

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

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

10/19/03 DLE DLE DHC PDLC0328057985
State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

3210

APPLICATION TYPE
X Single Well
X Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Devon Energy Production Company, L.P. 20 N. Broadway, Suite 1500, Oklahoma City, OK 73102
Operator Address

Mann 3 Federal 3 M-Sec 3 T18S R27E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 6137 Property Code 23715 API No. 30-015-30442 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Red Lake (Q-GB-SA)		Red Lake Glorieta-Yeso
Pool Code	51300		51120
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2100' - 2820'		3104' - 3354'
Method of Production (Flowing or Artificial Lift)	AI		AI
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	40.5		39.6
Producing, Shut-In or 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.)	Date: 10/30/01 Rates: 61-62--472	Date: Rates:	Date: 10/10/01 Rates: 18-26-223
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 76% Gas 69 %	Oil % Gas %	Oil 24% Gas 31 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yesx 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? Yesx No____
Will commingling decrease the value of production? Yes____ Nox____
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? Yesx No____

NMOCD Reference Case No. applicable to this well: DHC-2890

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.

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.

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

SIGNATURE TITLE Operations Technician DATE 9/23/03

TYPE OR PRINT NAME Karen Cottom TELEPHONE NO. (405) 228-7512

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY, LP.

3. Address and Telephone No.
20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611

4. Location of Well (Footage. Sec., T., R., M., or Survey Description)
1024' FSL & 330' FWL, Sec 3-18S-27E, Unit M

5. Lease Designation and Serial No.
LC-061783-B

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Mann 3 Federal #3

9. API Well No.
30-015-30442

10. Field and Pool, or Exploratory Area
Red Lake (Q-GB-SA)

11. County or Parish, State
Eddy County, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other <u>Downhole Commingle</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Devon Energy Production Company, L.P. is applying with the New Mexico Oil Conservation Division to downhole commingle the existing (51300) Red Lake (Q-GB-SA) perfs 2100' - 2820' and with the existing (51120) Red Lake; Glorieta-Yeso, perfs (3104' - 3354'). Order No. R-11363 established these as pre-approved pools. The commingling will not reduce the value of the total remaining production. Ownership in the zones is identical. A Sundry Notice Form 3160-5 has been sent to the Bureau of Land Management notifying them of this application.

The proposed allocations are as follows:

51300 - Red Lake (Q-GB-SA) Oil 76% Gas 69%

51120 - Red Lake; Glorieta-Yeso Oil 24% Gas 31%

Current and proposed wellbore schematics are attached along with the allocation method and supporting data

APPROVED
 NOV 21 2001
 GARY GOURLEY
 REGIONAL SUPERVISOR
**SUBJECT TO
 LIKE APPROVAL
 BY STATE**

14. I hereby certify that the foregoing is true and correct

Signed *Karen A. Cottom*
 (This space for Federal or State office use)

Karen A. Cottom

Title Engineering Technician

Date November 6, 2001

Approved by _____
 Conditions of approval, if any:

Title _____

Date _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction.

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM
87410

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

WELL API NO. 30-015-30442 - Federal Well
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LC-061783B
7. Lease Name or Unit Agreement Name Mann 3 Federal
8. Well No. 3
9. Pool name or Wildcat Red Lake (Q-GB-SA)

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 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611

4. Well Location
 Unit Letter **M**: **1024'** Feet From The **South** Line and **330'** Feet From The **West** Line

Section 3	Township 18S	Range 27E	NMPM	Eddy	County
10. Elevation (Show whether DF, RKB, RT, GR, etc.)					
3551' GR					

Check Appropriate Box To Indicate Nature Of Notice, Report, Or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON

TEMPORARILY ABANDON CHANGE PLANS

PULL OR ALTER CASING

OTHER: Downhole Commingle

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING

COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT

CASING TEST AND CEMENT JOB

OTHER: _____

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 1103.

Devon Energy Production Company, L.P. is applying with the New Mexico Oil Conservation Division to downhole commingle the existing (51300) Red Lake (Q-GB-SA) perfs 2100' – 2820' and with the existing (51120) Red Lake; Glorieta-Yeso, perfs (3104' – 3354'). Order No. R-11363 established these as pre-approved pools. The commingling will not reduce the value of the total remaining production. Ownership in the zones is identical. A Sundry Notice Form 3160-5 has been sent to the Bureau of Land Management notifying them of this application.

