

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office

FORM APPROVED

NO. 1004-0137

Expires: January 31, 2018

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.

OCD Hobbs
HOBBS OCD

Case Serial No.
NMNM100568

Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

JUN 27 2018

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Multiple--See Attached

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY
Contact: ERIN WORKMAN
E-mail: Erin.workman@dev.com

RECEIVED

9. API Well No.
Multiple--See Attached

3a. Address
6488 SEVEN RIVERS HIGHWAY
ARTESIA, NM 88211

3b. Phone No. (include area code)
Ph: 405-552-7970

10. Field and Pool or Exploratory Area
JABALINA

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

11. County or Parish, State
LEA 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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<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.,LP respectfully requests a Central Tank Battery/Off Lease Measurement, Sales,& Storage for the following wells.

Mean Green 23-35 fed Com 1H
Sec. 23, NESE, T26S, R34E
30-025-44595
Jablina Wolfcamp, SW
NMNM100568 & NMNM110840
CA will be submitted for Wolfcamp

Mean Green 23-35 fed Com 2H
Sec. 23, NESE, T26S, R34E

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

Electronic Submission #424842 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION COMPANY LP, sent to the Hobbs
Committed to AFMSS for processing by DUNCAN WHITLOCK on 06/22/2018 (18DW0205SE)

Name (Printed/Typed) ERIN WORKMAN

Title REGULATORY COMPLIANCE PROF.

Signature (Electronic Submission)

Date 06/21/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

J. D. Whitlock

Title

TL PET

Date

6/22/18

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

CFO

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)

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

MMB/bcp
6/28/2018

Additional data for EC transaction #424842 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM100568	NMNM100568	MEAN GREEN 23-35 FED COM 1180-025-44596-00-X1		Sec 23 T26S R34E NESE 2449FSL 890FEL 32.028339 N Lat, 103.435028 W Lon
NMNM100568	NMNM100568	MEAN GREEN 23-35 FED COM 2140-025-44596-00-X1		Sec 23 T26S R34E NESE 2449FSL 860FEL 32.028336 N Lat, 103.434929 W Lon
NMNM100568	NMNM100568	MEAN GREEN 23-35 FED COM 3180-025-44597-00-X1		Sec 23 T26S R34E NESE 2449FSL 830FEL 32.028339 N Lat, 103.435028 W Lon
NMNM100568	NMNM100568	MEAN GREEN 23-35 FED COM 4180-025-44598-00-X1		Sec 23 T26S R34E NESE 2449FSL 920FEL 32.028339 N Lat, 103.435127 W Lon

32. Additional remarks, continued

2-CAs PENDING

30-025-44596
Jablina Wolfcamp, SW
NMNM100568 & NMNM110840
CA will be submitted for Wolfcamp

Mean Green 23-35 fed Com 3H
Sec. 23, NESE, T26S, R34E
30-025-44597
Bone Spring
NMNM100568 & NMNM110840
CA will be submitted for Bone Spring

Mean Green 23-35 fed Com ⁴/₈
Sec. 23, NESE, T26S, R34E
30-025-44597
Bone Spring
NMNM100568 & NMNM110840
CA will be submitted for Bone Spring

The central tank battery, Mean Green 23 CTB 2, is located in NESE, Sec.23, T26S, R34E, Lea County, NM.

Each well is routed to its own 3-phase separator where the full well stream is separated into gas, oil, and water streams. For each well, after separation, gas is measured with an independent, designated orifice meter for allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas sales meter(s). The oil from the 3-phase separator is measured with an independent, designated Micro Motion Coriolis Meter for allocation. It then combines with the oil production from the other wells, flows into the heater treater(s). Then into the Ultra-Low Pressure Separator(s) (ULPS), and into one of the oil tanks. The oil is then pumped out of the common tanks to an oil sales meter (LACT Unit). The water from the 3-phase separator is measured with an independent, designated Mag meter for allocation, combines with the water from the other wells, then flows into the gun barrel, and into one of the produced water tanks. Flash gas that exits the heater treater (s) and ULPS(s) flows to the Vapor Recovery Unit (VRU). After exiting the VRU, the gas will be measured through a designated orifice meter for allocation.

