritten signature in cursive script that reads "Melanie Crawford".

Melanie Crawford
Regulatory Analyst

Enclosures

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

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 Off Lease Gas Sales

[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

Signature

Melanie Crawford

Regulatory Analyst
 Title

Date

11/30/10

Melanie.Crawford@dmn.com
 e-mail Address

RECEIVED OOD
200 DEC 15 P 3:21

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: 20 North Broadway, Ste 1500

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

(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: Melanie Crawford TITLE: Regulatory Analyst DATE: 11/30/10

TYPE OR PRINT NAME Melanie Crawford TELEPHONE NO.: (405)-552-4524

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

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. 30-015-34446
5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMNM-055477-A; CA NM-14026
7. Lease Name or Unit Agreement Name Filaree 24C Fed Com
8. Well Number 4
9. OGRID Number 6137
10. Pool name or Wildcat Happy Valley; Morrow (GAS)

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 (See Below)

Unit Letter C : 660 feet from the North line and 1980 feet from the West line
Section 24 Township 22S Range 25E NMMPM Eddy County New Mexico

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
OTHER: Off Lease Gas Measurement & Sales
☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

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., LLP respectfully requests permission for Off Lease Gas Measurement & Sales for Filaree 24C Federal Com 4. Produced gas will flow through a stack-pak 1st and then the Compressor Ajax DPC 60 SN 71061 (the compressor has no fuel meter, we calculate the fuel usage) located on location. The gas will then flow to the Filaree 24C Federal Com 4 Check Meter (located next to the CDP) and then to the Enterprise CDP Sales Meter # 68705 which is located 915.7 feet North of the Filaree 24 C Federal Com 4 Well in section 13 T22S R25E, Eddy County, New Mexico. No other wells are connected to the gas line and reported gas volumes are the CDP sales meter volumes. These volumes are compared against the check meter volumes.

Waste is not induced and no correlative rights are impaired.

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

ROW will or has already been obtained.

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 11/30/10

Type or print name: Melanie Crawford
For State Use Only

E-mail address: Melanie.Crawford@dvn.com

Telephone No. (405) 552-4524

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):



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

405 235 3611 Phone
www.devonenergy.com

December 2, 2010

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Off Lease Gas Measurement & Sales Application
Filaree 24C Federal Com 4
Sec 24, T22S, R25E
API # 30-015-34446
Pool 78060 - Happy Valley; Morrow (Gas)
Eddy County, New Mexico

To Whom It May Concern:

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.

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.

A handwritten signature in black ink that reads "Melanie Crawford". The signature is written in a cursive, flowing style.

Melanie Crawford
Regulatory Analyst

Enclosure

Mona L Coffield
PO Box 8028
Santa Fe, NM 87504

Certified Mail Number: 7008 1830 0003 1982 7146

Unit Petroleum Company
Ref. Div 52 (Liles)
Dept 247
Tulsa, OK 74182

Certified Mail Number: 7008 1830 0003 182 7153

Yates Petroleum Corporation
Kathy H Porter AIF
105 South 4th Street
Artesia, NM 88210

Certified Mail Number: 7008 1830 0003 1982 6804

George G Vaught Jr
PO Box 13557
Denver, CO 80201-3557

Certified Mail Number: 7008 1830 0003 1982 6798

Read & Stevens Inc
PO Box 1518
Roswell, NM 88202

Certified Mail Number: 7008 1830 0003 1982 6781

EOG Resources Inc
PO Box 840321
Dallas, TX 75284-0321

Certified Mail Number: 7008 1830 0003 1982 6774

Minerals Management Service
Royalty Management Program
PO Box 5810
Denver, CO 80217-5810

