

State of New Mexico
Energy, Minerals and Natural Resources Department

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Ken McQueen
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Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



June 2, 2017

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-311-A
Administrative Application Reference No. pMAM1715340099

DEVON ENERGY PRODUCTION COMPANY, LP
Attention: Ms. Erin Workman

Pursuant to your application received on June 2, 2017, Devon Energy Production Company, LP (OGRID 6137) is hereby authorized to surface commingle oil and gas production from identically owned leases in the form of Federal leases and a Federal Communitization Agreement from the following pools located in Section 25, Township 22 South, Range 30 East, NMPM, Eddy County, New Mexico.

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|------------------------------------|---------|
| LOS MEDANOS; BONE SPRING | (40295) |
| QUAHADA RIDGE; DELAWARE, SOUTHEAST | (50443) |
| LOS MEDANOS; WOLFCAMP, SOUTH | (96336) |

Lease: Federal Lease NMNM 089052
Description: SE/4 SE/4 of Section 25 Township 22, South, Range 30 East
Well: Apache 25 Federal Well No. 2 API 30-015-27478
Pool: Los Medanos; Bone Spring

Lease: Federal Lease NMNM 089052
Description: SE/4 SE/4 of Section 25 Township 22, South, Range 30 East
Well: Apache 25 Federal Well No. 6 API 30-015-29894
Pool: Quahada Ridge; Delaware, Southeast

Lease: Federal Lease NMNM 089052
Description: S/2 S/2 of Section 25 Township 22, South, Range 30 East
Well: Apache 25 Federal Well No. 10 H API 30-015-35597
Pool: Quahada Ridge; Delaware, Southeast

Lease: Federal Lease NMNM 089052
Description: SW/4 SE/4, and S/2 SW/4 of Section 25, Township 22 South, Range 30 East
Well: Apache 25 Federal Well No. 17 H API 30-015-41116
Pool: Los Medanos; Bone Spring

Lease: Federal Lease NMNM 091509
Description: NE/4 SE/4 of Section 25, Township 22 South, Range 30 East
Well: Apache 25 Federal Well No. 5 API 30-015-32720
Pool: Quahada Ridge; Delaware, Southeast

Lease: Federal Communitization Agreement NMNM 090090
Description: NW/4 SE/4 of Section 25, Township 22 South, Range 30 East
Well: Apache 25 Federal Well No. 9 API 30-015-32797
Pool: Los Medanos; Bone Spring
Los Medanos; Wolfcamp, South

The combined spacing unit and project area for these wells include the SE/4, and S/2 SW/4 of Section 25, Township 22 South, Range 30 East, NMPM, Eddy County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Apache 25 Federal Well No. 6 Tank Battery (CTB) located in Unit P, Section 25, Township 22 South, Range 30 East, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the identically-owned leases shall be measured with a combination of well testing and metering. Each well shall be tested at least once a month through the dedicated tester.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

After initial notification, future wells that will produce from the pools and leases approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Your application has been duly filed under the provisions of Division Rules 19.15.12.10 C (4) NMAC and 19.15.4.12.A (8) NMAC. No notice is required, because ownership is identical throughout the surface commingle application.

The operator shall notify the transporter of this commingling authority.

This Order supersedes Administrative Order PLC-311, issued on July 30, 2008. This Order adds the Apache 25 Federal Well No. 17 H, and the corresponding Los Medanos; Bone Spring Pool.

The operator shall notify the Artesia District Office upon commencement of commingling operations.

This approval is subject to like approval from the Bureau of Land Management before commencing commingling operations.

DONE at Santa Fe, New Mexico, on June 2, 2017.



DAVID R. CATANACH
Director

DRC/mam

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