State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division

Administrative Order OLM-73

March 13, 2013

Devon Energy Production Company
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102

Attention: Erin Workman:

Devon Energy Production Company ("Devon"), is hereby authorized to measure gas production Off-Lease from the following wells producing from Shugart, Wolfcamp, West Pool **(96686),** and Shugart, Bone Spring, North Pool **(56405)** in Eddy County, New Mexico:

West Shugart 30 Fed. Well No. 1 (API No. 30-015-29166), Section 30, T-18-S, R-31-E

West Shugart 30 Fed. Well No. 9, (API No. 30-015-29429) Section 30, T-18-S, R-31-E.

The gas production from these wells shall be measured at the tank Battery located in Section 30, Township 18 South, Range 31 East, NMPM, in Eddy County, New Mexico.

The surface commingling of oil and gas production is NOT authorized.

The operator shall notify the Artesia district office of the Division before commencement of Off-Lease Measurements.

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division District II Office – Artesia
Bureau of Land Management (BLM) - Roswell

DATE IN 02/15/2013	SUSPENSE	ENGINEER RE	LOGGED IN 02/18/13	TYPE OLM	APP NO. PPRG1304946941

ABOVE THIS LINE FOR DIVISION USE ONLY

30-015-29166-00-00
West Shugart 30 Federal #1
30-015-29429-00-00
West Shugart 30 Federal #9

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

Devon Energy Prod. Co.

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 _____

RECEIVED OCD
2013 FEB 15 A 11:22

[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.

Erin Workman	Erin Workman	Regulatory Compliance Associate	02/11/2013
Print or Type Name	Signature	Title	Date

Erin.workman@dvn.com
E-mail Address

OLM-73

devon

RECEIVED OCD
2013 FEB 15 A 11: 23

Devon Energy Production Company
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102
Phone: (405)-552-7970
Erin.Workman@dvn.com

February 11, 2013

Mr. Richard Ezeanyim
State of New Mexico
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request for an Off Lease Measurement, Sales, & Storage
West Shugart 30:1 & West Shugart 30:9
Sec 30-18S-31E
NMLC029387-B & NMLC029387-D
API # 30-015-29166 & API # 30-015-29429
Pool 56405 Shugart, Bone Spring, North & 96686 Shugart, Wolfcamp, North
Eddy County, New Mexico

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103, C-107B and BLM Form 3160-5 Sundry Notice of Intent for an Off Lease Measurement, Sales, & Storage the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners are not uniformed; notification has been sent via certified mail (see attached).

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)-552-7970.

Very truly yours,

Devon Energy Production Company, L.P.

Erin Workman
Regulatory Compliance Associate

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

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Form C-107-B
Revised June 10, 2003

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: 333 W Sheridan Avenue, Oklahoma City, OK 73102
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 ☐ Subtraction Method
(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 (Test Method)

(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: Erin Workman TITLE: Regulatory Compliance Assoc. DATE: 02/18/13

TYPE OR PRINT NAME: Erin Workman TELEPHONE NUMBER: 405-552-7970

E-MAIL ADDRESS: Erin.workman@dvn.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

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

Form C-103
May 27, 2004

WELL API NO. See Below	
5. Indicate Type of Lease FED ☒ STATE ☐ FEE ☐	
6. State Oil & Gas Lease No. See Below	
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 ☐	7. Lease Name or Unit Agreement Name See Below
	8. Well Number See Below
2. Name of Operator Devon Energy Production Company, LP	9. OGRID Number 6137
3. Address of Operator 333 W Sheridan Avenue Oklahoma City, Oklahoma 73102 (405) 552-7970	10. Pool name or Wildcat See Below
4. Well Location Unit Letter_____: _____ feet from the _____ line and _____ feet from the _____ line Section 30 Township 18S Range 31E NMPM Eddy County New Mexico	
11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* n/a	
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: ☒ Off-Lease Measurement Sales & Storage		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., LP respectfully requests an Off Lease Measurement, Sales & Storage of the following wells:

Well Name & Number	S/T/R	API	Pool Name	Lease Number
West Shugart 30 Federal #001	30-18S-31E	30-015-29166	56405 Shugart, Bone Spring, North	NMLC029387-B
West Shugart 30 Federal #009	30-18S-31E	30-015-29429	96686 Shugart, Wolfcamp, West	NMLC029387-D

The West Shugart 30 Federal #9 has a tank battery and central delivery point located at the West Shugart 30 Federal 1 location. The West Shugart 30 Federal # 9 will be the only well utilizing this battery at this time. The West Shugart 30 Federal #9 will be the only well that will utilize the DCP CDP #96211-00. ROW has or will be obtained.
The working interest, royalty interest, and overriding royalty interest owners are not identical; parties have been notified via certified mail (see attached).

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: Erin Workman TITLE: Regulatory Compliance Assoc. DATE: 02/11/2013

Type or print name Erin Workman E-mail address: Erin.Workman@dvn.com Telephone No. (405) 552-7970

For State Use Only

APPROVED BY:_____ TITLE_____ DATE_____

Conditions of Approval (if any):

