

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTCarlsbad Field Office
OCB HobbsFORM APPROVED
OMB 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.*5. Lease Serial No.
NMNM116575

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
Multiple--See Attached

2. Name of Operator

DEVON ENERGY PRODUCTION COMPANY

Contact: LINDA GOOD

E-Mail: linda.good@dvn.com

9. API Well No.
Multiple--See Attached

3a. Address

6488 SEVEN RIVERS HIGHWAY
ARTESIA, NM 88211

3b. Phone No. (include area code)

Ph: 405.552.6558

10. Field and Pool or Exploratory Area
Multiple--See Attached

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 Prod. Co., LP respectfully requests approval for Pool Commingling at the Rebel 20 CTB for the following wells:

Rebel 20 CTB
Lease Number NMNM116575
NENW & NWNE, Sec. 20-T24S-R32E

Rebel 20 Fed 1H - 30-025-42515
Lease Number NMNM116575
NWNW, Sec 20, T24S, R32E
Paduca; Delaware, N

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

Electronic Submission #383398 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION COM LP, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/12/2017 (18PP0004SE)

Name (Printed/Typed) LINDA GOOD

Title REGULATORY COMPLIANCE SPECIALI

Signature (Electronic Submission)

Date 08/01/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J.D.W. Huttock Jr.</i>	Title <i>TLPET</i>	Date <i>3/16/18</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.

(Instructions on page 2)

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

Additional data for EC transaction #383398 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM116575	NMNM116575	REBEL 20 FED 5H	30-025-42769-00-S1	Sec 20 T24S R32E NWNW 314FNL 472FWL
NMNM116575	NMNM116575	REBEL 20 FED 2H	30-025-42993-00-X1	Sec 20 T24S R32E NENW 250FNL 1930FWL
NMNM116575	NMNM116575	REBEL 20 FED 7H	30-025-42996-00-X1	Sec 20 T24S R32E NWNE 250FNL 1980FEL
NMNM116575	NMNM116575	REBEL 20 FED 8H	30-025-43159-00-S1	Sec 20 T24S R32E NENE 250FNL 870FEL
NMNM116575	NMNM116575	REBEL 20 FEDERAL 1H	30-025-42515-00-S1	Sec 20 T24S R32E NWNW 330FNL 520FWL

32.209275 N Lat, 103.703644 W Lon

10. Field and Pool, continued

PADUCA-DELAWARE, NORTH
UNKNOWN

32. Additional remarks, continued

Rebel 20 Fed 2H - 30-025-42993

Lease Number NMNM116575
NENW, Sec 20, T24S, R32E
Paduca; Delaware, N

Rebel 20 Fed 5H - 30-025-42769

Lease Number NMNM116575
NWNW, Sec 20-T24S-R32E
Cotton Draw; BS, E

Rebel 20 Fed 7H - 30-025-42996

Lease Number NMNM116575
NWNE, Sec 20, T24S, R32E
Cotton Draw; BS, E

Rebel 20 Fed 8H - 30-025-43159

Lease Number NMNM116575
NENE, Sec 20, T24S, R32E
Cotton Draw; BS, E

ATTACHMENTS: Deliverables

APPLICATION FOR POOL COMMINGLING

Proposal for Rebel 20 Fed 5H Battery

Devon Energy Production Company, LP is requesting approval for Pool Commingling of the following wells:

Federal Lease: NMNM116575 (12.5%)

Well Name	Location	API #	Pool 49490	BOPD	OG	MCFPD	BTU
Rebel 20 Fed 1H	NWNW, Sec 20, T24S, R32E	30-025-42515	Paduca; Delaware, N	120	35	700	1000*
Rebel 20 Fed 2H	NENW, Sec 20, T24S, R32E	30-025-42993	Paduca; Delaware, N	120	35	700	1000*

Federal Lease NMNM116575 (12.5%)

Well Name	Location	API #	Pool 96556	BOPD	OG	MCFPD	BTU
Rebel 20 Fed 5H	NWNW, Sec 20, T24S, R32E	30-025-42769	Cotton Draw; BS, East	228	40	357	1383
Rebel 20 Fed 7H	NWNE, Sec 20, T24S, R32E	30-025-42996	Cotton Draw; BS, East	228	40	357	1383*
Rebel 20 Fed 8H	NENE, Sec 20, T24S, R32E	30-025-43159	Cotton Draw; BS, East	228	40	357	1383*

*These are proposed numbers, will provide production numbers once well/s are producing.

Attached is a map that displays the federal leases, battery and well locations in Section 20 T24S, R32E.