Certified Mail Number: 7008 1830 0003 1982 6767

Pitch Energy Corp
PO Box 227
Artesia, NM 88211-0227

Certified Mail Number: 7008 1830 0003 1982 6750

Kingdom Investments Limited
1601 Elm Street Ste 3400
Dallas, TX 75201-7201

Certified Mail Number: 7008 1830 0003 1982 6743

Lowe Royalty Partners LP
PO Box 4887 Dept 4
Houston, TX 77210-4887

Certified Mail Number: 7008 1830 0003 1982 6736

Jareed Partners Ltd
A Texas Limited Partnership
PO Box 51451
Midland, TX 79710-1451

Certified Mail Number: 7008 1830 0003 1982 6293

Cimarex Energy Company
#774031
4031 Solutions Center
Chicago, IL 60677-4000

Certified Mail Number: 7008 1830 0003 1982 6286

GoldKing Energy Partners I LP
One Shell Plaza
910 Louisiana St, Ste 5030
Houston, TX 77002

Certified Mail Number: 7008 1830 0003 1982 6903

Robert N Enfield Irrevoc Trust
Wells Fargo Bank BBA Trustee
PO Box 5383
Denver, CO 80217-5383

Certified Mail Number: 7008 1830 0003 1982 7467

Betty A Lamb, Sep Prop
The First Nat'l Bank as Agent
PO Box AA
Artesia, NM 88211-7526

Certified Mail Number: 7008 1830 0003 1982 7474

N Raymond Lamb Test Trust - Betty A Lamb, Nancy Lamb, Noelle Lamb, Sally Lamb,
Chumbley & Penelope Lamb, trustees
The First Nat'l Bank as Agent
PO Box AA
Artesia, NM 88211-7526

Certified Mail Number: 7008 1830 0003 1982 7481

Penwell Employee Royalty Pool
200 N Lorraine Suite 1550
Midland, TX 79701

Certified Mail Number: 7008 1830 0003 1982 7498

Estate of David Goodnow, Edward B Goodnow Executor
% James Corrie
209 E Raymond Ave
Alexandria, VA 22301

Certified Mail Number: 7008 1830 0003 1982 7504

Robro Royalty Partners Ltd
DBA RRP 2001 Ltd
PO Box 671099
Dallas, TX 75367-1099

Certified Mail Number: 7008 1830 0003 1982 7511

Sandra Mary Thoma
A Single Woman
789 W Hellsgate Dr
Strawn, TX 76475

Certified Mail Number: 7008 1830 0003 1982 7528

Energy Royalties LLC
PO Box 271165
Houston, TX 77277-1165

Certified Mail Number: 7008 1830 0003 1982 7535

Bitter End Royalties LP
PO Box 671099
Dallas, TX 75367-1099

Certified Mail Number: 7008 1830 0003 1982 7542

Rave Energy Inc
910 Louisiana St, Ste 5030
Houston, TX 77002

Certified Mail Number: 7008 1830 0003 1982 7368

John L Thoma
PO Box 863418
Plano, TX 75086

Certified Mail Number: 7008 1830 0003 1982 7375

Curtis A Anderson
Edna I Anderson, AS JT WROS
3807 S C R 1135
Midland, TX 79701

Certified Mail Number: 7008 1830 0003 1982 7382

Collins & Ware Inc
508 West Wall, Suite 1200
Midland, TX 79701

Certified Mail Number: 7008 1830 0003 1982 7399

H S Ross & Henry S Ross Trustee
124 Monarch Bay
South Laguna, CA 92677

Certified Mail Number: 7008 1830 0003 1982 7405

Herbert E Ware III
PO Box 3601
Midland, TX 79702

Certified Mail Number: 7008 1830 0003 1982 6699

Paul R Barwis
% Dutton Harris & Co
PO Box 230
Midland, TX 79702

Certified Mail Number: 7008 1830 0003 1982 6682

Hayes Land LP
PO Box 51510
Midland, TX 79710-1510

Certified Mail Number: 7008 1830 0003 1982 6705

Hayes Land & Production LP
PO Box 51407
Midland, TX 79710-1510

Certified Mail Number: 7008 1830 0003 1982 6712

James A Allega
43096 Warwick Drive
Bryan, TX 77802-5661

Certified Mail Number: 7008 1830 0003 1982 6729

Ernie Bello
1630 Liholiho St, #804
Honolulu, HI 96822

Certified Mail Number: 7008 1830 0003 1982 6897

Agnes Cluthe Oliver Trust & William B Oliver Trust
Brown Brothers Harriman TR Co Successor Trustee
919 N Market St, Ste 710
Wilmington, DE 19801-3065

