

DATE IN 7/1/11	SUSPENSE 7/21/11	ENGINEER R.E.	LOGGED IN 7/1/11	TYPE CTB 634	APP NO PLANK 1118248824
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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 \_\_\_\_\_

2011 JUN 30 A 10:19

RECEIVED OGD

SAME POOL  
2-Leases/wells  
DIVERSELY OWNED

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Melanie Crawford  
 Print or Type Name

*Melanie Crawford*  
 Signature

Regulatory Analyst  
 Title

6/28/11  
 Date

Melanie.Crawford@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

Form C-107-B  
Revised June 10, 2003

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

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Devon Energy Production Co., LP  
OPERATOR ADDRESS: 20 North Broadway, 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  Other (Specify) \_\_\_\_\_  
(5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
(4) Measurement type:  Metering  Other - Well 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: Melanie Crawford TITLE: Regulatory Analyst

DATE: 6/28/11

TYPE OR PRINT NAME: Melanie Crawford TELEPHONE NUMBER: 405-552-4524

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

SECTION LAND PLAT

County Eddy State New Mexico

Section 20 Township 19 S Range 29 E

Emerald PWU 20 1 H

SHL: 400' FNL, 330' FWL / BHL: 400' FNL, 330' FEL

SHL		BHL	
●-----●		●-----●	
State NM K0 3153		State NM L0 4251	

SECTION LAND PLAT

County Eddy State New Mexico

Section 20 Township 19 S Range 29 E

Emerald PWU 20 2 H

SHL: 1800' FNL, 330' FWL / BHL: 1800' FNL, 330' FEL

SHL			BHL
State NM K0 3702	State NM K0 3153	State NM K0 4251	

Section 20, T19S , R29E  
 Emerald 20-1 H  
 Eddy County, N.M  
 API# N/A

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. 

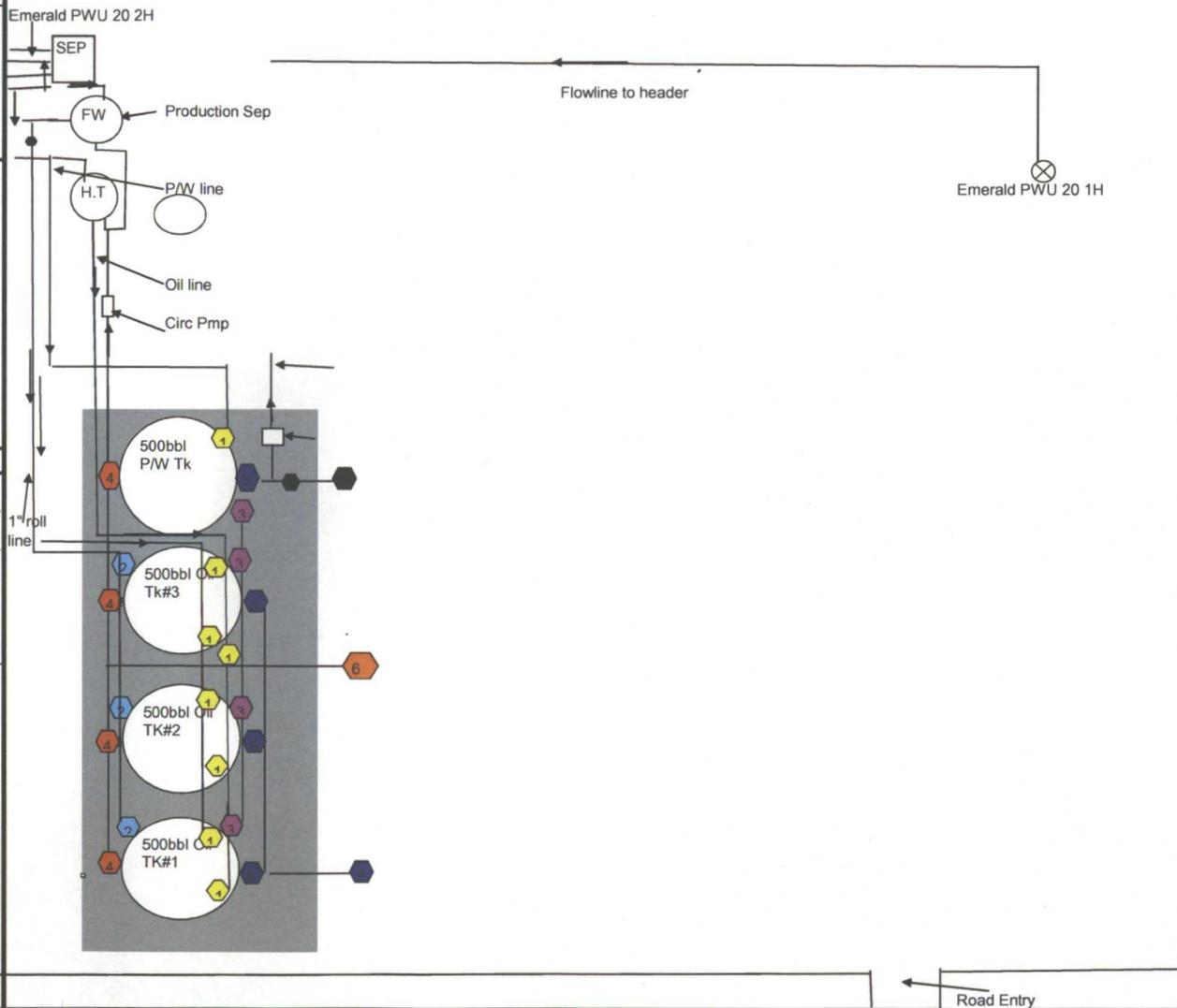
{5} Misc. Valves: Plugged or otherwise unaccessible.