The BLM's interest in both wells is 12.5%

Oil & Gas Metering:

The Rebel 20 CTB is located in Sec. 20, T24S, R32E, Eddy County, New Mexico. The Rebel 20 Fed Com 1H, 2H, 7H, 8H and 5H are measured continuously through three phase separators with using a Micro Motion Coriolis to meter the oil, mag meter to meter the water, and an orifice meter to meter the gas. VRU gas is measured with an orifice meter and is allocated back to each well utilizing a percentage of each wells monthly oil production.

The Rebel 20 CTB contains 6 oil tanks. Oil from each well commingles downstream of the heater treaters and then flows into the tanks. They will share a common Devon Point of Royalty Measurement #390-33-696 on location at the Rebel 20 CTB is located in Sec. 20, T24S, R32E. They will also share a common LACT Smith Meter #1513E0099.

The Rebel 20 Fed Com 1H well has its own dedicated three phase test separator. After the gas is separated, it is routed to the gas test meter # 390-49-811, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flows to the Devon Point of Royalty Measurement #390-33-696. After separation, the produced oil is then metered with a Micro Motion Coriolis Meter # 14511060, combines with the Rebel 20 Fed Com 2H, 7H, 8H & 5H, flows into the production heater/treater, and then flows to one of the 500 bbl. oil tanks. The water is metered utilizing a turbine meter, combines with the water from the Rebel 20 Fed Com 2H, 7H, 8H & 5H and water from the heater treaters, and flows to one of the 500 bbl. produced water tanks.

The Rebel 20 Fed Com 2H well has its own dedicated three phase test separator. After the gas is separated, it is routed to the gas test meter #390-49-814, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flows to the Devon Point of Royalty Measurement #390-33-696. After separation, the produced oil is then metered with a Micro Motion Coriolis Meter # 14504218, combines with the Rebel 20 Fed Com 1H, 7H, 8H & 5H, flows into the production heater/treater, and then flows to one of the 500 bbl. oil tanks. The water is metered utilizing a turbine meter, combines with the water from the Rebel 20 Fed Com 1H, 7H, 8H & 5H and water from the heater treaters, and flows to one of the 500 bbl. produced water tanks.

The Rebel 20 Fed Com 7H well has its own dedicated three phase test separator. After the gas is separated, it is routed to the gas test meter 390-49-812, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flows to the Devon Point of Royalty Measurement #390-33-696. After separation, the produced oil is then metered with a Micro Motion Coriolis Meter # 14503047, combines with the Rebel 20 Fed Com 1H, 2H, 8H & 5H, flows into the production heater/treater, and then flows to one of the 500 bbl. oil tanks. The water is metered utilizing a turbine meter, combines with the water from the Rebel 20 Fed Com 1H, 2H, 8H & 5H and water from the heater treaters, and flows to one of the 500 bbl. produced water tanks.

The Rebel 20 Fed Com 8H well has its own dedicated three phase test separator. After the gas is separated, it is routed to the gas test meter # 390-49-813, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flows to the Devon Point of Royalty Measurement #390-33-696. After separation, the produced oil is then metered with a Micro Motion Coriolis Meter # 14510402, combines with the Rebel 20 Fed Com 1H, 2H, 7H & 5H, flows into the production heater/treater, and then flows to one of the 500 bbl. oil tanks. The water is metered utilizing a turbine

meter, combines with the water from the Rebel 20 Fed Com 1H, 2H, 7H & 5H and water from the heater treaters, and flows to one of the 500 bbl. produced water tanks.

The Rebel 20 Fed Com 5H well has its own dedicated three phase test separator. After the gas is separated, it is routed to the gas test meter #390-49-697, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flows to the Devon Point of Royalty Measurement #390-33-696. A portion the gas from the common header is diverted to gas lift prior to the Devon Point of Royalty Measurement and measured using Buy Back Meter #390-00-792. This well has its own injection gas meter #390-00-791 for appropriate allocation from the total gas being used for secondary recovery. After separation, the produced oil is then metered with a Micro Motion Coriolis Meter #14504186, combines with the Rebel 20 Fed Com 1H, 2H, 7H & 8H, flows into the production heater/treater, and then flows to one of the 500 bbl. oil tanks. The water is metered utilizing a turbine meter, combines with the water from the Rebel 20 Fed Com 1H, 2H, 7H & 8H and water from the heater treaters, and flows to one of the 500 bbl. produced water tanks.

