

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

- [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
Print or Type Name

Signature

Regulatory Compliance Prof. 02.24.16
Title Date

Erin.Workman@dvn.com
E-mail Address

-uc-025G-06
5522342L
Bon e spr
47422



Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 552-7970 Phone
Erin.workman@dvn.com

February 24, 2016

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

Re: Central Tank Battery
Gaúcho 21 Fed 1, 2H, 3H, & 4H,
API: 30-025-34266, 30-025-40626, 30-025-42136, & 30-025-42137
Pool: (98049) WC-025 G-06 S223421M, Delaware
(96641) Paduca; Bone Spring
Lease: NMNM43564
County: Lea Co., NM

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B application for a Pool Lease Commingle/Off-Lease Measurement, Sales, & Storage for the aforementioned wells. The BLM approved application will be submitted upon receipt. This application will amend the Surface Commingling Order PC-1272.

The working interest, royalty interest and overriding royalty interest owners are not identical; notification has been sent via certified mail (see attached).

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 552-7970.

Sincerely,


Erin Workman
Regulatory Compliance Professional

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

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: 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 Commingling)

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
97946 WC-025 G -06 S223421M; Delaware	44.5/1282.8	45.1/1324.8			
96641 Paduca; Bone Spring	44/1334.9				
96641 Paduca; Bone Spring	46/1321.1				
96641 Paduca; Bone Spring	44/1329.5				

- (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 (Well Test Method)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

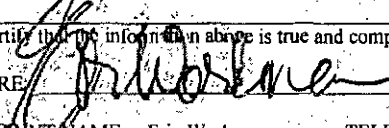
(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (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:  TITLE: Regulatory Compliance Assoc. DATE: 02.24.16

TYPE OR PRINT NAME: Erin Workman TELEPHONE NUMBER: 405-552-7970 E-MAIL ADDRESS: Erin.workman@dvn.com

APPLICATION FOR CENTRAL TANK BATTERY, POOL COMMINGLE/OFF LEASE MEASUREMENT, SALES, & STORAGE

Proposal for Mean Green & Cobber:

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

Federal Lease: NMNM43564 (12.5% Royalty Rate)

Well Name	Location	API #	Pool 96641	BOPD	MCFPD	OG	BTU
Gaucha 21 Fed 1	NWSW, Sec.21, T22S, R34E	30-025-34266	Paduca; Bone Spring	3	1	44	1334.9
Gaucha 21 Fed 3H	SESW, Sec.21, T22S, R34E	30-025-42136	Paduca; Bone Spring	798	1744	46	1321.1
Gaucha 21 Fed 4H	SESW, Sec.21, T22S, R34E	30-025-42137	Paduca; Bone Spring	1100	1612	46	1329.5

Federal Lease NMNM43564 (12.5% Royalty Rate)

Well Name	Location	API #	Pool 97946	BOPD	MCFPD	OG	BTU
Gaucha 21 Fed 2H	SWSW, Sec.21, T22S, R34E	30-025-40626	WC-025 G-06 S223421M; Delaware	11	24	44.5	1282.8

Attached is a map which displays the federal leases and well locations in Section 21, T22S, R34E.

The BLM's interest in these wells are identical.

Oil & Gas metering:

The central tank battery is located on the Gaucha 21 Fed 2H Battery, in Sec 21, T22S, R34E. The production from each well will flow through its own three phase separator with a Micro Motion Coriolis Meter to meter the oil, flow meter to meter the water, and gas allocation meter to meter the gas. The Gaucha 21 Fed 1 & 2H will utilize a common DCP CDP #728802-00. The Gaucha 21 Fed 3H & 4H will utilize a common Federal Measurement Point #390-12-195 that will allocate back to each of these wells. VRU will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Gaucha 21 Fed 2H Battery will have four oil tanks that these four wells will utilize. Oil, gas, and water volumes from each well producing to this battery will be determined by using individual metered separator. All four wells will share a common LACT unit SN1514E10013.

The Gaucha 21 Fed 1 flows into a three phase separator, where after separation gas is routed to the gas allocation meter #390-49-545, then combines with the Gaucha 21 Fed 2H production and will then flow through the DCP Federal Measurement Point #728802-00. The produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis Meter SN20012632, flows into a common oil line with the Gaucha 21 Fed 2H, then to a common heater/treater and into one of the 500 bbl. oil tanks. The water is metered using a mag meter, then flows to the FWKO, and to one of the 500 bbl. water tanks, along with the water from the other wells.

