

DATE IN	SUSPENSE	ENGINEER <i>WVT</i>	LOGGED IN <i>12.2.12</i>	TYPE <i>DHC</i>	APP NO. <i>1133647507</i>
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*PT6W*

*(4488)*

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



*Devon*

*Morton Salt St. #4*

**ADMINISTRATIVE APPLICATION CHECKLIST**

*30-075-35228*

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

2011 DEC - 2 11 10 59  
 RECEIVED OOD

[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.

Judy A. Barnett  
 Print or Type Name

*Judy A. Barnett*  
 Signature

Title Regulatory Specialist

Date 12/01/11

e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240

District II  
1301 W. Grand Avenue, Artesia, NM 88210

District III  
Well  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
(see below)

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr.

APPLICATION TYPE  
 Single

Santa Fe, New Mexico 87505

Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

DEVON ENERGY PRODUCTION CO., LP 20 NORTH BROADWAY OKC, OK 73102-8260  
Operator Address

Morton Solid State Unit 4 c/Sec 4 T15S 34E LEA  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 6137 Property Code 28681 API No. 30-025-35228 Lease Type: Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat; Wolfcamp		Tres Papalotes Upper Penn
Pool Code	97806		59870
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9614-9674'		10,320-10479'
Method of Production (Flowing or Artificial Lift)	Rod Pump		Rod Pump
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	Producing		Producing New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	1 BO 3 MCF 9 BW		2 BO 13 MCF 5 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 33.33% Gas 18.75%	Oil Gas	Oil 66.67% Gas 81.25%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.  
Data to support allocation method or formula.  
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.  
Any additional statements, data or documents required to support commingling.

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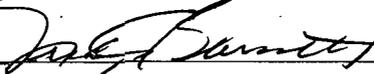
**PRE-APPROVED POOLS**

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools  
List of all operators within the proposed Pre-Approved Pools  
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.  
Bottomhole pressure data.

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I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Regulatory Specialist DATE 12/02/11

TYPE OR PRINT NAME Judy A, Barnett TELEPHONE NO. (405)-228-8699

E-MAIL ADDRESS Judith.Barnett@dvn.com



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

405 235 3611 Phone  
www.devonenergy.com

December 1, 2011

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

RE: Downhole Commingling  
Morton Solid State Unit 4  
NW/4 SEC 4, T15S R34E  
Lea County, New Mexico

RECEIVED OGD  
2011 DEC -2 A 10:53

Dear Mr. Jones:

Please find attached the Form 3160-5 Sundry Notice of Intent to Downhole Commingle, OCD form C-107A, production data and graphs for the proposed zones. The working interest, royalty interest and overriding royalty interest owners in both formations are uniform.

Should you require any additional information or assistance, please do not hesitate to contact me at (405) 228-8699.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Judy A. Barnett  
Regulatory Specialist

Enclosures

Submit 1 Copy 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  
 October 13, 2009

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

WELL API NO. 30-025-35228
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Morton Solid State Unit
8. Well Number 4
9. OGRID Number 6 6137
10. Pool name or Wildcat Wolfcamp; Wildcat Tres Papoltes U. Penn
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator Devon Energy Production Company L. P.

3. Address of Operator  
 20 N. Broadway, Oklahoma City, OK 73102-8260

4. Well Location  
 Unit Letter 660 : feet from the North line and 1980 feet from the West line  
 Section 4 Township 15S Range 34E NMPM Lea County

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>		OTHER: <b>Downhole Commingle</b>	
OTHER: <input type="checkbox"/>		<input checked="" type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Company L. P. is applying with the New Mexico Oil Conservation Division to downhole commingle the Wolfcamp; Wildcat 97806 with the Tres Papoltes Upper Penn 59870. The commingling will not reduce the value of the total production. Ownership in the zones is uniform. The proposed allocations are as follows:

97806 Wolfcamp; Wildcat Oil 33.33% Gas 18.75%  
 59870 Tres Papoltes Upper Penn Oil 66.67% Gas 81.25%

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Judy A. Barnett TITLE Regulatory Specialist DATE 12/01/11

Type or print name Judy A. Barnett E-mail address: Judith.Barnett@dvn.com PHONE: 405.228.8699