Production from the Rebel 20 Fed Com 1H, 2H, 7H, 8H & 5H will be allocated on a daily basis based on the Coriolis Test Meter, Turbine Meter, & EFM located downstream of the dedicated three phase separator. The Coriolis meter will be proven, as per API, NMOCD, and BLM specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes. Gas production from the Rebel 20 Fed Com 1H, 2H, 7H, 8H & 5H wells will be allocated on a daily basis using the gas allocation meter. The gas production from the production equipment & gas meters from the Rebel 20 Fed Com 1H, 2H, 7H, 8H & 5H will commingle into a common header, and flow into Devon's Point of Royalty Measurement Meter #390-33-696. 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 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 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.

Working, royalty, and overriding interest owners are identical so no further notification is necessary.

Rebel 20 CTB
NENW & NWNE S20-T24S-R32E
328' FNL 2541' FEL
Lea, New Mexico
NMNM116575

Production System: Open

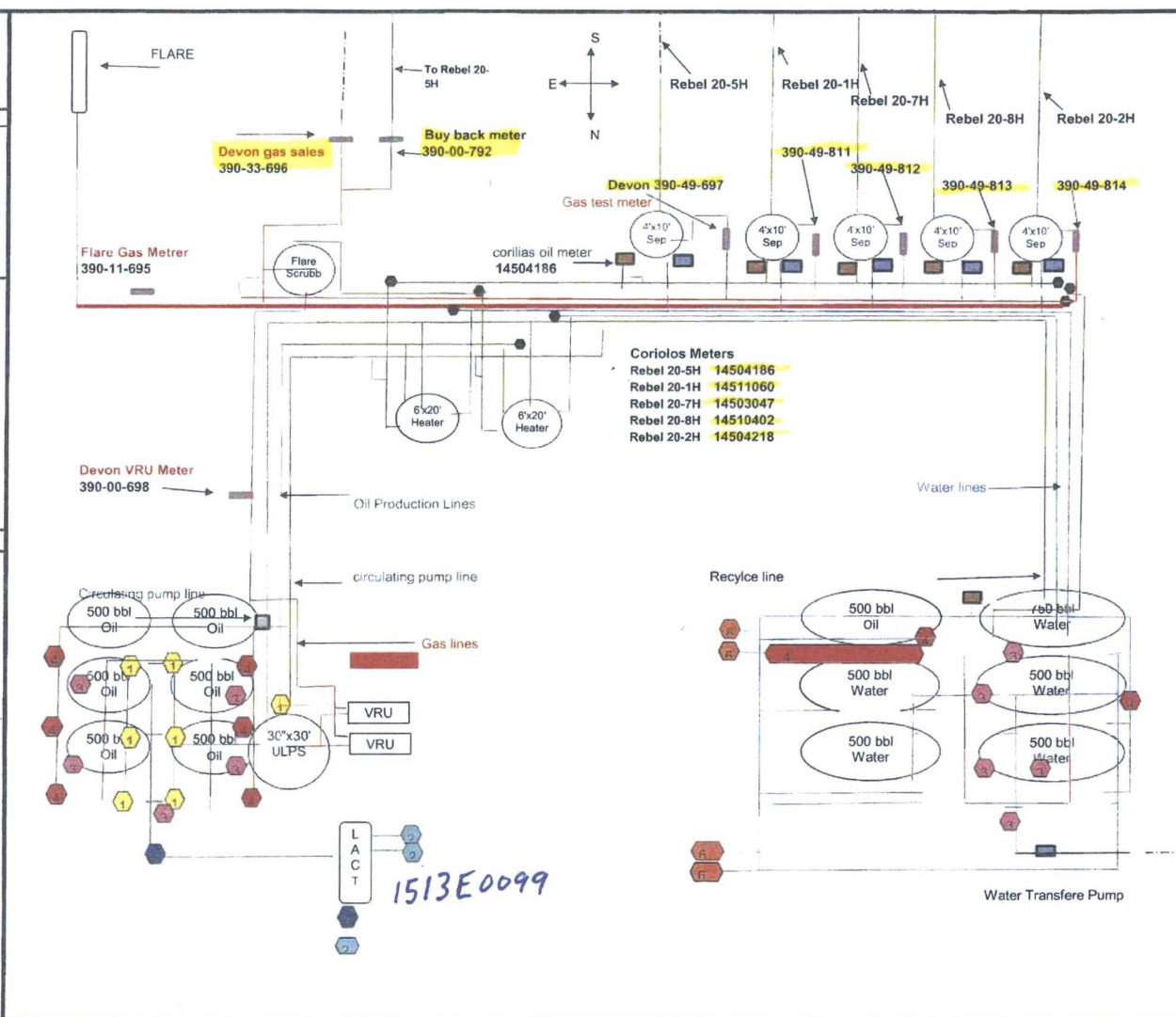
1) Oil sales by tank gauge to tank truck.
2) Seal requirements:
A. Production Phase: On all Tanks.
(1) All valves 5 sealed closed.