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: Sles Line 
- Valve #6: BS&W Load Line 

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



Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 May 27, 2004

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

WELL API NO. 30-015-38338 & 30-015-38421
5. Indicate Type of Lease FED <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. See Below

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	7. Lease Name or Unit Agreement Name Emerald PWU 20
2. Name of Operator Devon Energy Production Company, LP	8. Well Number 1H & 2H
3. Address of Operator 20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-4524	9. OGRID Number 6137
4. Well Location Unit Letter _____: _____ feet from the _____ line and _____ feet from the _____ line Section 20 Township 19S Range 29E NMPM Eddy County New Mexico	10. Pool name or Wildcat SCANLON DRAW; BONE SPRING
11. Elevation (Show whether DR, RKB, RT, GR, etc.) n/a	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales, & Storage <input checked="" type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Co., LLP respectfully requests to have a Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales & Storage for the below wells:

Emerald PWU 20 1H SHL: KO3153 BHL: LO4251 30-015-38338  
 Emerald PWU 20 2H SHL: KO3702 BHL: KO4251 30-015-38421  
 Scanlon DRAW; BONE SPRING (55510)

A central tank battery will be utilized for both Emerald wells and is located at the Emerald PWU 20 1H wellsite. The DCP CDP Gas Sales Meter 724992-00 is also located on the Emerald PWU 20 1H and will be utilized by both Emerald wells. Once we bring the Emerald PWU 20 2H well in a test separator, heater treater and allocation meter will be added to the current central tank battery. The Emerald PWU 20 1H and Emerald PWU 20 2H will be the only wells utilizing the tank battery and CDP for their production.

The working interest, royalty interest and overriding interest owners are not uniformed; interest owners have been notified (see attached).

CTB-634

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE: Melanie Crawford TITLE: Regulatory Analyst DATE: 6/28/11

Type or print name Melanie Crawford E-mail address: Melanie.Crawford@dvn.com Telephone No. (405) 552-4524  
 For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of Approval (if any): \_\_\_\_\_

NEW MEXICO DC STATE #2  
PALMILLO '18' STATE #8  
HANNIFIN STATE #1

METCALF STATE #1  
PARKWAY STATE 17 COM #2H

18

17

16

NEW MEXICO DC STATE #7  
NEW MEXICO DC STATE #8  
SIVLEY STATE #1

UNION /TX/ ST COM #1

PARKWAY '16' STATE COM #1

JOA C-02-0001165 "Emerald Pwn Mills"

PARKWAY 16 STATE COM #2H

MARBOB STATE #1  
MARBOB STATE #1

PARKWAY WEST UNIT #4

STATE #1  
PARKWAY WEST UNIT #11  
PARKWAY WEST UNIT #11

STNM K03153  
30-0000351/000/1

30-500022/000/2

STNM K04251  
30-500022/000/1

PARKWAY WEST UNIT #12

19

20

19S 29E

30-500026/000/2

21

STNM K03702  
30-500026/000/1

STNM L01513  
30-500021/000/1  
PARKWAY #13

STNM L01513  
30-500021/000/1

PARKWAY WEST UNIT #5

30-0000351/000/1  
30-500022/000/1  
STNM K04251  
STNM K03153

PARKWAY WEST UNIT #24

MARBOB STATE #2  
MARBOB STATE #2

28

30

29

30-0000353/000/1

PARKWAY WEST UNIT '28' #4

30-500024/000/1

30-500025/000/1

30-0000351/000/4

PARKWAY W UNIT #2  
PARKWAY WEST UNIT #2

30-500030/000/1

PARKWAY WEST UNIT 28 #2  
PARKWAY WEST UNIT 28 #2

30-500030/000/2

30-500020/000/1



June 28, 2011

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

2011 JUN 30 8:10:19  
RECEIVED

Interest Owners

Re: Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales & Storage  
Emerald PWU 20 1H & Emerald PWU 20 2H  
Sec 20-T19S-R29E  
API # 30-015-38338 & 30-015-38421  
Pool 55510 - Scanlon Draw; Bone Spring  
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 a Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales & Storage for the Emerald PWU 20 1H & Emerald PWU 20 2H wells.