S & P Company 330 Marshall Street, Suite 300 Shreveport, LA 71101	Certified Mailing Number:	7008 1830 0002 7423 8025
Katherine Mary Scott 809 Sheridan Street Altoona, PA 16602	Certified Mailing Number:	7008 1830 0002 7423 8032
Mary Elizabeth Baish Westin 220 Fran Street Lilly, PA 15938	Certified Mailing Number:	7012 2210 0000 0429 0011
Ralph Albert Shugart Trust Elizabeth Shugart Duncan, TTEE c/o Michael D. McCannon Gervais, McCannon & Assoc, PC 501 S. Cherry Street, Suite 570 Denver, CO 80246-1327	Certified Mailing Number:	7008 1830 0002 7423 8056
Patsy Ann Iverson Page 1155 Muirlands Vista Way La Jolla, CA 92037-6210	Certified Mailing Number:	7008 1830 0002 7423 8063
Michael R. McGuire 8815 Mendocino Ct NE Albuquerque, NM 87122	Certified Mailing Number:	7008 1830 0002 7423 8070
Mary Ellen Johnston 2715 North Kentucky, #16 Roswell, NM 88201-5868	Certified Mailing Number:	7008 1830 0002 7423 8087
Iverson III Inc. c/o Steve Iverson 3454 S. Zunis Ave Tulsa, OK 74105	Certified Mailing Number:	7008 1830 0002 7423 8094
P A I Incorporated c/o Philip Iverson 4437 Northwest 32 Place Oklahoma City, OK 73112	Certified Mailing Number:	7008 1830 0002 7423 8100
W W I 1990 Trust Pamela J. Burke, Successor TTEE P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7012 2210 0000 0429 0080
P I P 1990 Trust Pamela J. Burke, Successor TTEE P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7008 1830 0002 7423 8124
Higgins Trust Inc. c/o William P. Edwards P.O. Box 6905 Thomasville, GA 31758-6905	Certified Mailing Number:	7008 1830 0002 7423 8131
ONRR Royalty Management Program P.O. Box 25627 Denver, CO 80225-0627	Certified Mailing Number:	7008 1830 0002 7423 8148
Rojo Inc. P.O. Box 1120 Roswell, NM 88201	Certified Mailing Number:	7012 2210 000 0429 0127
Margarett H. Naylor Rev Trust Zia Trust Inc. TTEE 4131 Camino Coyote, Suite A Las Cruces, NM 88001	Certified Mailing Number:	7008 1830 0002 7423 8162
Van S. Welch II 2207 Fairway Drive Duncan, OK 73533	Certified Mailing Number:	7008 1830 0002 7423 8179
Van P. Welch, Jr. 2259-C Via Puerta Laguna Woods, CA 92653	Certified Mailing Number:	7008 1830 0002 7423 8186
Mark James Frost P.O. Box 1120 Roswell, NM 88202-1120	Certified Mailing Number:	7008 1830 0002 7423 8193
Marianne Keohane Frost P.O. Box 1120 Roswell, NM 88202-1120	Certified Mailing Number:	7008 1830 0002 7423 8209
18-31 Inc. P.O. Box 1120 Roswell, NM 88202-1120	Certified Mailing Number:	7012 2210 0000 0429 0189
John Michael Frost P.O. Box 1120 Roswell, NM 88202-1120	Certified Mailing Number:	7008 1830 0002 7423 8223
Theresa Ann Frost 8672 NE 123rd Place Kirkland, WA 98034-6030	Certified Mailing Number:	7008 1830 0002 7423 8230

The Toles Company LLC Perry S. Toles, President/Mgr P.O. Box Drawer 1300 Roswell, NM 88202	Certified Mailing Number:	7008 1830 0002 7423 8247
Michael Irvin Welch 13562 Bullion Ct Corpus Christi, TX 78418	Certified Mailing Number:	7010 1060 0000 0926 7324
Wendell T. Welch P.O. Box 8428 Nikiski, AK 99635-8428	Certified Mailing Number:	7010 1060 0000 0926 7331
Sanders Thomas Welch P.O. Box 8428 Nikiski, AK 99635-8428	Certified Mailing Number:	7010 1060 0000 0926 7348
Phoebe Jane Welch IV P.O. Box 1855 Artesia, NM 88211	Certified Mailing Number:	7010 1060 0000 0926 7355
Jareed Partners Ltd A Texas Limited Partnership P.O. Box 51451 Midland, TX 79710-1451	Certified Mailing Number:	7010 1060 0000 0926 7362
FFF Inc. P.O. Box 8874 Denver, CO 80201-8874	Certified Mailing Number:	7010 1060 0000 0926 7379
Billie Lewis and Becky Rankin JTWROS 1748 Terrace Circle Caca Grande, AZ 85222	Certified Mailing Number:	7010 1060 0000 0926 7386
Maurice Pippin P.O. Box 12972 Odessa, TX 79768-2972	Certified Mailing Number:	7010 1060 0000 0926 7393
Alvin M. Iverson Jr. Trust Peter Martin Iverson Successor TTEE 5073 S. 76 East Ave, Apt D Tulsa, OK 74145-6232	Certified Mailing Number:	7010 1060 0000 0926 7409
S. J. Iverson III P.O. Box 4095 Midland, TX 79704	Certified Mailing Number:	7010 1060 0000 0926 7416
Claire Iverson 2005 Kidwell Street Dallas, TX 75214	Certified Mailing Number:	7010 1060 0000 0926 7423
James Gary Welch 15714 Winding Moss Drive Houston, TX 77068	Certified Mailing Number:	7010 1060 0000 0926 7430
Marian Welch Pendergrass 2705 Gaye Drive Roswell, NM 88201	Certified Mailing Number:	7010 1060 0000 0926 7447
Robert Welch Gillespie 186 Sierra View Pasadena, CA 91105	Certified Mailing Number:	7010 1060 0000 0926 7454
Bryan W. Welch 1764 S. Paige Creek Place Tucson, AZ 85748	Certified Mailing Number:	7010 1060 0000 0926 7461
Becky Welch Panek 7011 E. Brooks Drive Tucson, AZ 85730	Certified Mailing Number:	7010 1060 0000 0926 7478
Stacy Welch Green P.O. Box 164 Sonita, AZ 85637-0164	Certified Mailing Number:	7010 1060 0000 0926 7485
Phoebe Welch 20350 Marsh Creek Road Brentwood, CA 94513-4808	Certified Mailing Number:	7010 1060 0000 0926 7492
Tina M. Worthington P.O. Box 56 Elephant Butte, NM 87935	Certified Mailing Number:	7010 1060 0000 0926 7508
Annette O. Wambaugh 2606 Lockheed Drive Midland, TX 79701	Certified Mailing Number:	7010 1060 0000 0926 7515
Eileen Mary Kunkel Revocable Living Trust Eileen Mary Kunkel TTEE 46183 St Hwy 74, Apt 19 Palm Desert, CA 92260	Certified Mailing Number:	7010 1060 0000 0926 7522
MAP98B-NET P.O. Box 268984 Oklahoma City, OK 73126-8984	Certified Mailing Number:	7010 1060 0000 0926 7539