The central tank battery will have 4 oil tanks and 4 water tanks that all wells will utilize. All wells will have 1 common gas delivery point(s) on or directly adjacent to location. They will also share 1 common oil delivery point (s) (LACT) on or directly adjacent to location.

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

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

Proposal for Mean Green 23-35 Fed Com 1H, 2H, 3H, & 4H

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

Federal Lease: NMNM100568 & NMNM110840 (12.5%) CA will be submitted for the Wolfcamp								
Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU	
Mean Green 23-35 Fed Com 1H	Sec. 23, NESE, T26S, R34E	30-025-44595	Jabalina, Wolfcamp, SW	1564	45.6	2660	1357*	
Mean Green 23-35 Fed Com 2H	Sec. 23, NESE, T26S, R34E	30-025-44596	Jabalina, Wolfcamp, SW	1564	45.6	2660	1357*	

Federal Lease NMNM100568 & NMNM110840 (12.5%) Communication Agreement will be submitted for the Bone Spring								
Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU	
Mean Green 23-35 Fed Com 3H	Sec. 23, NESE, T26S, R34E	30-025-44597	Bone Spring	1282	44.9	1282	1152	
Mean Green 23-35 Fed Com 4H	Sec. 23, NESE, T26S, R34E	30-025-44598	Bone Spring	1282	44.9	1282	1152	

Federal Lease NMNM100568

Mean Green 23 CTB 2

Oil & Gas metering:

The central tank battery, Mean Green 23 CTB 2, is located in NESE, S23-T26S-R34E in Lea County, New Mexico.

Each well is routed to its own 3-phase separator where the full well stream is separated into gas, oil, and water streams. For each well, after separation, gas is measured with an independent, designated orifice meter for allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas sales meter(s). The oil from the 3-phase separator is measured with an independent, designated Micro Motion Coriolis Meter for allocation. It then combines with the oil production from the other wells, flows into the heater treater(s), then into the Ultra-Low Pressure Separator(s) (ULPS), and into one of the oil tanks. The oil is then pumped out of the common tanks to an oil sales meter (LACT unit). The water from the 3-phase separator is measured with an independent, designated Mag meter for allocation, combines with the water from the other wells, then flows into the gun barrel, and into one of the produced water tanks. Flash gas that exits the heater treater(s) and ULPS(s) flows to the Vapor Recovery Unit (VRU). After exiting the VRU, the gas will be measured through a designated orifice meter for allocation.

The central tank battery will have 4 oil tanks and 4 water tanks that all wells will utilize. All wells will have 1 common gas delivery point(s) on or directly adjacent to location. They will also share 1 common oil delivery point(s) (LACT) on or directly adjacent to location.

Meter Owner / Serial Number:

Well Name	Gas Allocation Meter	Oil Allocation Meter	Gas FMP	Oil FMP	Water Allocation Meter	VRU Allocation Meter
MEAN GREEN 23-35 FED COM 1H	DVN /	DVN /	Lucid /	Andeavor /	DVN /	DVN /
MEAN GREEN 23-35 FED COM 2H	DVN /	DVN /	Lucid /	Andeavor /	DVN /	DVN /
MEAN GREEN 23-35 FED COM 3H	DVN /	DVN /			DVN /	DVN /
MEAN GREEN 23-35 FED COM 4H	DVN /	DVN /			DVN /	DVN /

* Meter serial numbers to be provided after construction of facility.

The total of all oil sales meters will be allocated to each well based on the oil allocation meter located downstream of each well's 3-phase separator. Devon will continue to operate and maintain the Micro Motion Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regards to proving the Micro Motion Coriolis Meter to meet applicable BLM standards. The total of all gas sales meters will be allocated to each well based on the gas allocation meter located downstream of each well's 3-phase separator and the VRU allocation meter. The VRU allocation meter volumes will be allocated to each well based on the oil allocation meter of each well. The BLM and OCD will be notified of any future changes to the facilities.