The Gaucha 21 Fed 2H flows into a three phase separator, where after separation gas is routed to the gas allocation meter #390-49-196, then combines with the Gaucha 21 Fed 1 production and will then flow through the DCP Federal Measurement Point #728802-00. The produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis Meter SN1492146, flows into a common oil line with the Gaucha 21 Fed 2H, then to a common heater/treater and into one of the 500 bbl. oil tanks. The water is metered using a mag meter, then flows to the FWKO, and to one of the 500 bbl. water tanks, along with the water from the other wells.

The Gaucha 21 Fed 3H flows to a three phase separator, where after separation gas is routed to the gas allocation meter #390-49-547, then combines with the Gaucha 21 Fed 4H, flows through the gas scrubber, and the to the Federal Measurement Point #390-11-548. The produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis Meter SN1494307, flows into a common oil line with the Gaucha 21 Fed 4H production, combines with the oil from the FWKO, then to a common heater/treater, and into one of the 500 bbl. oil tanks. The water is metered with a mag meter, combines with water from the other wells, then flows to the FWKO, into the heater/treater, and to one of the 500 bbl. water tanks.

The Gaucha 21 Fed 4H flows to a three phase separator, where after separation gas is routed to the gas allocation meter #390-49-546, then combines with the Gaucha 21 Fed 3H, flows through the gas scrubber, and the to the Federal Measurement Point #390-11-548. The produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis Meter SN14492138, flows into a common oil line with the Gaucha 21 Fed 3H production, combines with the oil from the FWKO, then to a common heater/treater, and into one of the 500 bbl. oil tanks. The water is metered with a mag meter, combines with water from the other wells, then flows to the FWKO, into the heater/treater, and to one of the 500 bbl. water tanks.

Oil production will be allocated on a daily basis based on the Coriolis Micro Motion Meter located downstream of the metered separator. The Coriolis meters 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 will be allocated on a daily basis utilizing the gas allocation meter for each well. The gas production from the Gaucho 21 Fed 1 & 2H gas allocation meters will commingle and flow into the DCP FMP #728802-00. The gas production from the Gaucho 21 Fed 3H & 4H gas allocation meters will commingle and flow into the Federal Measurement Point #390-12-195. 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 Gaucho 21 Fed 2H Flow Diagram along with a description of each vessel and map which shows the lease boundaries, location of the 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 not identical and have been notified of this proposal via certified mail (see attached).

Signed:

Printed Name: Erin Workman

Title: Regulatory Compliance Professional

Date: 02.24.16

WORKBOOK

MAY 03 2013

DISTRICT I
P.O. Box 1540, Albuquerque, NM 87101-1540

DISTRICT II
P.O. Box 30, Albuquerque, NM 87101-0030

DISTRICT III
1000 Rio Grande Rd., Santa Fe, NM 87504

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
Submitted 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

WC-025 G-06 523420

API Number 30-025-34266	Pool Code 97922	Pool Name BONE SPRING West
Property Code 23305	Property Name GAUCHO 21 FEDERAL	Well Number 1
OCRD No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3445

Surface Location

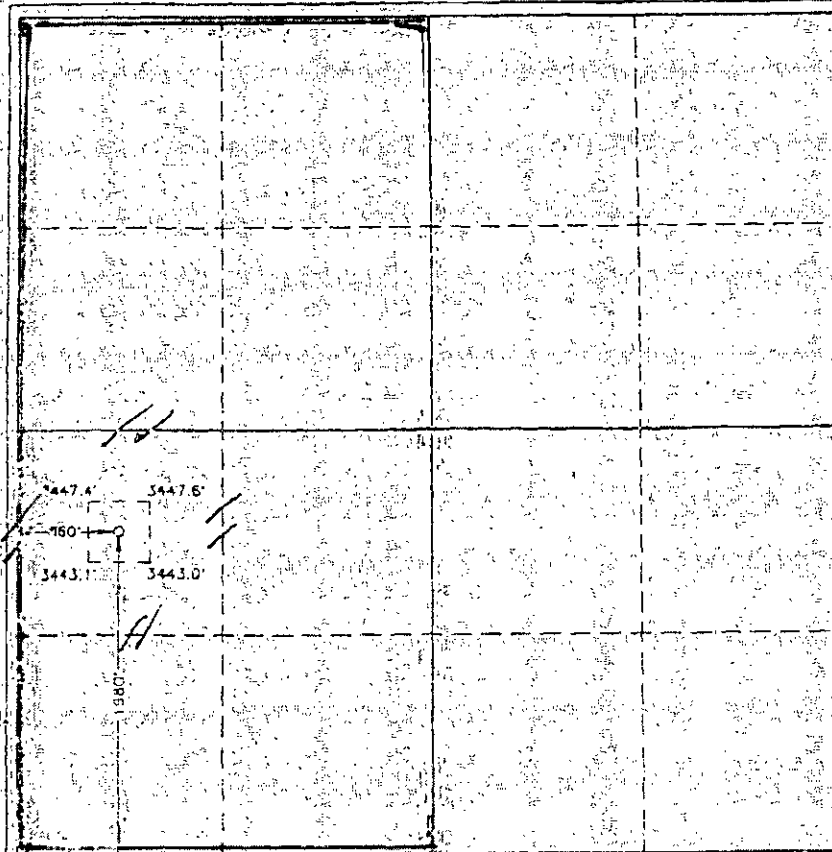
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	21	22 S	34 E		1980	SOUTH	660	WEST	LEA

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 320.40	Joint or Infill	Consolidation Code	Order No.
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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.