MAP 98A-OK c/o Mineral Acquisition Partners Inc. P.O. Box 268988 Oklahoma City, OK 73126-8988	Certified Mailing Number:	7010 1060 0000 0926 7546
Claire Ann Iverson Revocable Living Trust Pamela J. Burke, Successor TTEE P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7553
Siegfried James Iverson III Revocable Living Trust Pamela J. Burke, Successor TTEE P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7560
Penwell Employee Royalty Pool 200 N. Loraine, Suite 1550 Midland, TX 79701	Certified Mailing Number:	7010 1060 0000 0926 7577
Elyse Saunders Patterson Trusts Investment LLC Farmers National Co Agent P.O. Box 3480, Oil & Gas Dept Omaha, NE 68103-0480	Certified Mailing Number:	7010 1060 0000 0926 7584
TIG Properties LP Iverson Exploration Inc. Gen Partner Andrew S. Iverson Pres P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7591
Suzanne M. Harrington 261 River Birch Circle Mooresville, NC 28115	Certified Mailing Number:	7010 1060 0000 0926 7607
Paul R. Barwis c/o Dutton Harris & Co P.O. Box 230 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7614
M. F. Pearsall 840 Gessner, Suite 1400 Houston, TX 77024	Certified Mailing Number:	7010 1060 0000 0926 7621
MW Oil Investment Company 730 17th Street, Suite 325 Denver, CO 80202	Certified Mailing Number:	7010 1060 0000 0926 7638
Shawn P. Hannifin and Frances A. Hannifin Joint Tenants With Full Rights of Survivorship 730 17th Street, Suite 325 Denver, CO 80202	Certified Mailing Number:	7010 1060 0000 0926 7645
Jewell D. Iverson Rev Trust Richard R. Sullivan, TTEE Inter-Vivos Trust U/T/A09/22/81 3530 E. 31st Street, Suite B Tulsa, OK 74135-1519	Certified Mailing Number:	7010 1060 0000 0926 7652
Alan R. Hannifin P.O. Box 8874 Denver, CO 80201-8874	Certified Mailing Number:	7010 1060 0000 0926 7669
Iverson Family Inter-Vivos Trust, dtd 10/22/92 Peter C. & Billie H. Iverson Co-Trustees 206 Belle Meade Circle Eufaula, OK 74432-2071	Certified Mailing Number:	7010 1060 0000 0926 7676
Jeanette Y. Keohane P.O. Box 51722 Albuquerque, NM 87181	Certified Mailing Number:	7010 1060 0000 0926 7683
Gene Shumate P.O. Box 2473 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7690
Carol Shumate P.O. Box 80724 Midland, TX 79708-0724	Certified Mailing Number:	7010 1060 0000 0926 7706
Sklarco LLC 401 Edwards Street, Suite 1601 Shreveport, LA 71101	Certified Mailing Number:	7010 1060 0000 0926 7713
Betty Baish Strohmeyer Estate James S. Strohmeyer FRGN PR 5311 E. 5th Street Tucson, AZ 85711-2331	Certified Mailing Number:	7010 1060 0000 0926 7720
S & E Royalty LLC Lyle Gallivan, Manager 8470 West 4th Ave Lakewood, CO 80226	Certified Mailing Number:	7010 1060 0000 0926 7737

Beverly A. Martella Iverson
17287 Skyline Blvd, Box 203
Woodside, CA 94062

Certified Mailing Number: 7010 1060 0000 0926 7744

Susan Jones
3212 Infield Road
Austin, TX 78703

Certified Mailing Number: 7010 1060 0000 0926 7751

Leslie Shimazaki
3592 Felton Street
San Diego, CA 92104

Certified Mailing Number: 7010 1060 0000 0926 7768

Peter Iverson
2002 Valencia Street
Santa Ana, CA 92706

Certified Mailing Number: 7010 1060 0000 0926 7775

Glen R. Westall
4208 St. Andrews Drive
Midland, TX 79707

Certified Mailing Number: 7010 1060 0000 0926 6822

Georgiana Westall Perry
119 West Main
Artesia, NM 88210

Certified Mailing Number: 7010 1060 0000 0926 6839

Sue Saunders Graham Estate
Jimi S. Gadzia, Personal Rep
P.O. Box 1835
Roswell, NM 88202-1835

Certified Mailing Number: 7010 1060 0000 0926 6846

JJS Working Interests LLC
Attn: Justin Simons
4295 San Felipe, Suite 207
Houston, TX 77027

Certified Mailing Number: 7010 1060 0000 0926 6853

Baish Limited Partnership
c/o Private Banking Manager
BNY Mellon Wealth Mgmt
2 N. 2nd Street, 12th Floor
Harrisburg, PA 17101

Certified Mailing Number: 7010 1060 0000 0926 6860

Garel Ray & Myrtle Myra Westall Rev Trust
Sandra Westall Shank & Garel Ray Westall Jr. Co-Trustees
704 Bullock
Artesia, NM 88210

Certified Mailing Number: 7010 1060 0000 0926 6877

Devon Energy Production Co. LP
333 West Sheridan
Oklahoma City, OK 73102

Certified Mailing Number: 7010 1060 0000 0926 6884

Canadian Kenwood Company
A Limited Partnership
Canadian Kenwood LLC, General Partner
730 2nd Avenue South, Suite 1300
Minneapolis, MN 55402

Certified Mailing Number: 7010 1060 0000 0926 6891

William G. Parker
Nancy Parker Strong & Sylvia S. Voorhies Co-Trustees
UWO T. R. Parker Dec
221 Stewart Avenue, Suite 301
Medford, OR 97501

Certified Mailing Number: 7010 1060 0000 0926 6907

Form 3160-5
(August 2007)

OPERATOR'S COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMLC029387B / LC029387D

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.
WEST SHUGART 30 FEDERAL 1 #9

2. Name of Operator
DEVON ENERGY PRODUCTION CO. LP
Contact: ERIN WORKMAN
E-Mail: ERIN.WORKMAN@DVN.COM

9. API Well No.
30-015-29166 / 30015 29429

3a. Address
333 W. SHERIDAN AVE.
OKLAHOMA CITY, OK 73102

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

10. Field and Pool, or Exploratory
SHUGART;BONE SPRING,NORTH

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 30 T18S R31E 1980FNL 1980FWL

11. County or Parish, and State
EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Off-Lease Measurement
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall 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 an Off Lease Gas Measurement, Sales & Storage of the following wells:

West Shugart 30 Federal #001
Sec.30-T18S-R31E
30-015-29166
56405 Shugart, Bone Spring, North
NMLC 029387-B

West Shugart 30 Federal #009
Sec. 30-T18S-R31E
30-015-29429

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Electronic Submission #159695 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO.,LP, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 11/09/2012 ()

Name *(Printed/Typed)* ERIN WORKMAN — Title REGULATORY COMPLIANCE ASSOC.