Process and Flow Descriptions:

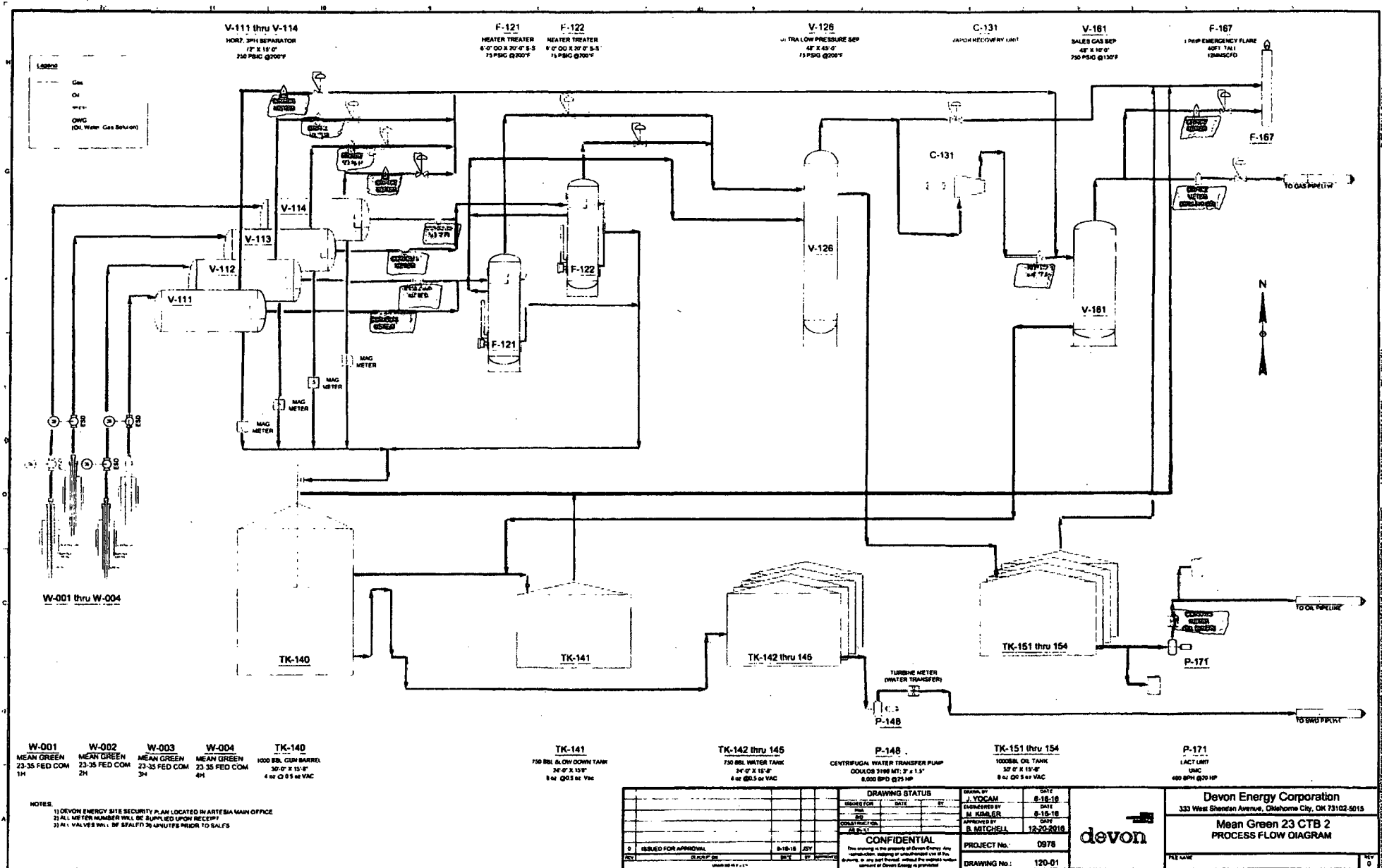
The flow of produced fluids is described above and shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter.