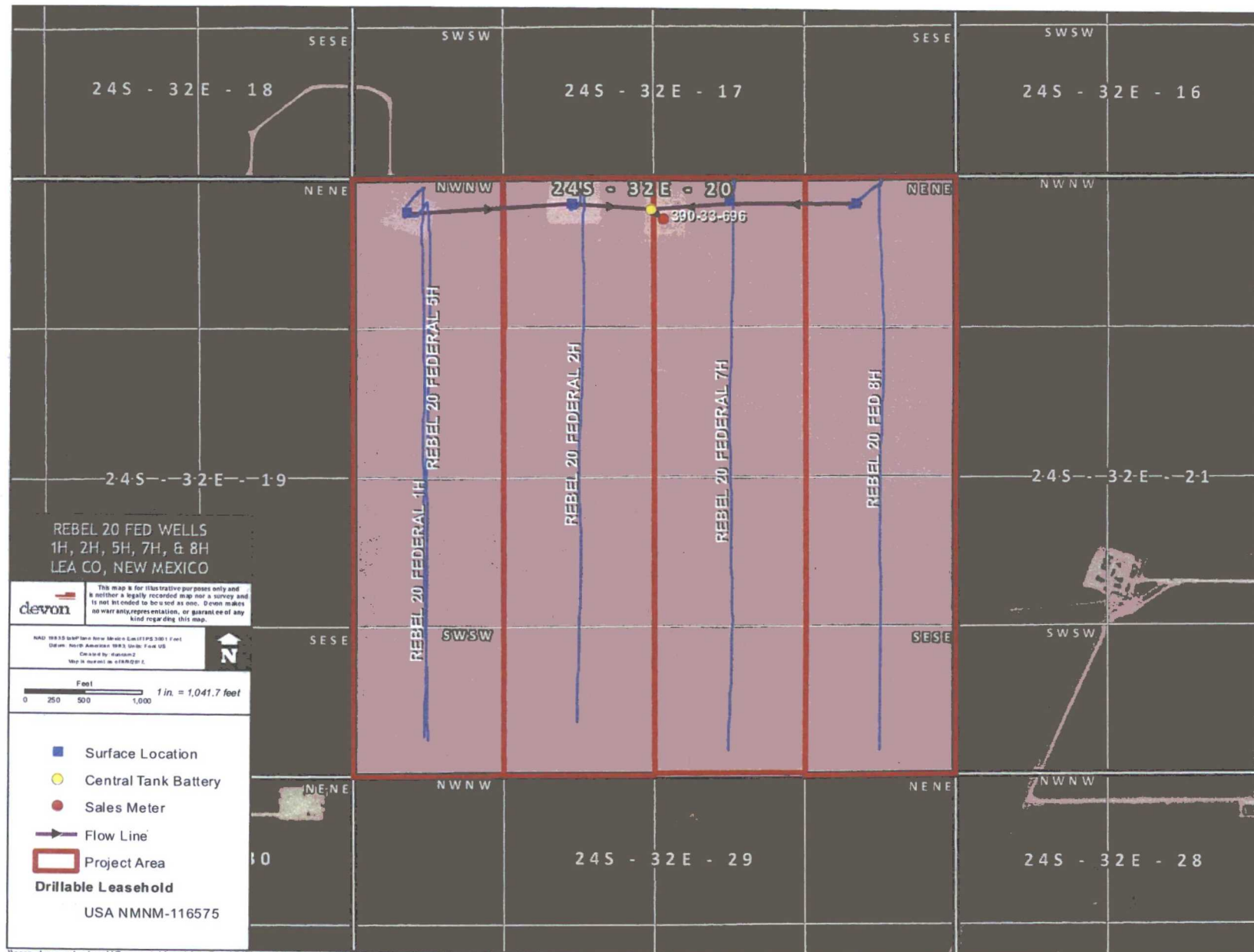
Sales Phase: On Tank being hauled.
(1) Valve 1 sealed closed.
(2) Valve 3 sealed closed.
(3) Valve 4 sealed closed.
(4) Valve 5 sealed closed.
(5) Misc. Valves: Plugged or otherwise unaccessible.
NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed.