**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

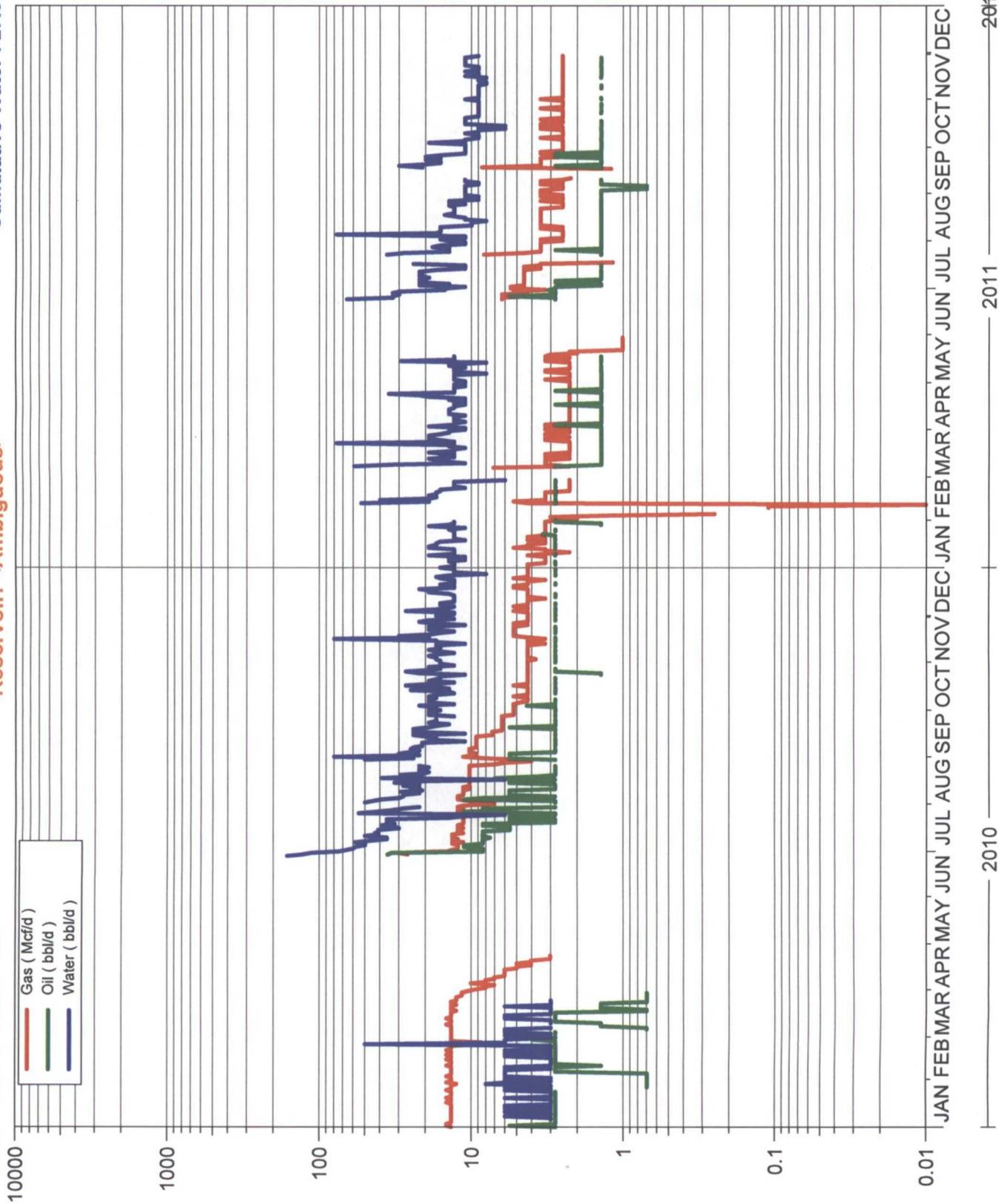
Conditions of Approval (if any): \_\_\_\_\_

Cumulative Gas : 169.78 MMcf  
Cumulative Oil : 128.47 Mbbl  
Cumulative Water : 27.65 Mbbl