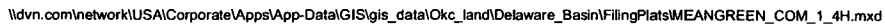
The proposed commingling is appropriate based on the BLM's guidance in IM NMPO 2013-02 & 43 CFR 3173.14. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed commingling will reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

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

Date: 06/20/18







Economic Justification Report

Mean Green 23-35 CTB 2

Value (bbl):

Value (mcf):

Well Name & Number	Type	Fed Lease 1	Royalty Rate	Fed Lease 2 (if applicable)	Royalty Rate	Fed Lease 3 (if applicable)	Royalty Rate	BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
Mean Green 23-35 Fed Com 1H	Sweet	NMNM100568	12.50%	NMNM110840	12.50%			1564	45.6	2660	1357
Mean Green 23-35 Fed Com 2H	Sweet	NMNM100568	12.50%	NMNM110840	12.50%			1564	45.6	2660	1357
Mean Green 23-35 Fed Com 3H	Sweet	NMNM100568	12.50%	NMNM110840	12.50%			1282	44.9	1282	1152
Mean Green 23-35 Fed Com 4H	Sweet	NMNM100568	12.50%	NMNM110840	12.50%			1282	44.9	1282	1152

Signed: Erin Workman

Date: 6/21/2018

Printed Name: Erin Workman

Title: Regulatory Analyst

Economic Combined Production

BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
5692.0	45.3	7884.0	

According to our gas and oil marketing the combining of the production in this area will not affect royalty value

Mean Green 23-35 Commingle

Working Interest Owners:

Chevron U.S.A. Inc.

1400 Smith Street
Houston, TX 77002

CERTIFIED MAILING NUMBER

9414 8149 0152 7181 4837 36

TLW Investments, LLC

1001 Fannin, Suite 2020
Houston, TX 77002

9414 8149 0152 7181 4837 29

The Allar Company

Attn: Jack Graham
735 Elm St.
Graham, TX 76450

9414 8149 0152 7181 4837 50

Ameredev New Mexico, LLC

Attn: Brandon Forteza
5707 Southwest Parkway
Building 1, Suite 275
Austin, TX 78735

9414 8149 0152 7181 4837 67

Overriding Royalty Interest Owners:

John Kyle Thoma,

Successor Trustee of the Cornerstone Family Trust
12940 Casa De Campo Rd.
Peyton, CO 80831

9414 8149 0152 7181 4837 74

Crownrock Minerals, L.P.

P.O. Box 51933
Midland, TX 79710

9414 8149 0152 7181 4837 81

Allar Development LLC

Attn: Jack Graham
735 Elm St.
Graham, TX 76450

9414 8149 0152 7181 4837 43

The Allar Company

Attn: Jack Graham
735 Elm St.
Graham, TX 76450

Overriding Royalty Interest Owners, Cont'd:

Ameredev New Mexico, LLC

Attn: Brandon Forteza
5707 Southwest Parkway
Building 1, Suite 275
Austin, TX 78735

Apollo Investment Corporation

9 West 57th St
New York, NY 10019

9414 8149 0152 7181 4837 74

Strategic Energy Income Fund IV, LP

2350 North Forest Rd.
Getzville, NY 14068

9414 8149 0152 7181 4838 04

Shepherd Royalty, LLC

8214 Westchester Dr., Ste. 740
Dallas, TX 75225

9414 8149 0152 7181 4838 35

Constitution Resources II, LP

5707 Southwest Pkwy
Austin, TX 78735

9414 8149 0152 7181 4838 11

Highland (Texas) Energy Company

7557 Rambler Rd #918
Dallas, TX 75231

9414 8149 0152 7181 4838 59

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 06/22/18 07:39 AM

Page 1 of 2

01 12-22-1987;101STAT1330;30USC181 ET SEQ

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

1,920.000

~~NMNM-- - 100568~~

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris:

Serial Number: NMNM-- - 100568

Name & Address

Int Rel

%Interest

CHEVRON USA INC	6301 DEAUVILLE	MIDLAND TX 797062964	OPERATING RIGHTS	0.000000000
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND TX 797062964	LESSEE	50.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	LESSEE	50.000000000

