

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-828
Administrative Application Reference No pKSC1716347541

July 5, 2017

DEVON ENERGY PRODUCTION COMPANY, L.P.

Attention Ms. Erin Workman

Devon Energy Production Company, L.P. (OGRID 6137) is hereby authorized to surface commingle oil and gas production from the Triple X, Bone Spring Pool (pool code 59900) from diversely owned wells and leases within the Thistle Unit located in Township 23 South, Range 33 East, NMPM, Lea County, New Mexico. For clarity purposes, the combination of wells which are measured using metering and well testing are listed as separate leases,

Lease	Federal Lease NMNM 088526C		
Description	E/2 E/2 and W/2 W/2 of Section 27, Township 23 South, Range 33 East, NMPM		
Wells	Thistle Unit Well No 55H	API	30-025-41488
	Thistle Unit Well No 71H	API	30-025-42455

Lease.	Federal Lease NMNM 088526C		
Description	E/2 and E/2 W/2 of Section 27, Township 23 South, Range 33 East, NMPM		
Wells	Thistle Unit Well No 56H	API	30-025-41340
	Thistle Unit Well No 57H	API	30-025-41341
	Thistle Unit Well No 58H	API	30-025-41342

Lease	Federal Lease NMNM 088526C		
Description	Entire Section 22, Township 23 South, Range 33 East, NMPM		
Wells	Thistle Unit Well No 61H	API	30-025-41487
	Thistle Unit Well No 62H	API	30-025-41466
	Thistle Unit Well No 63H	API	30-025-41467
	Thistle Unit Well No 64H	API	30-025-41468

The combined project area for these wells include the entire Section 22, and entire Section 27, all in Township 23 South, Range 33 East, NMPM, Lea County, New Mexico

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Thistle North Central Tank Battery (CTB), located in Unit N, Section 22, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico

Production from the subject wells shall be determined as follows

The oil and gas production from the Thistle Unit Well No 55H and Thistle Unit Well No 71H shall be allocated using metering and periodic well testing. During testing, one well shall flow through the test separator, and the remaining well shall flow through the production separator. Each well shall be tested monthly for a minimum of 24 hours.

The oil and gas production from the Thistle Unit Well No 56H, Thistle Unit Well No 57H, and Thistle Unit Well No 58H well shall be allocated using metering and periodic well testing. During testing, one well shall flow through the test separator, and the remaining wells shall flow through the production separator. Each well shall be tested monthly for a minimum of 24 hours.

The oil and gas production for the Thistle Unit Well No 61H, Thistle Unit Well No 62H, Thistle Unit Well No 63H, and Thistle Unit Well No 64H shall be allocated using periodic well testing. During testing, one well shall flow through the test separator, and the remaining wells shall flow through the production separator. Each well shall be tested monthly for a minimum of 24 hours.

It is understood that the test separator and meters are designed to accurately measure production from the well with the highest production rate. In addition, the hyperbolic behavior of the oil production from the all wells in this administrative application have stabilized into the Range 3 portion of the decline as described in Hearing Order R-14299, with a decline rate of less than 5 percent.

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

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

Done at Santa Fe, New Mexico, on July 5, 2017



DAVID R. CATANACH
Director

DRC/mam

cc Oil Conservation Division – Hobbs
Bureau of Land Management – Carlsbad