Signature (Electronic Submission) — Date 11/07/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By J.D. Whitlock — Title SPET — Date 3/2/13

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

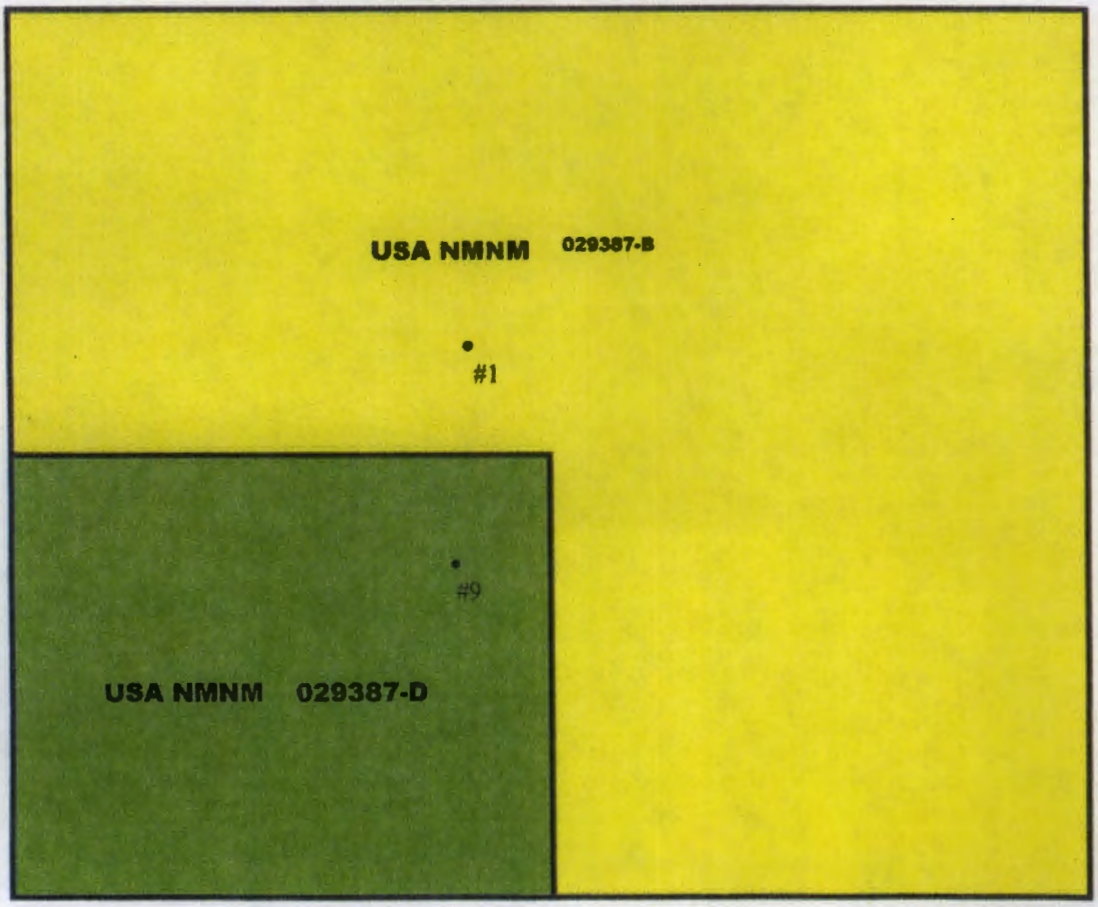
EXHIBIT A

SECTION LAND PLAT

County of Eddy State of New Mexico .

Section . 30 . Township . 18 S . Range . 31 E .

West Shugart 30 Federal 1
West Shugart 30 Federal 9



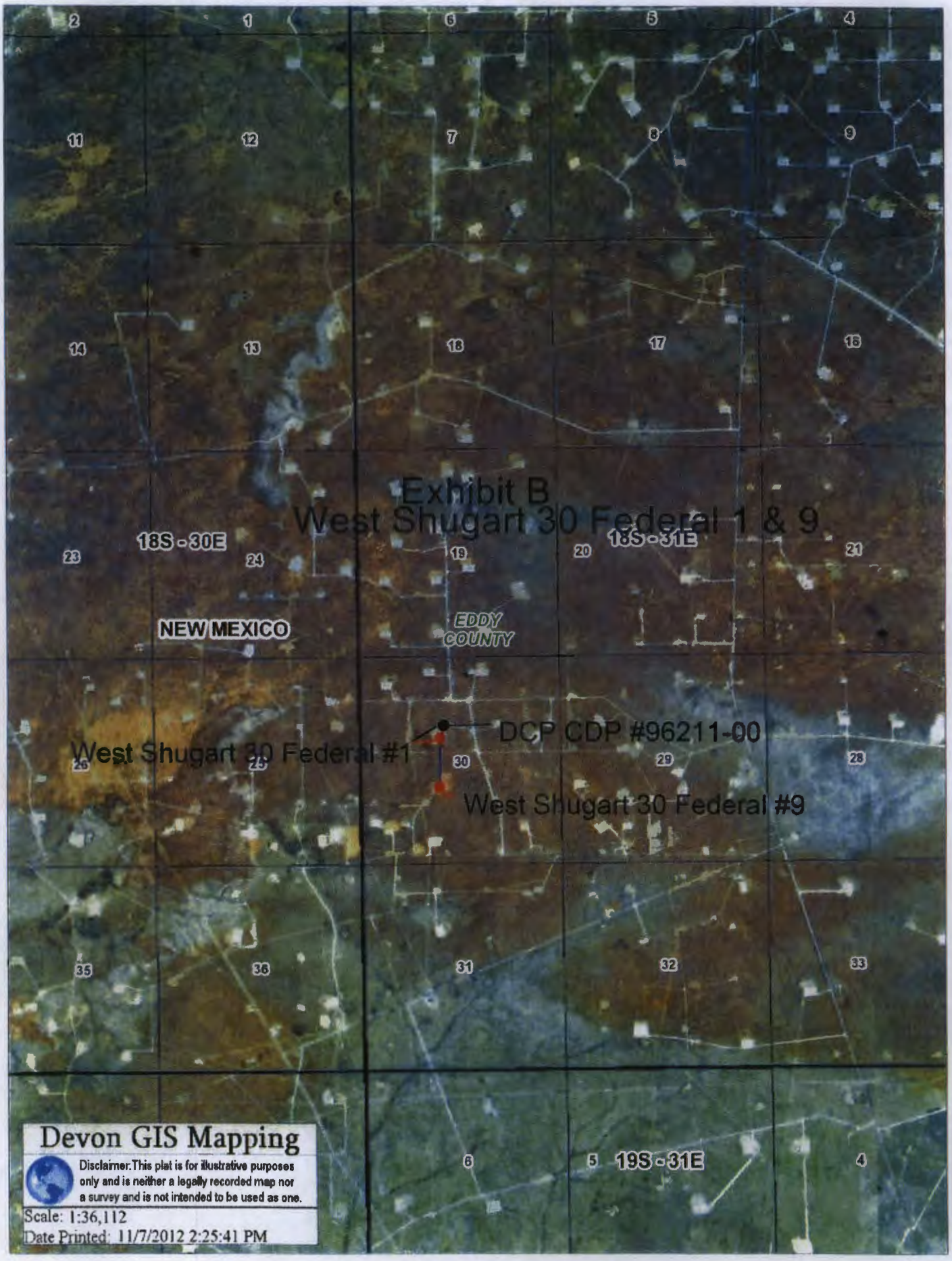


Exhibit B
West Shugart 30 Federal 1 & 9
18S - 30E
18S - 31E
NEW MEXICO
EDDY COUNTY
DCP CDP #96211-00
West Shugart 30 Federal #1
West Shugart 30 Federal #9
19S - 31E
Devon GIS Mapping
Disclaimer: This plat is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one.
Scale: 1:36,112
Date Printed: 11/7/2012 2:25:41 PM

EXHIBIT C

Shugart 30 Federal #1
Section 30,T18S,R31E
1980'FNL & 1980'FWL
Eddy, County, NM
API# 3001529166

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.