Serial Number: NMNM-- - 100568

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0260S	0340E	013	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	023	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	026	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: ~~NMNM-- - 100568~~

Act Date	Code	Action	Action Remarks	Pending Office
01/20/1998	387	CASE ESTABLISHED	9801149	
01/21/1998	191	SALE HELD		
01/21/1998	267	BID RECEIVED	\$364800.00;	
01/21/1998	392	MONIES RECEIVED	\$3840.00;	
02/04/1998	392	MONIES RECEIVED	\$360960.00;	
02/13/1998	237	LEASE ISSUED		
02/13/1998	974	AUTOMATED RECORD VERIF	AT	
03/01/1998	496	FUND CODE	05;145003	
03/01/1998	530	RENTAL RECEIVED BY ONRR		
03/01/1998	868	EFFECTIVE DATE		
03/05/1998	084	RENTAL RECEIVED BY ONRR	\$2880.00;11/MULTIPLE	
03/10/1998	600	RECORDS NOTED		
06/25/1998	963	CASE MICROFILMED/SCANNED		
02/03/1999	084	RENTAL RECEIVED BY ONRR	\$2880.00;21/000000006	
07/01/1999	940	NAME CHANGE RECOGNIZED	SF ENE RES/SF SNYDER	
07/01/1999	974	AUTOMATED RECORD VERIF	JLV	
02/04/2000	084	RENTAL RECEIVED BY ONRR	\$2880;21/71	
10/11/2000	940	NAME CHANGE RECOGNIZED	SANTA FE/DEVON SFS	
10/11/2000	974	AUTOMATED RECORD VERIF	AT	
03/07/2001	084	RENTAL RECEIVED BY ONRR	\$2880;11/84	
04/25/2001	791	TERMINAT'N NOTICE ISSUED	CLASS I;	
04/25/2001	974	AUTOMATED RECORD VERIF	GSB	
05/14/2001	284	REINSTATEMENT FILED	CLASS I;	
05/22/2001	282	REINSTATEMENT APPROVED	CLASS I EFF 03/01/01;	
05/22/2001	974	AUTOMATED RECORD VERIF	LBO	
12/12/2002	817	MERGER RECOGNIZED	DEVONSFS/DEVONENEPD	
11/30/2004	232	LEASE COMMITTED TO UNIT	NM111796X;RATTLESNAKE	
01/08/2006	650	HELD BY PROD - ACTUAL	/1/	
03/14/2006	643	PRODUCTION DETERMINATION	/1/	

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 06/22/18 08:08 AM

Page 1 of 3

01 12-22-1987;101STAT1330;30USC181 ET SEQ

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

1,335.190

~~NMNM-- - 110840~~

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Case File Juris:

Serial Number: NMNM-- - 110840

Name & Address			Int Rel	%Interest
ADVANCE ENERGY PARTNERS LLC	11490 WESTHEIMER RD STE 950	HOUSTON TX 770776841	OPERATING RIGHTS	0.000000000
AMEREDEV NEW MEXICO LLC	5707 SOUTHWEST PKWY STE 1-275	AUSTIN TX 787350057	OPERATING RIGHTS	0.000000000
CAZA PETROLEUM LLC	16945 NORTHCHASE DR STE 1430	HOUSTON TX 770602133	OPERATING RIGHTS	0.000000000
CHEVRON USA INC	1400 SMITH ST	HOUSTON TX 770027327	OPERATING RIGHTS	0.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.000000000
ECHO PROD INC	PO BOX 1210	GRAHAM TX 76450	LESSEE	100.000000000
EOG RESOURCES INC	5509 CHAMPIONS DR	MIDLAND TX 797062843	OPERATING RIGHTS	0.000000000
EOG RESOURCES INC	PO BOX 2267	MIDLAND TX 797022267	OPERATING RIGHTS	0.000000000
HIGHLAND TEXAS ENERGY CO	7557 RAMBLER RD STE 918	DALLAS TX 752312306	OPERATING RIGHTS	0.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000
STRATEGIC ENERGY INCOME FUND IV LP	2350 N FOREST RD	GETZVILLE NY 140681296	OPERATING RIGHTS	0.000000000
TALUS INC	PO BOX 1210	GRAHAM TX 76450	OPERATING RIGHTS	0.000000000
THE ALLAR CO	PO BOX 1567	GRAHAM TX 76450	OPERATING RIGHTS	0.000000000
TWIN MONTANA INC	PO BOX 1210	GRAHAM TX 76450	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 110840