D. A.

Signature
DAVID H. COOK

Printed Name
REGULATORY SPECIALIST

Title
5/1/2013

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.

DECEMBER 29, 1997

Date Surveyed

Signature of Professional Surveyor

Professional Surveyor

RONALD G. EICSON

12-30-97

NEW MEXICO

67-1451067

Certification No. RONALD G. EICSON 2239

2004

2102

JUL 15 2013

HOBBS OCD

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1800 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

DEC 27 2012

RECEIVED

State of New Mexico
Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-10626	Pool Code 97946	Pool Name DELAWARE
Property Code 30864	Property Name GAUCHO "21" FEDERAL	Well Number 2H
OGRIID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3438.9

Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
M	21	22 S	34 E		375	SOUTH	375	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
D	21	22 S	34 E		374	NORTH	354	WEST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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.

BOTTOM OF HOLE LAT. = 32.3844435°N LONG. = 103.4835441°W NMSP EAST (FT) N = 504634.03 E = 803661.09		BOTTOM OF HOLE LAT. = 32.3844614°N LONG. = 103.4749979°W NMSP EAST (FT) N = 504661.61 E = 806299.25		OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or retained mineral interest in the land including the proposed bottom hole location or has a right to drill this well or its location pursuant to a contract with an owner of such a retained or working interest, or an ordinary pooling agreement or a compulsory pooling order hereto filed with the Division. Signature: <i>D.H. Cook</i> Date: 12/3/2012 Printed Name: David H. Cook Regulatory Specialist
NW CORNER SEC. 21 LAT. = 32.3844435°N LONG. = 103.4835441°W NMSP EAST (FT) N = 504634.03 E = 803661.09		W Q CORNER SEC. 21 LAT. = 32.3771852°N LONG. = 103.4835542°W NMSP EAST (FT) N = 501993.36 E = 803678.74		
SW CORNER SEC. 21 LAT. = 32.3699343°N LONG. = 103.4835025°W NMSP EAST (FT) N = 499350.33 E = 803684.38		GAUCHO "21" FEDERAL #2H ELEV. = 3438.9 LAT. = 32.3709826°N (NAD83) LONG. = 103.4823873°W NMSP EAST (FT) N = 499732.43 E = 804059.05		
S Q CORNER SEC. 21 LAT. = 32.3699178°N LONG. = 103.4750181°W NMSP EAST (FT) N = 499370.49 E = 806335.48		S Q CORNER SEC. 21 LAT. = 32.3699178°N LONG. = 103.4750181°W NMSP EAST (FT) N = 499370.49 E = 806335.48		

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.
 DECEMBER 1, 2011
 Date of Survey
 Signature and Seal of Professional Surveyor
 Certificate Number: J. JARVIS LIND: PLS 12791
 SURVEY NO. 709

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone: (505) 393-6161 Fax: (505) 393-0730
 District II
 511 S. First St., Artesia, NM 88210
 Phone: (505) 748-1283 Fax: (505) 748-9720
 District III
 1000 Rio Brazos Road, Arree, NM 87110
 Phone: (505) 334-6173 Fax: (505) 334-6170
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
 Energy, Minerals & Natural Resources Department
 OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

HOBBS OCO

Form C-102
 Revised August 1, 2011
 Submit one copy to appropriate
 District Office

SEP 22 2014

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-42136	Pool Code 97922	Pool Name WC-025 G-06 S22342TL; AS
Property Code 30864	Property Name GAUCHO 21 FEDERAL	Well Number 3H
OCRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3432.4