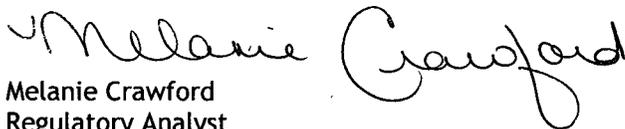
A copy of our application submitted to the Division is attached.

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) 552-8150 should you have any questions or need anything further.

Sincerely,

Devon Energy Production Company, L.P.



Melanie Crawford  
Regulatory Analyst  
Enclosure



Devon Energy Production Company  
20 North Broadway – CT 3 058  
Oklahoma City, Oklahoma 73102-8260  
Phone: (405)-552-4524  
Fax (405)-552-8113  
[Melanie.Crawford@dvn.com](mailto:Melanie.Crawford@dvn.com)

June 28, 2011

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

**Re: Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales & Storage  
Emerald PWU 20 1H & Emerald PWU 20 2H  
API # 30-015-38338 & 30-015-38421  
Sec 20-T19S-R29E  
Lease KO3702, KO4251, & Ko3153  
Scanlon Draw; Bone Spring - Pool Code: 55510  
Eddy County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B and the OCD Form C-103 Sundry Notice for a Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales & Storage for the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners are not uniformed; interest owners have been notified (see attached).

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-4524.

Very truly yours,

**DEVON ENERGY PRODUCTION COMPANY, L.P.**

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

Melanie Crawford  
Regulatory Analyst

Enclosures

Stroube Energy Corp  
17194 Preston Road #102 LB 249  
Dallas, TX 75248

Certified Mailing  
Number: 7009 3410  
0000 3533 9698

State of New Mexico  
Commission of Public Lands  
PO Box 1148  
Santa Fe, NM 87504-1148

Certified Mailing  
Number: 7009 3410  
0000 3533 9681

Magnum Hunter production Inc  
c/o Cimarex Energy  
600 N. Marienfeld, Suite 600  
Midland, TX 79701

Certified Mailing  
Number: 7009 3410  
0000 3533 9674

Bean Family Limited Company  
PO Box 1738  
Roswell, NM 88202-1738

Certified Mailing  
Number: 7009 3410  
0000 3533 9667

Marcia Fuller French  
c/o L R French Jr AIF  
PO Box 11327  
Midland, TX 79702

Certified Mailing  
Number: 7009 3410  
0000 3533 9650

Headington oil Company LLC  
2711 N Haskell Ave, Ste 2800  
Dallas, TX 75204-2940

Certified Mailing  
Number: 7009 3410  
0000 3533 9643

North American Energy  
Investors Inc  
500 Crescent Ct, Ste 270  
Dallas, TX 75201-7860

Certified Mailing  
Number: 7009 3410  
0000 3533 9636

First Century Oil Co Inc  
PO Box 1518  
Roswell, NM 88202-1518

Certified Mailing  
Number: 7009 3410  
0000 3533 9629

COG Operating LLC  
550 W Texas Ave, Ste 1300  
Fasken Center Tower II  
Midland, TX 79701

Certified Mailing  
Number: 7009 3410  
0000 3533 9612

Idzig Ltd, A Texas Limited Partnership  
7600 West Tidewell, Ste 800  
Houston, TX 77040-5719

Certified Mailing  
Number: 7009 3410  
0000 3533 9605

Olive Dilworth  
1909 West 22<sup>nd</sup> Place  
Chicago, IL 60608-4205

Certified Mailing  
Number: 7009 3410  
0000 3533 9599

Merit Energy Partners  
c/o Merit Mgmt Partners GP LLC  
PO Box 843727  
Dallas, TX 75284-3727

Certified Mailing  
Number: 7010 1060  
0000 0917 6008

F I S C O Inc  
%Bobby D Carroll CPA PC  
PO Box 3087  
Roswell, NM 88202-3087

Certified Mailing  
Number: 7010 1060  
0000 0917 5995

Hal S Dean  
PO Box 51307  
Midland, TX 79710-1307

Certified Mailing  
Number: 7010 1060  
0000 0917 5988

Warden Dilworth  
350 Danforth St  
Portland, ME 04102

Certified Mailing  
Number: 7010 1060  
0000 0917 5971