## Completions Selected (2)

Reservoir: <Ambiguous>

Status: <Ambiguous>  
Prod Method: ROD PUMP



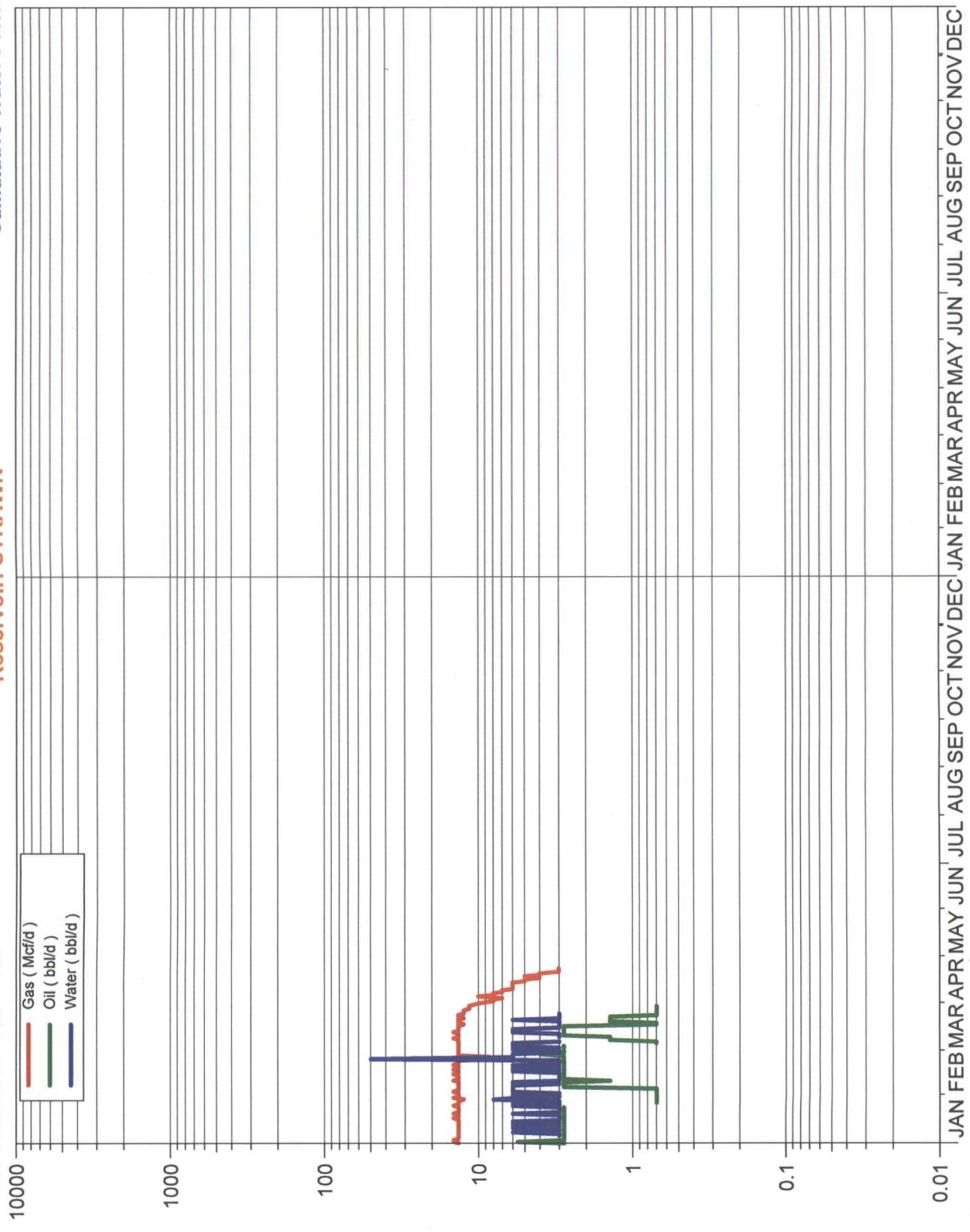
Date

2012

2011

2010

Status: TEMPORARILY ABANDONED **MORTON SOLID ST UT 4 (UPPER PENN) - TA** Cumulative Gas : 167.68 MMcf  
 Reservoir: STRAWN Cumulative Oil : 127.44 Mbbl  
 Prod Method: ROD PUMP Cumulative Water : 18.34 Mbbl



JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC 2010 2011 2012

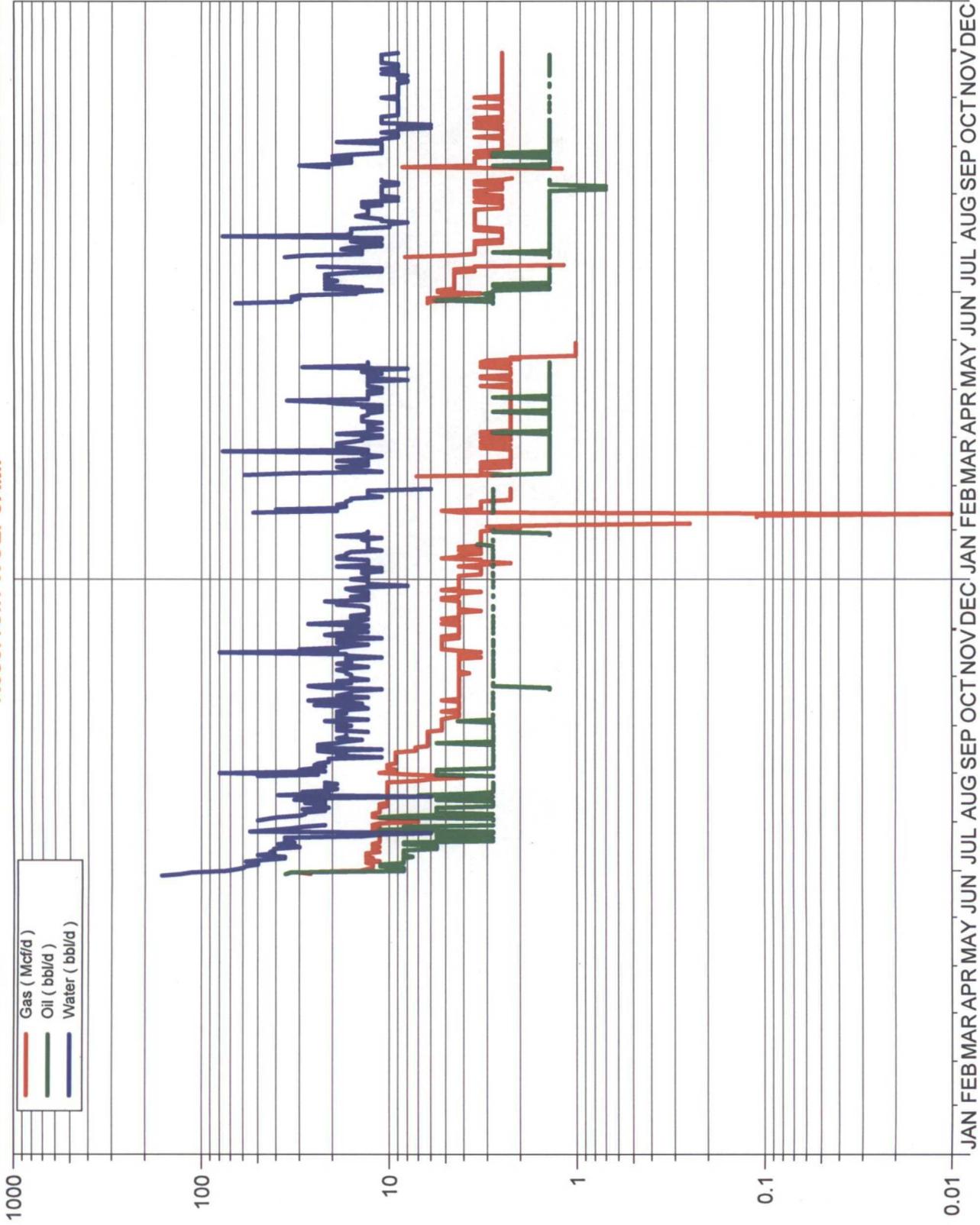
Date

Cumulative Gas : 2.09 MMcf  
Cumulative Oil : 1.02 Mbbl  
Cumulative Water : 9.31 Mbbl

# MORTON SOLID ST UT 4 (WOLFCAMP)

Reservoir: WOLFCAMP

Status: PRODUCING  
Prod Method: ROD PUMP



JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC  
2010 2011 2012

Date

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0718

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-35228</b>	Pool Code 59870	Pool Name TRES PAPALOTES-PENN
Property Code 22318	MORTON SOLID STATE UNIT	
GRID No. 6137	DEVON ENERGY PRODUCTION COMPANY, L. P.	
		Elevation 4118

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	4	15 S	34 E		660	NORTH	1980	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Judy A. Barnett</i></p> <p>Judy A. Barnett Printed Name Regulatory Specialist Title 12/01/11 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 18, 2000</p> <p>Date Surveyed JLP</p> <p>Signature &amp; Seal of Professional Surveyor <i>Ronald J. Eidson 10/19/00</i> W.O. Num. 00-J1-1280</p> <p>Certificate No. RONALD J. EIDSON, 3239 GARY G. EIDSON, 12841</p>

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer 80, Artesia, NM 88211-0718

DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-35228</b>	Pool Code 97806	Pool Name WOLFCAMP; WILDCAT
Property Code 22318	MORTON SOLID STATE UNIT	
GRID No. 6137	DEVON ENERGY PRODUCTION COMPANY, L. P.	Elevation 4118