Surface Location

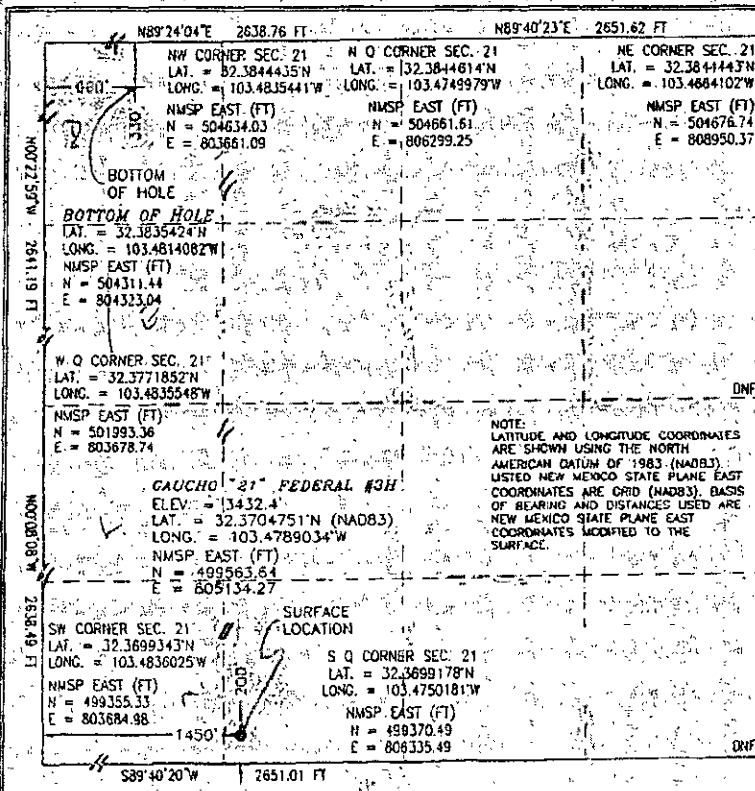
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	21	22 S	34 E		200	SOUTH	1450	WEST	LEA

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
D	21	22 S	34 E		330	NORTH	660	WEST	LEA

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.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or is a voluntary pooling agreement or a compulsory pooling order to complete this well.

Signature: *[Signature]* Date: **2/26/2014**

David H. Cook Regulatory Specialist
 Printed Name

david.cook@dvn.com
 E-mail Address

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.

Date of Survey: **JULY 31, 2013**
 (12797)

Signature and Seal of Professional Surveyor: *[Signature]*
 Certificate Number: **FILIM F.F. JARAMILLO: PLS 12797**

SURVEY NO. 3119A

PP: 200 FSL & 1450 FWL

District I
1623 N. French Dr., Hobbs, NM 88201
Phone: (505) 791-6161 Fax: (505) 791-6122
District II
511 S. First St., Artes, NM 87410
Phone: (505) 745-1291 Fax: (505) 745-1292
District III
1000 Rio Arriba Blvd., Artes, NM 87410
Phone: (505) 745-6173 Fax: (505) 745-6179
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 176-1460 Fax: (505) 176-1462

State of New Mexico
Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

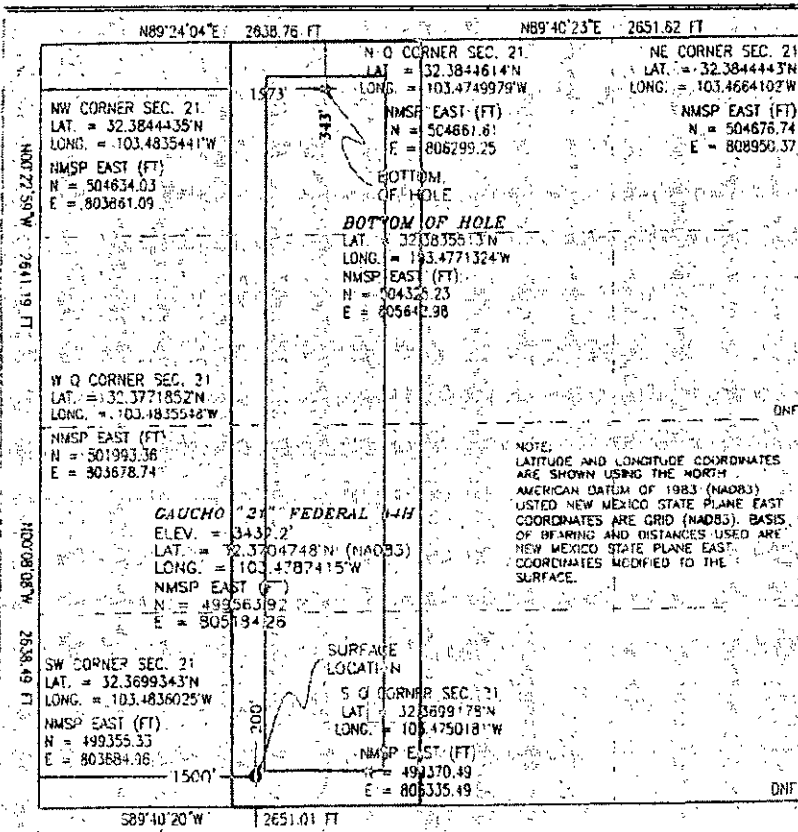
API Number 30-025-42137	Pool Code 97922	Pool Name WC-025 G-06 S223421L; Bone Spring
Property Code 30864	Property Name GAUCHO 21 FEDERAL	Well Number 4H
GRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3432.2