Certified Mail Number: 7008 1830 0003 1982 6880

Bryan Bell Family Ltd Pshp
%Bryan Bell - General Partner
1331 Third Street
New Orleans, LA 70130

Certified Mail Number: 7008 1830 0003 1982 6873

Richard L Griffith
640 Alta Vista St, Apt 302
Santa Fe, NM 87505-4106

Certified Mail Number: 7008 1830 0003 1982 6866

Jack C Hale
PO Box 634
Thayne, WY 83127

Certified Mail Number: 7008 1830 0003 1982 6859

Sanford J Hodge, III
4323 Gilbert Ave, Villa #2
Dallas, TX 75219-2209

Certified Mail Number: 7008 1830 0003 1982 6842

Joseph Randall Hodge
PO Box 5238
Austin, TX 78763

Certified Mail Number: 7008 1830 0003 1982 6835

Charles C Johnston
%Ultrasenz Corporation
1440 W Indiantown Rd, Ste 350
Jupiter, FL 33458-7925

Certified Mail Number: 7008 1830 0003 1982 6828

Ruby F Kawasaki
734 Kalamipue St
Honolulu, HI 96825

Certified Mail Number: 7008 1830 0003 1982 6811

E F Kirashige Trust
I M Kurashige, Trustee
2934 Oahu Ave
Honolulu, HI 96822-1730

Certified Mail Number: 7008 1830 0003 1982 6606

Dennis I Machara Trust
439-A Wylie St
Honolulu, HI 96817

Certified Mail Number: 7008 1830 0003 1982 6590

Lester G Naito
98-1370 Kanohe Street
Aiea, HI 96701

Certified Mail Number: 7008 1830 0003 1982 6583

Alphonso Ragland
6936 Helscom Way
Dallas, TX 75230

Certified Mail Number: 7008 1830 0003 1982 6576

Adolph P Shuman
2701 16th St
San Francisco, CA 94104

Certified Mail Number: 7008 1830 0003 1982 6569

Space Building Corp
PO Box 283
East Tauton, MA 02718-0283

Certified Mail Number: 7008 1830 0003 1982 6552

J Frederick Van Vranken Jr
PO Box 264
Jericho, NY 11753

Certified Mail Number: 7008 1830 0003 1982 6668

Robert B Bunn
TTEE Robert B Bunn Rev Lt DTD 5/18/82
2493 Makiki Heights Dr
Honolulu, HI 96822-2547

Certified Mail Number: 7008 1830 0003 1982 6644

Taurus Royalty LLC
% Robert B Payne Jr
PO Box 1477
Little Elm, TX 75068-1477

Certified Mail Number: 7008 1830 0003 1982 6637

Vendetta Royalty Partners Ltd, Vendetta Royalty MGMT LLC
General Partner, Robert A Helms Mngr
PO Box 141638
Austin, TX 78714-1638

Certified Mail Number: 7008 1830 0003 1982 6620

Irene McIsaac
3452 Lynae St
Oakton, VA 22124-2213

Certified Mail Number: 7008 1830 0003 1982 6613

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

Off-Lease Measurement

Conditions of Approval

Approval of off-lease measurement is subject to the following conditions of approval:

1. This agency shall be notified of any change in sales method or location of the Sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A. No gas may be vented without proper measurement and prior approval. Any gas vented must be flared.
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 is subject to like approval by the New Mexico Oil Conservation Division.
5. Additional wells and/or leases require additional approvals.
6. 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.
7. Approval for off-lease measurement 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.
8. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "standard Environmental Colors" – Shale Green, Munsell Soil Color No. 5Y 4/2.