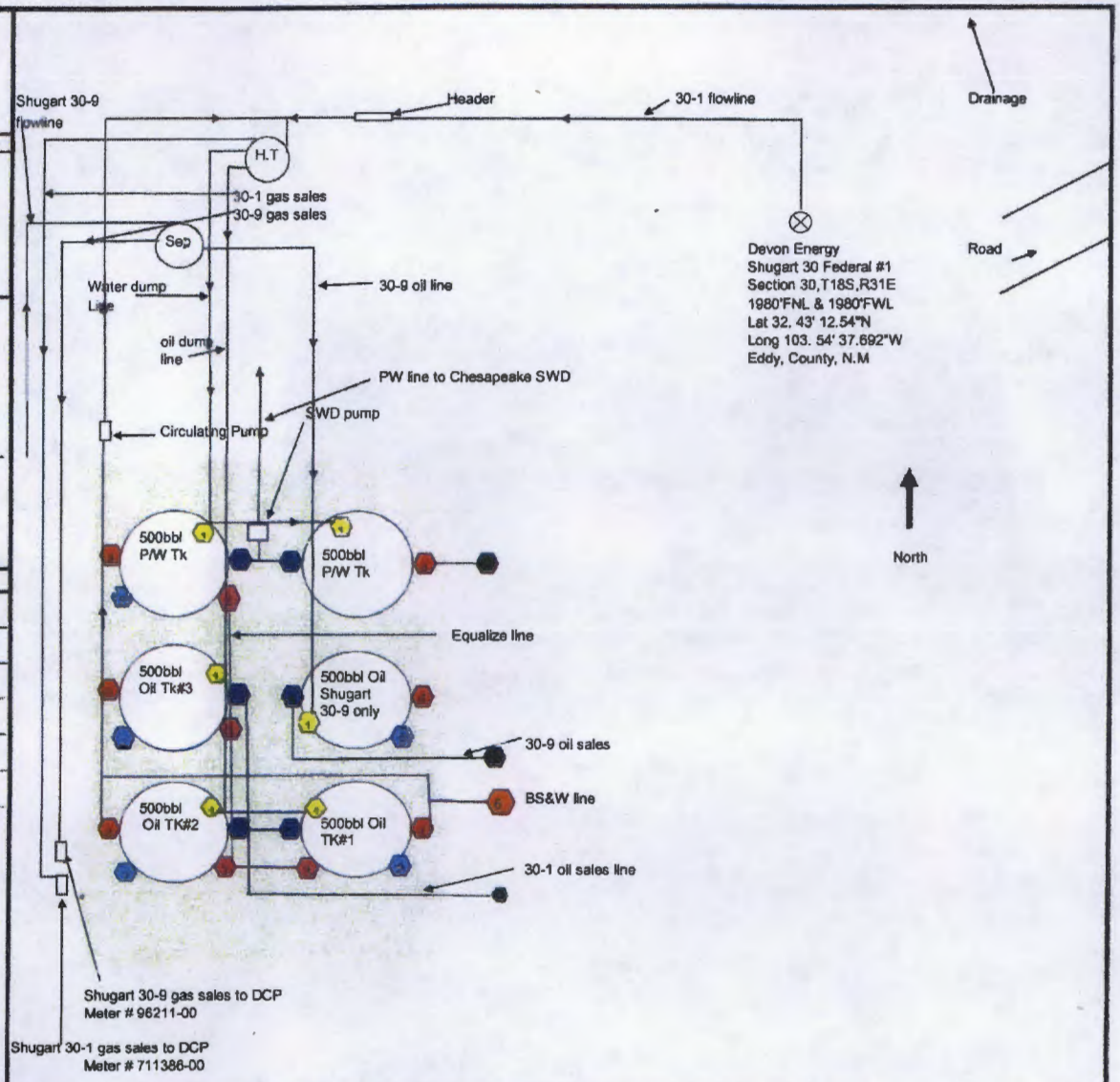
Sales Phase: On Tank being hauled.

(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 unaccessable.
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: Equilizer Line
Valve #4: Circ./Drain Line
Valve #5: Stes Line
Valve #6: BS&W Load Line
Buried Lines:
Firewall:
Wellhead:
Stak-pak: Stak-pak
Production line:
Water line:
Gas Meter (A) (M) (C)



devon

Devon Energy Production Company
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102
Phone: (405)-552-7970
Erin.Workman@dvn.com

November 7, 2012

Mr. Richard Ezeanyim
State of New Mexico
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request for an Off Lease Measurement, Sales, & Storage
West Shugart 30:1 & West Shugart 30:9
Sec 30-18S-31E
NMLC029387-B & NMLC029387-D
API # 30-015-29166 & API # 30-015-29429
Pool 56405 Shugart, Bone Spring, North & 96686 Shugart, Wolfcamp, North
Eddy County, New Mexico

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103, C-107B and BLM Form 3160-5 Sundry Notice of Intent for an Off Lease Measurement, Sales, & Storage the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners are not uniformed; notification has been sent via certified mail (see attached).

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)-552-7970.

Very truly yours,

Devon Energy Production Company, L.P.

Erin Workman

Erin Workman
Regulatory Compliance Associate

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 _____

[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.

Erin Workman	Erin Workman	Regulatory Compliance Associate	11-07-12
Print or Type Name	Signature	Title	Date

Erin.workman@dvn.com
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

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Form C-107-B
Revised June 10, 2003

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: 333 W Sheridan Avenue, Oklahoma City, OK 73102
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
56405 Shugart, Bone Spring North (W. Shugart 30-1)	37.9/1367.0				
96686 Shugart; Wolfcamp, West (W. Shugart 30-9)	40.0/1349.8				

(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 ☒ Well Test Method
(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

(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: Erin Workman TITLE: Regulatory Compliance Assoc. DATE: 11-07-12

TYPE OR PRINT NAME: Erin Workman TELEPHONE NUMBER: 405-552-7970

E-MAIL ADDRESS: Erin.workman@dvn.com

OFF LEASE PRODUCTION - EDDY COUNTY						
	03/01/12	04/01/12	05/01/12	06/01/12	07/01/12	08/01/12
Well Name	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas
West Shugart 30 Federal #1	90.14	69.69	107.24	39.38	0.	67.2
West Shugart 30 Federal #1	984.	775.	650.2	0.	0.	1,011.