U.L. or lot no. IN	Section 21	Township 22 S	Range 34 E	Lot Idn	Feet from the 200	North/South line SOUTH	Feet from the 1500	East/West line WEST	County LEA
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U.L. or lot no. C	Section 21	Township 22 S	Range 34 E	Lot Idn	Feet from the 343	North/South line NORTH	Feet from the 1973	East/West line WEST	County LEA
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Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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No allowable will be 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, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or as a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Rebecca Deal Date: 11/4/2015
Printed Name: Rebecca Deal, Regulatory Analyst
E-mail Address: Rebecca.deal@dvn.com

"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 are true and correct to the best of my belief.

Date of Survey: 11/4/2015
Signature: [Signature] Surveyor:
Certificate Number: FILE # F JARAMILLO, PLS 12797
SURVEY NO. 2120A

& 1767' F Sec. 21 22S, R34E Project Area
Producing Area:

JAN 20 2016



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

February 24, 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Central Tank Battery
Gaucho 21 Fed 1, 2H, 3H, & 4H,
API: 30-025-34266, 30-025-40626, 30-025-42136, & 30-025-42137
Pool: (98049) WC-025 G-06 S223421M; Delaware
(96641) Paduca; Bone Spring
Lease: NMNM43564
County: Lea Co., NM

To whom it may concern:

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 for a Pool\Lease Commingle\OLM for the above mentioned wells. This application will amend the Surface Commingling Order PC-1272.

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.

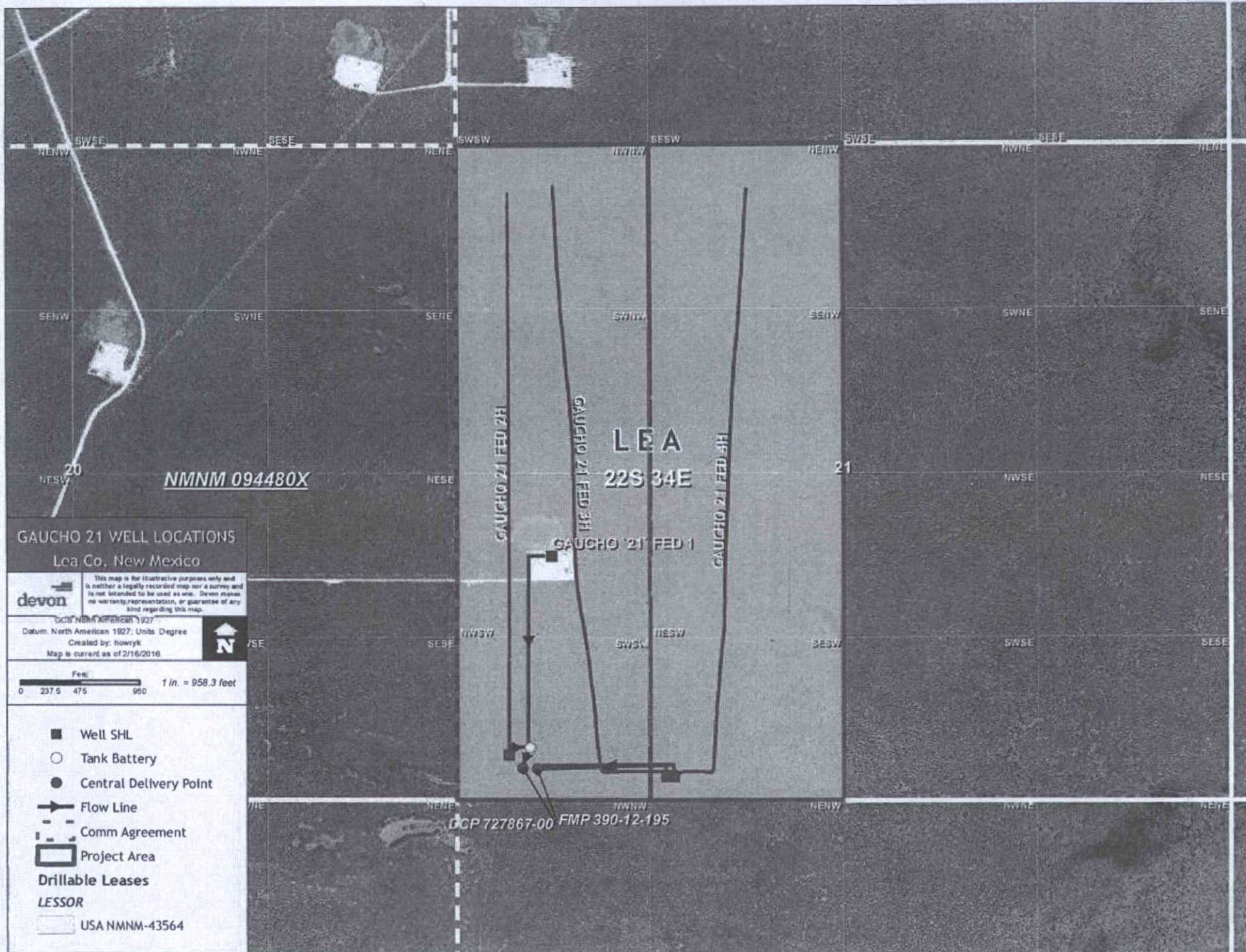
A handwritten signature in black ink, appearing to read "Erin". The signature is fluid and cursive, written over the printed name.