Surface Location

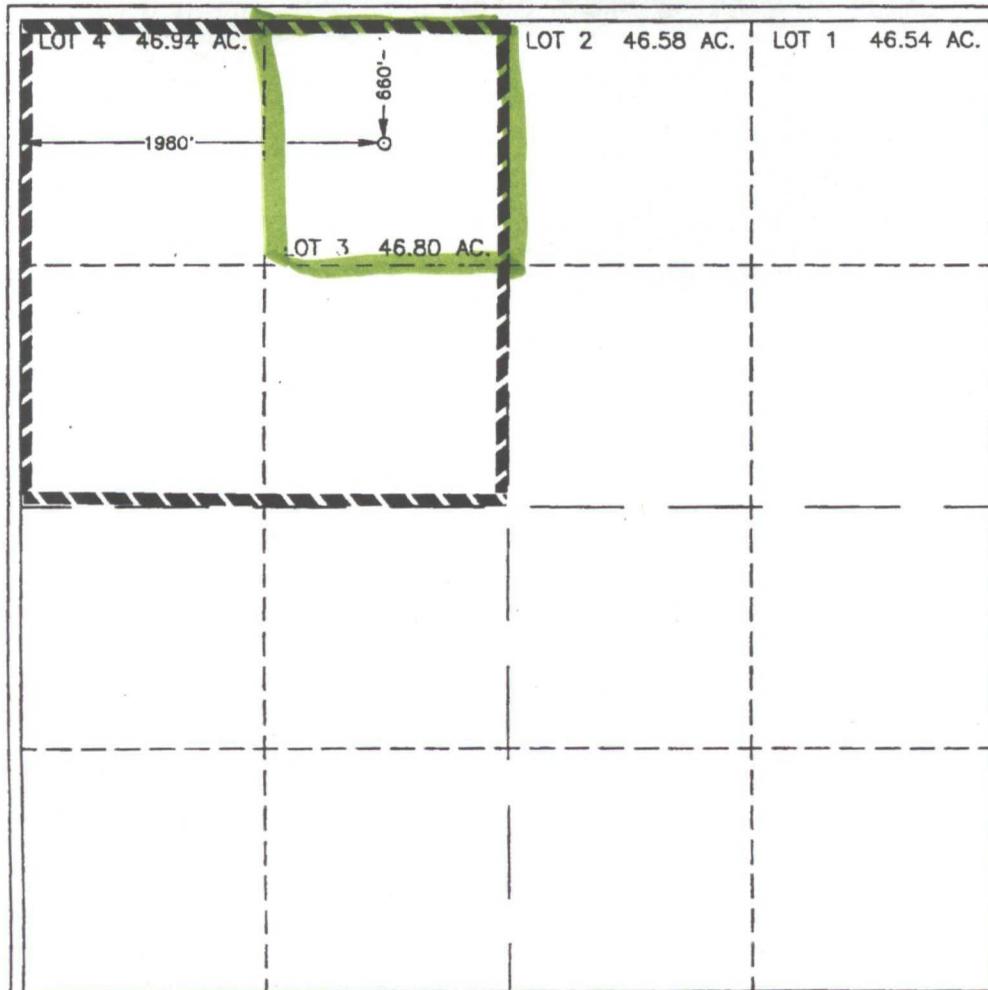
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	4	15 S	34 E		660	NORTH	1980	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Judy A. Barnett*  
 Judy A. Barnett  
 Printed Name  
 Regulatory Specialist  
 Title  
 12/01/11  
 Date

**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

OCTOBER 18, 2000  
 Date Surveyed JLP

Signature & Seal of Professional Surveyor  
*Ronald J. Eidson 10/19/00*  
 W.O. Num. 00-JF-1280

Certificate No. RONALD J. EIDSON, 3239  
 GARY G. EIDSON, 12841



Jim Ball  
Land Advisor  
Jim.Ball@dvn.com

Devon Energy Corporation  
20 North Broadway  
Oklahoma City, Oklahoma 73102-8260  
(405) 552-3384  
(405) 552-8113 FAX

November 30, 2011

New Mexico Oil Conservation Division  
Morton Solid State Unit #4  
NW/4 Section 4, T15S, R34E  
Lea County, New Mexico

Gentlemen;

I have reviewed the files of Devon Energy Production Company, L.P. regarding the ownership of the referenced well and find that the ownership of the working interest, royalty and overriding royalty interest are uniform with respect to Devon's request to downhole commingle the following pools/intervals:

Wolfcamp; Wildcat, Pool Code 97806 (40 acre spacing)  
Tres Papalotes Upper Penn, Pool Code #59870 (160 acre spacing)

If there are any questions or if additional information is required, feel free to call me at (405) 552-3384.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink, appearing to read "Jim Ball", written over a printed name.

Jim Ball  
Land Advisor