Ledger for Site Diagram

Valve #1: Production Line
Valve #2: Test or Roll line
Valve #3: Equalizer Line
Valve #4: Circ./Drain Line
Valve #5: Sies Line
Valve #6: BS&W Load Line

Buried Lines: -----
Firewall:
Wellhead:
Stak-pak:
Production line: -----
Water line: -----
Gas Meter:





**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09:36 AM

Page 4 of 4

Run Date: 07/11/2017

01 12-22-1987;101STAT1330;30USC181 ET SE
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED

Total Acres Serial Number
640.000 NMNM-- - 116575

Serial Number: NMNM-- - 116575

Name & Address	Int Rel	% Interest
DEVON ENERGY PROD CO LP 333 W SHERIDAN AVE OKLAHOMA CITY OK 731025010	LESSEE	100.000000000

Serial Number: NMNM-- - 116575

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	02405	0320E	020	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 116575

Act Date	Code	Action	Action Remark	Pending Office
07/03/2006	299	PROTEST FILED	Forest Guardians	
07/18/2006	387	CASE ESTABLISHED	200607028;	
07/19/2006	191	SALE HELD		
07/19/2006	267	BID RECEIVED	\$224000.00;	
08/28/2006	237	LEASE ISSUED		
08/28/2006	298	PROTEST DISMISSED		
08/28/2006	974	AUTOMATED RECORD VERIF	BCO	
09/01/2006	496	FUND CODE	05;145003	
09/01/2006	530	RLTY RATE - 12 1/2%		
09/01/2006	868	EFFECTIVE DATE		
11/14/2006	963	CASE MICROFILMED/SCANNED		
08/08/2016	650	HELD BY PROD - ACTUAL	/1/	
11/15/2016	643	PRODUCTION DETERMINATION	/1/	
11/15/2016	658	MEMO OF 1ST PROD-ACTUAL	/1/#20 FED 5H;	

Serial Number: NMNM-- - 116575

Line Nr	Remarks
0002	STIPULATIONS APPLIED TO LEASE:
0003	NM-11-LN SPECIAL CULTURAL RESOURCE
0004	SENM-S-15 WILDLIFE HABITAT PROJECTS
0005	SENM-S-22 PRAIRIE CHICKENS
0006	/1/REBEL 20 FED 5H OPERATOR- DEVON ENERGY;



Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102

Tim Prout, Landman
405 552 6113 Phone
www.devonenergy.com

August 1, 2017

Mr. Mike McMillan
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87504

Re: Rebel 20 Fed 1H, 2H, 5H, 7H and 8H
Section 20-T24S-R32E
Lea County, NM

Dear Mr. McMillan:

Devon Energy Production Company, L.P. ("Devon") desires to pool commingle the wells listed below in the Paduca; Delaware, N (Pool Code: 49490) and the Cotton Draw, BS, East (Pool Code: 96556). Upon review of the title information and Devon's records, please be advised that all of the ownership is identical in these wells.

Well Name	Location	API	Lease	Pool
Rebel 20 Fed 1H	NWNW Sec. 20-24S-32E	30-025-42515	NMNM-116575	49490 Paduca; Delaware, N
Rebel 20 Fed 2H	NENW Sec. 20-24S-32E	30-025-42993	NMNM-116575	49490 Paduca; Delaware, N
Rebel 20 Fed 5H	NWNW Sec. 20-24S-32E	30-025-42769	NMNM-116575	96556 Cotton Draw, BS, East
Rebel 20 Fed 7H	NWNE Sec. 20-24S-32E	30-025-42996	NMNM-116575	96556 Cotton Draw, BS, East
Rebel 20 Fed 8H	NENE Sec. 20-24S-32E	30-025-43159	NMNM-116575	96556 Cotton Draw, BS, East

Should you have any questions or wish to discuss further, please contact the undersigned by email at tim.prout@dv.com or by phone at (405) 552-6113.

Sincerely,

Devon Energy Production Company, L.P.

Tim Prout
Landman

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

Rebel 20 Fed 1H, 2H, 5H, 7H, & 8H Lease NMNM116575

**Devon Energy Production Co.
March 16, 2018**

**Condition of Approval
Pool Commingling of lease Production – Bone Springs and Delaware**

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.
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 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".
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.

**Rebel 20 Fed 1H - 3002542515 & Rebel 20 Fed 2H - 3002542993 - Delaware
Rebel 20 Fed 5H - 3002542769, Rebel 20 Fed 7H - 3002542996, Rebel 20 Fed 8H – 3002543159 – Bone Springs
Federal Lease NMNM116575 has a Royalty Rate of 12.5%**