

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-877

November 27, 2018

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

Devon Energy Production Company, LP (OGRID 6137) is hereby authorized to surface commingle oil and gas production and off-lease measure oil and gas production from the Paduca; Bone Spring (O) Pool (Pool code 96641) from the following diversely owned federal leases located in Township 23 South, Range 31 East, Eddy County, New Mexico:

Lease: Federal Communitization Agreement CA 136530
Description: W/2 E/2 of Section 15
Well: Belgian 15 Federal Com Well No. 1H API 30-015-43187

Lease: Federal Lease NMNM 016131
Description: W/2 E/2 of Section 15
Wells: Shire 22 Federal Well No. 1H API 30-015-43222

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Belgian Shire BS Central Tank Battery (CTB), located in Unit H, Section 22, Township 25 South, Range 31 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be measured with allocation meters.

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

Your application has been duly filed under the provisions of Division Rules 19.15.12.10.C NMAC and 19.15.4.12.A (8) NMAC.

It is also understood that you have given due notice of this application to all owners in the mineral interest estate ("affected parties") as defined in Rule 19.15.12.10.C (4) NMAC.

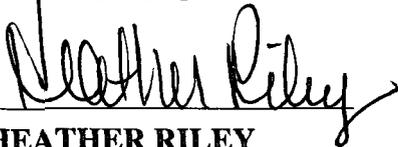
The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This administrative order is subject to like approval from the Bureau of Land Management.

Subsequent wells within leases approved by this order may be added to this administrative surface commingle application with a Sundry notice to the Engineering Bureau.

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



HEATHER RILEY
Director

HR/mam

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