4808 N. Michigan, Roswell, NM. 88202-8323 575-622-9874

ML

Precision Gas Measurement, Inc.

Natural Gas Report

Sample Information

	Sample Information
Company Name	DEVON ENERGY
Lease Name	SHUGART 30-1
Location ID	711386
Sample Date	8/7/2012
Method Name	BTUC6+.met
Injection Date	2012-08-13 08:49:09
Report Date	2012-08-13 09:14:14

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
NITROGEN	2.0696	0.0	0.0	0.02002	0.229
CARBON DIOXIDE	2.9314	0.0	0.0	0.04454	0.503
METHANE	69.8140	706.8	694.5	0.38670	11.890
ETHANE	10.9364	194.0	190.6	0.11354	2.938
PROPANE	7.1013	179.1	176.0	0.10812	1.965
I-BUTANE	0.9519	31.0	30.5	0.01910	0.313
N-BUTANE	2.5773	84.3	82.8	0.05172	0.816
I-PENTANE	0.8792	35.3	34.6	0.02190	0.323
N-PENTANE	0.9631	38.7	38.0	0.02399	0.351
C6+	1.7758	91.3	89.7	0.05714	0.774
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1360.4	1336.7	0.84677	20.102

Results Summary

Result	Dry	Sat.
Total Normalzed Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	60.0	
Flowing Pressure (psia)	38.6	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1360.4	1336.7
Gross Heating Value (BTU / Real cu.ft.)	1367.0	1343.8
Relative Density (G), Real	0.8505	0.8470
Compressibility (Z) Factor	0.9952	0.9947
Total GPM	20.102	19.861
Wobbe Index	1482.2	1460.1

4808 N. Michigan, Roswell, NM. 88202-8323 575-622-9874

Precision Gas Measurement, Inc.
Natural Gas Report

Sample Information

	Sample Information
Company Name	DEVON ENERGY
Lease Name	W. SHUGART 30 FED 9
Location ID	96211-00
Sample Date	12/13/2011
Operator	JWD
Method Name	BTUH2S.met
Injection Date	2011-12-18 10:17:40

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
NITROGEN	2.0603	0.0	0.0	0.01993	0.228
METHANE	69.2086	700.6	688.4	0.38335	11.780
CARBON DIOXIDE	0.2300	0.0	0.0	0.00349	0.039
ETHANE	15.9976	283.8	278.8	0.16609	4.296
PROPANE	8.3671	211.0	207.3	0.12739	2.314
I-BUTANE	0.7208	23.5	23.1	0.01447	0.237
N-BUTANE	2.1495	70.3	69.1	0.04314	0.680
I-PENTANE	0.4085	16.4	16.1	0.01018	0.150
N-PENTANE	0.3946	15.9	15.6	0.00983	0.144
C6+	0.4372	22.5	22.1	0.01407	0.190
H2S	0.0258	0.2	0.2	0.00030	0.004
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1344.1	1320.7	0.79222	20.062

Results Summary

Result	Dry	Sat.
Total Normalzed Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	47.2	
Flowing Pressure (psia)	43.5	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1344.1	1320.7
Gross Heating Value (BTU / Real cu.ft.)	1349.8	1326.9
Relative Density (G), Real	0.7953	0.7927
Compressibility (Z) Factor	0.9957	0.9953
Total GPM	20.062	19.822
Wobbe Index	1513.6	1490.4

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

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

Form C-103
May 27, 2004

WELL API NO. See Below

5. Indicate Type of Lease FED ☒ STATE ☐ FEE ☐

6. State Oil & Gas Lease No. See Below

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.)

7. Lease Name or Unit Agreement Name: See Below

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

8. Well Number: See Below

2. Name of Operator: Devon Energy Production Company, LP

9. OGRID Number: 6137

3. Address of Operator: 333 W Sheridan Avenue Oklahoma City, Oklahoma 73102 (405) 552-7970

10. Pool name or Wildcat: See Below

4. Well Location
Unit Letter_____: _____ feet from the _____ line and _____ feet from the _____ line
Section 30 Township 18S Range 31E NMPM Eddy County New Mexico

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* n/a

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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: ☒ Off-Lease Gas Measurement Sales & Storage		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., LP respectfully requests an Off Lease Gas Measurement, Sales & Storage of the following wells:

Well Name & Number	S/T/R	API	Pool Name	Lease Number
West Shugart 30 Federal #001	30-18S-31E	30-015-29166	56405 Shugart, Bone Spring, North	NMLC029387-B
West Shugart 30 Federal #009	30-18S-31E	30-015-29429	96686 Shugart, Wolfcamp, West	NMLC029387-D

The West Shugart 30 Federal #9 has a tank battery and central delivery point located at the West Shugart 30 Federal 1 location. The West Shugart 30 Federal # 9 will be the only well utilizing this battery at this time. The West Shugart 30 Federal #9 will be the only well that will utilize the DCP CDP #96211-00. ROW has or will be obtained.
The working interest, royalty interest, and overriding royalty interest owners are not identical; parties have been notified via certified mail (see attached).

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: Erin Workman TITLE: Regulatory Compliance Assoc. DATE: 11-06-12

Type or print name Erin Workman E-mail address: Erin.Workman@dvn.com Telephone No. (405) 552-7970

For State Use Only

APPROVED BY:_____ TITLE_____ DATE_____

Conditions of Approval (if any):

devon

Devon Energy Corporation
333 W. Sheridan Avenue
Oklahoma City, OK 73102

405 552 7970 Phone
Erin.Workman@dvn.com

November 7, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Request an Off Lease Measurement, Sales, & Storage
West Shugart 30:1 & West Shugart 30:9
Sec 30-18S-31E
NMLC029387-C & NMLC029387-A
API # 30-015-29166 & API # 30-015-29429
Pool 56405 Shugart, Bone Spring, North & 96686 Shugart, Wolfcamp, North
Eddy 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 an off-lease measurement sales, & storage of production from the aforementioned lease and pool.

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) 552-7970 should you have any questions or need anything further.

Sincerely,

Devon Energy Production Company, L.P.