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0260S	0340E	010	ALIQ	N2NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	029	ALIQ	NENE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	031	ALIQ	N2NE,NENW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	031	LOTS	1,2,3,4,5;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	033	ALIQ	N2N2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	033	LOTS	1,2,3,4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	034	ALIQ	N2N2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	034	LOTS	1,2,3,4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	035	ALIQ	N2N2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0340E	035	LOTS	1,2,3,4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: ~~NMNM-- - 110840~~

Act Date	Code	Action	Action Remarks	Pending Office
07/15/2003	387	CASE ESTABLISHED	200307099	
07/16/2003	191	SALE HELD		
07/16/2003	267	BID RECEIVED	\$93520.00;	
08/15/2003	237	LEASE ISSUED		
08/15/2003	974	AUTOMATED RECORD VERIF	BTM	
09/01/2003	496	FUND CODE	05;145003	
09/01/2003	530	BLTY RATE - 12 1/2%		
09/01/2003	868	EFFECTIVE DATE		
09/22/2003	899	TRF OF ORR FILED	ECHO PROD INC;1	
10/08/2003	963	CASE MICROFILMED/SCANNED		
11/24/2003	932	TRF OPER RGTS FILED	1	
12/29/2003	933	TRF OPER RGTS APPROVED	EFF 12/01/03;	
12/29/2003	974	AUTOMATED RECORD VERIF	LR	
07/12/2004	932	TRF OPER RGTS FILED	SAGA PETRO/LATIGO	
08/20/2004	933	TRF OPER RGTS APPROVED	EFF 08/01/04;	

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

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

Mean Green 23-35 Fed Com wells (see list below)

**Devon Energy Production Company
June 22, 2018**

**Condition of Approval
Pool Lease/CA Commingling of Bone Spring and Wolfcamp production**

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 or 43 CFR 3175 and API requirements for sales meters, or as approved in this approval to commingle production.
7. Oil measurement for allocation must be measured as per Onshore Order #4 or 43 CFR 3174 and API requirements for oil measurement, or as approved in this approval to commingle production.
8. 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 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.
DC 33 = Flared gas – royalty due
DC 63 = Vented gas – royalty due
9. This agency shall be notified of any change in sales method or location of sales point.
10. Additional wells and/or leases/CAs require additional commingling approvals.
11. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
12. Submit meter numbers upon installation of meters and also provide updated facility diagram with meters numbers.
13. Coriolis meters (CMS) will be proven, as per API, BLM, and NMOCD specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then CMS meter proving frequency requirement will be as per applicable BLM regulations, notwithstanding further guidance from the local BLM authorized officer. The factor obtained will be used to allocate the production volumes.

14. This approval does not authorize any by-passes around any allocation meter or metering separator, this is to include the use of headers to divert production other production equipment other than the approve measurement points.

Mean Green 23-35 Fed Com 1H	3002544595, Wolfcamp	Lease NMNM100568 & NMNM110840
Mean Green 23-35 Fed Com 2H	3002544596, Wolfcamp	Lease NMNM100568 & NMNM110840
Mean Green 23-35 Fed Com 3H	3002544597, Bone Spring	Lease NMNM100568 & NMNM110840
Mean Green 23-35 Fed Com 4H	3002544598, Bone Spring	Lease NMNM100568 & NMNM110840

Lease NMNM100568 & NMNM110840 Both have a Royalty Rate of 12.5%

Two CAs are pending one for Bone Springs and one for Wolfcamp The allocation of production to the leases will be NMNM110840 - 25% and NMNM100568 – 75% the same for both CAs.