Erin Workman
Regulatory Compliance Professional

Enclosure

Gaucho 21 Fed 1H Battery - CTB\PC\OLM

Name1	Int Type	Street 1	City	State	Postal Cc Tracking #
CHRIS M MORPHEW	WI	4912 N MIDKIFF RD	MIDLAND	TX	79705-251 9214 8901 5271 8100 1093 27
ROBERT E LANDRETH	OR & PP	110 W LOUISIANA AVE STE 404	MIDLAND	TX	79701 9214 8901 5271 8100 1093 34
AXIS ENERGY CORPORATION	WI	PO BOX 2107	ROSWELL	NM	88202-210 9214 8901 5271 8100 1093 41
PANTHER CITY EXPLOR CO LLC	OR	2029 N MAIN ST	FORT WORTH	TX	76164-851 9214 8901 5271 8100 1093 58
MICHAEL R ABBOTT	WI	PO BOX 3876	LUBBOCK	TX	79452 9214 8901 5271 8100 1093 65
CINCO OIL COMPANY	WI	PO BOX 6460	LUBBOCK	TX	79423 9214 8901 5271 8100 1093 72
WILDCAT ENERGY LLC	WI	PO BOX 13323	ODESSA	TX	79768 9214 8901 5271 8100 1093 89
JOE JACK REYNOLDS	OR	8214 WESTCHESTER SUITE 860	DALLAS	TX	75225 9214 8901 5271 8100 1093 96
SCOTT W TANBERG	OR & PP	2502 KESWICK RD	MIDLAND	TX	79705 9214 8901 5271 8100 1094 02
GERALD J BROCKMAN	OR	15071 GOLF DR	WHITNEY	TX	76692 9214 8901 5271 8100 1094 19
NORTON LLC	PP	60 BEACH AVE BAY VIEW	S DARTMOUTH	MA	2748 9214 8901 5271 8100 1094 26
GILES M FORBESS	WI	PO BOX 31	LUBBOCK	TX	79408 9214 8901 5271 8100 1094 33
ALAN JOCHIMSEN	PP	4209 CARDINAL LN	MIDLAND	TX	79707 9214 8901 5271 8100 1094 40
MARCHETA JOCHIMSEN	PP	4209 CARDINAL LN	MIDLAND	TX	79707 9214 8901 5271 8100 1095 70
DEBORAH FEDRIC	PP	PO BOX 1837	ROSWELL	NM	88202-183 9214 8901 5271 8100 1094 57
GEORGE H HUNKER	PP	PO BOX 524	LANDER	WY	82520 9214 8901 5271 8100 1094 64
SAMMY L MORRISON	OR	4617 BREEZEWAY CT	MIDLAND	TX	79707 9214 8901 5271 8100 1094 71
MISTY MORNING PARTNERSHIP	OR	1645 FOX LN	BURLESON	TX	76028 9214 8901 5271 8100 1094 88
DOUGLAS INVESTMENTS INC	OR	PO BOX 79148	SAGINAW	TX	76179 9214 8901 5271 8100 1094 95
ONRR	RI	PO BOX 25627	DENVER	CO	80225-062 9214 8901 5271 8100 1095 01
MONTY D MCLANE	PP	PO BOX 9451	MIDLAND	TX	79708 9214 8901 5271 8100 1095 18
MARGARET HUNKER TSUI TR	PP	3200 N TACOMA ST	ARLINGTON	VA	22213 9214 8901 5271 8100 1095 25
CLINTON PACE	OR	544 COMANCHE	LUBBOCK	TX	79404 9214 8901 5271 8100 1095 32
RYAN PACE	OR	6312 73RD ST APT 812	LUBBOCK	TX	79424 9214 8901 5271 8100 1095 49
TARA N PACE	OR	5716 RIDGEMONT PL	MIDLAND	TX	79707 9214 8901 5271 8100 1095 56
ALEYNA N PACE	OR	5716 RIDGEMONT PL	MIDLAND	TX	79707 9214 8901 5271 8100 1095 87
DEVON ENERGY PROD CO LP	WI & OR	333 W SHERIDAN AVE	OKLAHOMA CITY	OK	73102-501 9214 8901 5271 8100 1095 63