Erin Workman
Regulatory Compliance Associate

Enclosure

S & P Company 330 Marshall Street, Suite 300 Shreveport, LA 71101	Certified Mailing Number:	7008 1830 0002 7423 8025
Katherine Mary Scott 809 Sheridan Street Altoona, PA 16602	Certified Mailing Number:	7008 1830 0002 7423 8032
Mary Elizabeth Baish Westin 220 Fran Street Lilly, PA 15938	Certified Mailing Number:	7008 1830 0002 7423 8049
Ralph Albert Shugart Trust Elizabeth Shugart Duncan, TTEE c/o Michael D. McCannon Gervais, McCannon & Assoc, PC 501 S. Cherry Street, Suite 570 Denver, CO 80246-1327	Certified Mailing Number:	7008 1830 0002 7423 8056
Patsy Ann Iverson Page 1155 Muirlands Vista Way La Jolla, CA 92037-6210	Certified Mailing Number:	7008 1830 0002 7423 8063
Michael R. McGuire 8815 Mendocino Ct NE Albuquerque, NM 87122	Certified Mailing Number:	7008 1830 0002 7423 8070
Mary Ellen Johnston 2715 North Kentucky, #16 Roswell, NM 88201-5868	Certified Mailing Number:	7008 1830 0002 7423 8087
Iverson III Inc. c/o Steve Iverson 3454 S. Zunis Ave Tulsa, OK 74105	Certified Mailing Number:	7008 1830 0002 7423 8094
P A I Incorporated c/o Philip Iverson 4437 Northwest 32 Place Oklahoma City, OK 73112	Certified Mailing Number:	7008 1830 0002 7423 8100
W W I 1990 Trust Pamela J. Burke, Successor TTEE P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7008 1830 0002 7423 8117
P I P 1990 Trust Pamela J. Burke, Successor TTEE P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7008 1830 0002 7423 8124
Higgins Trust Inc. c/o William P. Edwards P.O. Box 6905 Thomasville, GA 31758-6905	Certified Mailing Number:	7008 1830 0002 7423 8131
ONRR Royalty Management Program P.O. Box 25627 Denver, CO 80225-0627	Certified Mailing Number:	7008 1830 0002 7423 8148
Rojo Inc. P.O. Box 1120 Roswell, NM 88201	Certified Mailing Number:	7008 1830 0002 7423 8155
Margarett H. Naylor Rev Trust Zia Trust Inc. TTEE 4131 Camino Coyote, Suite A Las Cruces, NM 88001	Certified Mailing Number:	7008 1830 0002 7423 8162
Van S. Welch II 2207 Fairway Drive Duncan, OK 73533	Certified Mailing Number:	7008 1830 0002 7423 8179
Van P. Welch, Jr. 2259-C Via Puerta Laguna Woods, CA 92653	Certified Mailing Number:	7008 1830 0002 7423 8186
Mark James Frost P.O. Box 1120 Roswell, NM 88202-1120	Certified Mailing Number:	7008 1830 0002 7423 8193
Marianne Keohane Frost P.O. Box 1120 Roswell, NM 88202-1120	Certified Mailing Number:	7008 1830 0002 7423 8209
18-31 Inc. P.O. Box 1120 Roswell, NM 88202-1120	Certified Mailing Number:	7008 1830 0002 7423 8216
John Michael Frost P.O. Box 1120 Roswell, NM 88202-1120	Certified Mailing Number:	7008 1830 0002 7423 8223
Theresa Ann Frost 8672 NE 123rd Place Kirkland, WA 98034-6030	Certified Mailing Number:	7008 1830 0002 7423 8230

The Toles Company LLC Perry S. Toles, President/Mgr P.O. Box Drawer 1300 Roswell, NM 88202	Certified Mailing Number:	7008 1830 0002 7423 8247
Michael Irvin Welch 13562 Bullion Ct Corpus Christi, TX 78418	Certified Mailing Number:	7010 1060 0000 0926 7324
Wendell T. Welch P.O. Box 8428 Nikiski, AK 99635-8428	Certified Mailing Number:	7010 1060 0000 0926 7331
Sanders Thomas Welch P.O. Box 8428 Nikiski, AK 99635-8428	Certified Mailing Number:	7010 1060 0000 0926 7348
Phoebe Jane Welch IV P.O. Box 1855 Artesia, NM 88211	Certified Mailing Number:	7010 1060 0000 0926 7355
Jareed Partners Ltd A Texas Limited Partnership P.O. Box 51451 Midland, TX 79710-1451	Certified Mailing Number:	7010 1060 0000 0926 7362
FFF Inc. P.O. Box 8874 Denver, CO 80201-8874	Certified Mailing Number:	7010 1060 0000 0926 7379
Billie Lewis and Becky Rankin JTWROS 1748 Terrace Circle Caca Grande, AZ 85222	Certified Mailing Number:	7010 1060 0000 0926 7386
Maurice Pippin P.O. Box 12972 Odessa. TX 79768-2972	Certified Mailing Number:	7010 1060 0000 0926 7393
Alvin M. Iverson Jr. Trust Peter Martin Iverson Successor TTEE 5073 S. 76 East Ave. Apt D Tulsa, OK 74145-6232	Certified Mailing Number:	7010 1060 0000 0926 7409
S. J. Iverson III P.O. Box 4095 Midland, TX 79704	Certified Mailing Number:	7010 1060 0000 0926 7416
Claire Iverson 2005 Kidwell Street Dallas, TX 75214	Certified Mailing Number:	7010 1060 0000 0926 7423
James Gary Welch 15714 Winding Moss Drive Houston, TX 77068	Certified Mailing Number:	7010 1060 0000 0926 7430
Marian Welch Pendergrass 2705 Gaye Drive Roswell, NM 88201	Certified Mailing Number:	7010 1060 0000 0926 7447
Robert Welch Gillespie 186 Sierra View Pasadena, CA 91105	Certified Mailing Number:	7010 1060 0000 0926 7454
Bryan W. Welch 1764 S. Paige Creek Place Tucson, AZ 85748	Certified Mailing Number:	7010 1060 0000 0926 7461
Becky Welch Panek 7011 E. Brooks Drive Tucson, AZ 85730	Certified Mailing Number:	7010 1060 0000 0926 7478
Stacy Welch Green P.O. Box 164 Sonita, AZ 85637-0164	Certified Mailing Number:	7010 1060 0000 0926 7485
Phoebe Welch 20350 Marsh Creek Road Brentwood, CA 94513-4808	Certified Mailing Number:	7010 1060 0000 0926 7492
Tina M. Worthington P.O. Box 56 Elephant Butte, NM 87935	Certified Mailing Number:	7010 1060 0000 0926 7508
Annette O. Wambaugh 2606 Lockheed Drive Midland, TX 79701	Certified Mailing Number:	7010 1060 0000 0926 7515
Eileen Mary Kunkel Revocable Living Trust Eileen Mary Kunkel TTEE 46183 St Hwy 74, Apt 19 Palm Desert, CA 92260	Certified Mailing Number:	7010 1060 0000 0926 7522
MAP98B-NET P.O. Box 268984 Oklahoma City, OK 73126-8984	Certified Mailing Number:	7010 1060 0000 0926 7539

MAP 98A-OK c/o Mineral Acquisition Partners Inc. P.O. Box 268988 Oklahoma City, OK 73126-8988	Certified Mailing Number:	7010 1060 0000 0926 7546
Claire Ann Iverson Revocable Living Trust Pamela J. Burke, Successor TTEE P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7553
Siegfried James Iverson III Revocable Living Trust Pamela J. Burke, Successor TTEE P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7560
Penwell Employee Royalty Pool 200 N. Loraine, Suite 1550 Midland, TX 79701	Certified Mailing Number:	7010 1060 0000 0926 7577
Elyse Saunders Patterson Trusts Investment LLC Farmers National Co Agent P.O. Box 3480, Oil & Gas Dept Omaha, NE 68103-0480	Certified Mailing Number:	7010 1060 0000 0926 7584
TIG Properties LP Iverson Exploration Inc. Gen Partner Andrew S. Iverson Pres P.O. Box 10508 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7591
Suzanne M. Harrington 261 River Birch Circle Mooresville, NC 28115	Certified Mailing Number:	7010 1060 0000 0926 7607
Paul R. Barwis c/o Dutton Harris & Co P.O. Box 230 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7614
M. F. Pearsall 840 Gessner, Suite 1400 Houston, TX 77024	Certified Mailing Number:	7010 1060 0000 0926 7621
MW Oil Investment Company 730 17th Street, Suite 325 Denver, CO 80202	Certified Mailing Number:	7010 1060 0000 0926 7638
Shawn P. Hannifin and Frances A. Hannifin Joint Tenants With Full Rights of Survivorship 730 17th Street, Suite 325 Denver, CO 80202	Certified Mailing Number:	7010 1060 0000 0926 7645
Jewell D. Iverson Rev Trust Richard R. Sullivan, TTEE Inter-Vivos Trust U/T/A09/22/81 3530 E. 31st Street, Suite B Tulsa, OK 74135-1519	Certified Mailing Number:	7010 1060 0000 0926 7652
Alan R. Hannifin P.O. Box 8874 Denver, CO 80201-8874	Certified Mailing Number:	7010 1060 0000 0926 7669
Iverson Family Inter-Vivos Trust, dtd 10/22/92 Peter C. & Billie H. Iverson Co-Trustees 206 Belle Meade Circle Eufaula, OK 74432-2071	Certified Mailing Number:	7010 1060 0000 0926 7676
Jeanette Y. Keohane P.O. Box 51722 Albuquerque, NM 87181	Certified Mailing Number:	7010 1060 0000 0926 7683
Gene Shumate P.O. Box 2473 Midland, TX 79702	Certified Mailing Number:	7010 1060 0000 0926 7690
Carol Shumate P.O. Box 80724 Midland, TX 79708-0724	Certified Mailing Number:	7010 1060 0000 0926 7706
Sklarco LLC 401 Edwards Street, Suite 1601 Shreveport, LA 71101	Certified Mailing Number:	7010 1060 0000 0926 7713
Betty Baish Strohmeyer Estate James S. Strohmeyer FRGN FR 5311 E. 5th Street Tucson, AZ 85711-2331	Certified Mailing Number:	7010 1060 0000 0926 7720
S & E Royalty LLC Lyle Gallivan, Manager 8470 West 4th Ave Lakewood, CO 80226	Certified Mailing Number:	7010 1060 0000 0926 7737

Beverly A. Martella Iverson 17287 Skyline Blvd, Box 203 Woodside, CA 94062	Certified Mailing Number:	7010 1060 0000 0926 7744
Susan Jones 3212 Infield Road Austin, TX 78703	Certified Mailing Number:	7010 1060 0000 0926 7751
Leslie Shimazaki 3592 Felton Street San Diego, CA 92104	Certified Mailing Number:	7010 1060 0000 0926 7768
Peter Iverson 2002 Valencia Street Santa Ana, CA 92706	Certified Mailing Number:	7010 1060 0000 0926 7775
Glen R. Westall 4208 St. Andrews Drive Midland, TX 79707	Certified Mailing Number:	7010 1060 0000 0926 6822
Georgiana Westall Perry 119 West Main Artesia, NM 88210	Certified Mailing Number:	7010 1060 0000 0926 6839
Sue Saunders Graham Estate Jimi S. Gadzia, Personal Rep P.O. Box 1835 Roswell, NM 88202-1835	Certified Mailing Number:	7010 1060 0000 0926 6846
JJS Working Interests LLC Attn: Justin Simons 4295 San Felipe, Suite 207 Houston, TX 77027	Certified Mailing Number:	7010 1060 0000 0926 6853
Baish Limited Partnership c/o Private Banking Manager BNY Mellon Wealth Mgmt 2 N. 2nd Street, 12th Floor Harrisburg, PA 17101	Certified Mailing Number:	7010 1060 0000 0926 6860
Garel Ray & Myrtle Myra Westall Rev Trust Sandra Westall Shank & Garel Ray Westall Jr. Co-Trustees 704 Bullock Artesia, NM 88210	Certified Mailing Number:	7010 1060 0000 0926 6877
Devon Energy Production Co. LP 333 West Sheridan Oklahoma City, OK 73102	Certified Mailing Number:	7010 1060 0000 0926 6884
Canadian Kenwood Company A Limited Partnership Canadian Kenwood LLC, General Partner 730 2nd Avenue South, Suite 1300 Minneapolis, MN 55402	Certified Mailing Number:	7010 1060 0000 0926 6891
William G. Parker Nancy Parker Strong & Sylvia S. Voorhies Co-Trustees UWO T. R. Parker Dec 221 Stewart Avenue, Suite 301 Medford, OR 97501	Certified Mailing Number:	7010 1060 0000 0926 6907

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

Devon Energy Production Co.
West Shugart 30 Federal 1 and West Shugart 30 Federal 9
Lease NMLC029387B and Lease NMLC029387D
February 2, 2013

Condition of Approval
Commingle and Off Lease Sales

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. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
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 NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
9. This agency shall be notified of any change in sales method or location of sales point.
10. Additional wells and/or leases require additional commingling approvals.

The public's interest in these leases has been found to be identical for all wells 12.5%. Therefore, this commingle is being approved. This does not mean that the allocation of production to each well will be 100% accurate each month. By approving this request it will only guarantee that the public's interest will not be compromised.