WC Name	Well API	Date	Oil Prod	Gas Prod	Wtr Prod
GAUCHO 21 FED 1H BS	300253426600	6/30/2015	92.00	48	130.00
GAUCHO 21 FED 2H	300254062600	6/30/2015	222.00	388	2,336.00
		6/30/2015	314.00	436	2,466.00
GAUCHO 21 FED 1H BS	300253426600	7/31/2015	17.00	60	22.00
GAUCHO 21 FED 2H	300254062600	7/31/2015	78.00	124	517.00
		7/31/2015	95.00	184	539.00
GAUCHO 21 FED 1H BS	300253426600	8/31/2015	105.00	249	132.00
GAUCHO 21 FED 2H	300254062600	8/31/2015	190.00	132	2,429.00
		8/31/2015	295.00	381	2,561.00
GAUCHO 21 FED 1H BS	300253426600	9/30/2015	103.00	303	119.00
GAUCHO 21 FED 2H	300254062600	9/30/2015	121.00	107	1,985.00
		9/30/2015	224.00	410	2,104.00
GAUCHO 21 FED 1H BS	300253426600	10/31/2015	0.00	102	35.00
GAUCHO 21 FED 2H	300254062600	10/31/2015	0.00	37	579.00
		10/31/2015	0.00	139	614.00
GAUCHO 21 FED 1H BS	300253426600	11/30/2015	68.00	65	129.00
GAUCHO 21 FED 2H	300254062600	11/30/2015	392.00	1,154	2,533.00
GAUCHO 21 FED 3H_P	300254213600	11/30/2015	16,544.00	15,153	17,017.00
GAUCHO 21 FED 4H	300254213700	11/30/2015	16,369.00	14,611	23,906.00
		11/30/2015	33,373.00	30,983	43,585.00
GAUCHO 21 FED 1H BS	300253426600	12/31/2015	115.00	0	191.00
GAUCHO 21 FED 2H	300254062600	12/31/2015	356.00	177	991.00
GAUCHO 21 FED 3H_P	300254213600	12/31/2015	24,974.00	37,259	12,887.00
GAUCHO 21 FED 4H	300254213700	12/31/2015	28,487.00	41,383	16,438.00
		12/31/2015	53,932.00	78,819	30,507.00

Gaucha 21 Fed 2H Battery
 Sec. 22 T26S R34E
 API 30-025-40626
 Lea County, New Mexico

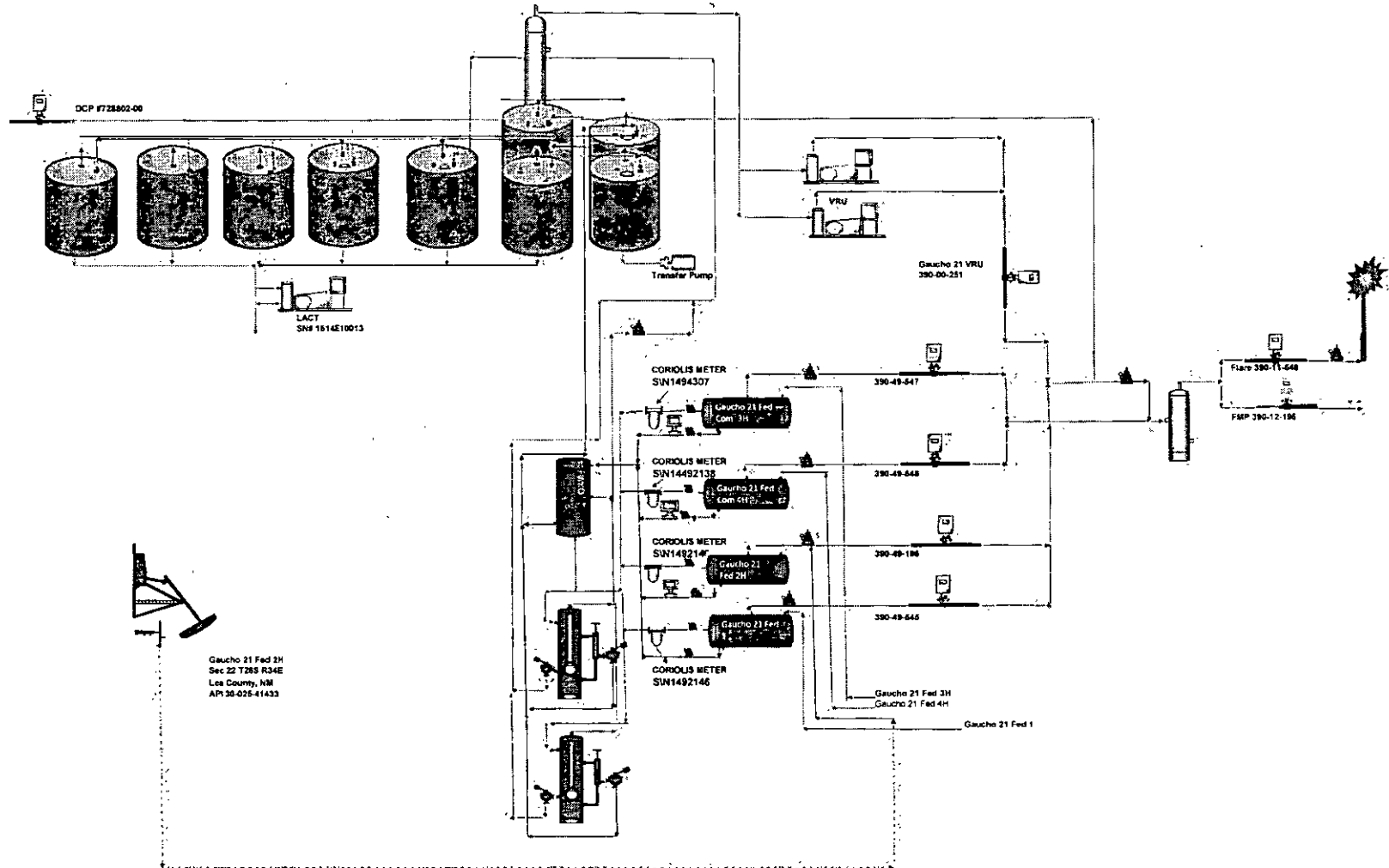
PROCESS FLOW DIAGRAM

N
 W • E
 S

Road Access

Production System: Closed

Note:
 Devon Energy Site Security Plan
 located in the Artesia Main Office



McMillan, Michael, EMNRD

From: Workman, Erin <Erin.Workman@devon.com>
Sent: Tuesday, March 15, 2016 9:37 AM
To: McMillan, Michael, EMNRD
Subject: Gaucho 21 Commingling

Per your request the ownership of the Gaucho 21 Fed 3H & 4H are the only wells with identical ownership. Thanks and have a great day!

Erin Workman

Regulatory Compliance Professional
Devon Energy Corporation
Devon Energy Center 18.520
333 W. Sheridan Avenue
OKC, OK 73102
405.552.7970 Direct

"Peace I leave with you; my peace I give you. I do not give to you as the world gives. Do not let your hearts be troubled and do not be afraid." John 14:27 (NIV)

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State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



March 19, 2014

Surface Commingling Order PC-1272
Administrative Application Reference No. pMAM1401456964

Devon Energy Production Company, LP
Attention: Ms. Erin Workman

Devon Energy Production Company, L.P. is hereby authorized to surface commingle oil and gas production from the following Pools:

WC-025 G-06 S223421L; Bone Spring	(97922)
WC-025 G-05 S223421M; Delaware	(97946)

and from the following wells located on the Gaucho 21 Federal lease in Section 21, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

<u>Well Name</u>	<u>API No.</u>	<u>Unit Letter</u>
Gaucho 21 Federal No. 1	30-025-34266	L
Gaucho 21 Federal No. 2H	30-025-40626	M

Commingled oil and gas production from the wells shall be measured and sold at the Central Tank Battery located in (Unit M) of Section 21, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

The oil production from the wells detailed above shall be measured with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated quarterly.

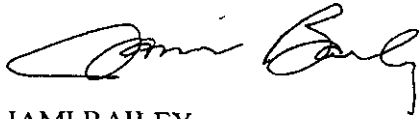
Gas production from one of the wells shall be metered, and the commingled gas production shall be allocated back to each well using the subtraction method. The commingled oil and gas production from the wells is approved for off-lease measurement and sales.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. The producer/Operator shall notify the transporter of this commingling authority.

March 19, 2014
Page 2

FURTHER: The operator shall notify the Hobbs District Office of the Division prior to implementation of commingling operations.

Done at Santa Fe, New Mexico, on March 19, 2014

A handwritten signature in black ink, appearing to read "Jami Bailey", written in a cursive style.

JAMI BAILEY
Division Director

JB/re

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management - Carlsbad