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Current and proposed wellbore schematics are attached along with the allocation method and supporting data

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

SIGNATURE *Karen Cottom*

TITLE ENGINEERING TECHNICIAN

DATE November 6, 2001

TYPE OR PRINT NAME Karen Cottom

TELEPHONE NO. (405) 235-3611

(This space for State use)

Approved by _____
Conditions of approval, if any:

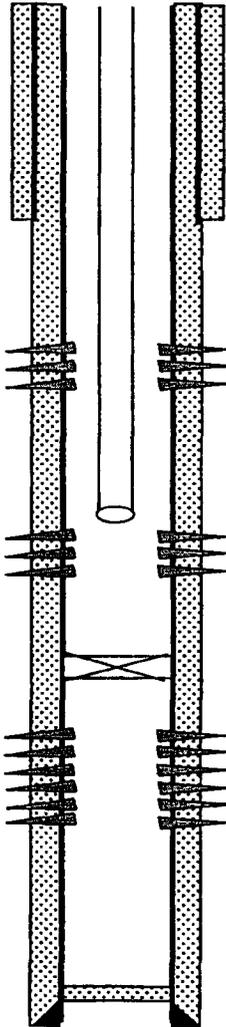
TITLE _____

DATE _____

**DEVON ENERGY CORPORATION
WELLBORE SCHEMATIC**

WELL NAME: Mann 3 Federal #3			FIELD: Red Lake (Q-GB-SA)			
LOCATION: Sect 3-T18S-R27E			COUNTY: Eddy		STATE: NM	
ELEVATION: GL=3551'			SPUD DATE: 5/29/01		COMP DATE: 10/19/01	
API#: 30-015-30442		PREPARED BY: Karen Cottom			DATE: 11/5/01	
TUBULARS	DEPTH	SIZE	WEIGHT	GRADE	THREAD	HOLE SIZE
CASING:	0 - 1152'	8 5/8"	24#	J-55		11"
CASING:	0 - 3798'	5 1/2"	15.5#	J-55		7 7/8"
CASING:						
CASING:						
TUBING:	0 - 2670'	2 7/8"				

CURRENT PROPOSED



8 5/8" casing set @1,333' cmt w/615 sx circulated 144sx to pit

Upper San Andres Perforations:
2100' - 2356' (29 holes)

2 7/8" tbg w/SN @2814'

Low San Andres Perforations:
2728' - 2820' (22 holes)

CIBP @ 3050'

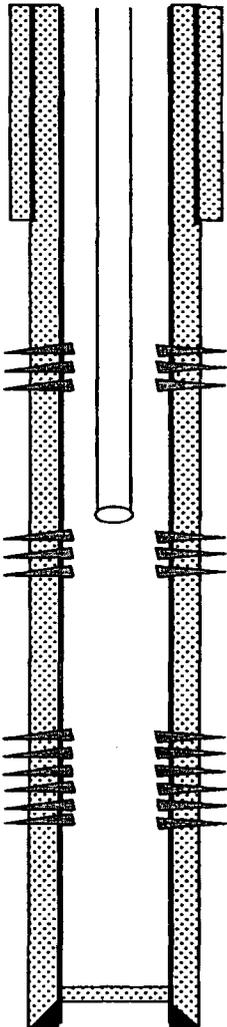
Yeso Perforations:
3104' - 3354' (36 holes)

PBTD @ 3,580'
5 1/2" casing, set @3648' w/770 sx cmt circulated 20sx to pit
TD @ 3,650'

**DEVON ENERGY CORPORATION
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5 1/2" casing, set @3648' w/770 sx cmt circulated 20sx to pit
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Date	Oil	Gas	Water	Choke	Strokes	Casing Pressure(1)	Tubing Pressure
9/27/01	20	26	252	-	12	17	200
9/28/01	19	26	246	-	12	17	200
9/29/01	19	26	230	-	12	17	200
9/30/01	15	26	255	-	12	17	200
10/1/01	19	26	250	-	12	17	200
10/2/01	20	26	251	-	12	17	200
10/3/01	17	26	230	-	12	17	200
10/4/01	19	26	226	-	12	17	200
10/5/01	18	26	214	-	12	17	200
10/6/01	17	26	235	-	12	17	200
10/7/01	22	32	232	-	12	17	200
10/8/01	18	26	239	-	12	17	200
10/9/01	18	26	212	-	12	17	200
10/10/01	18	26	223	-	12	17	200
10/11/01	15	26	242	-	12	17	200
10/12/01	18	26	235	-	12	17	200
10/13/01	18	17	288	-	12	50	200

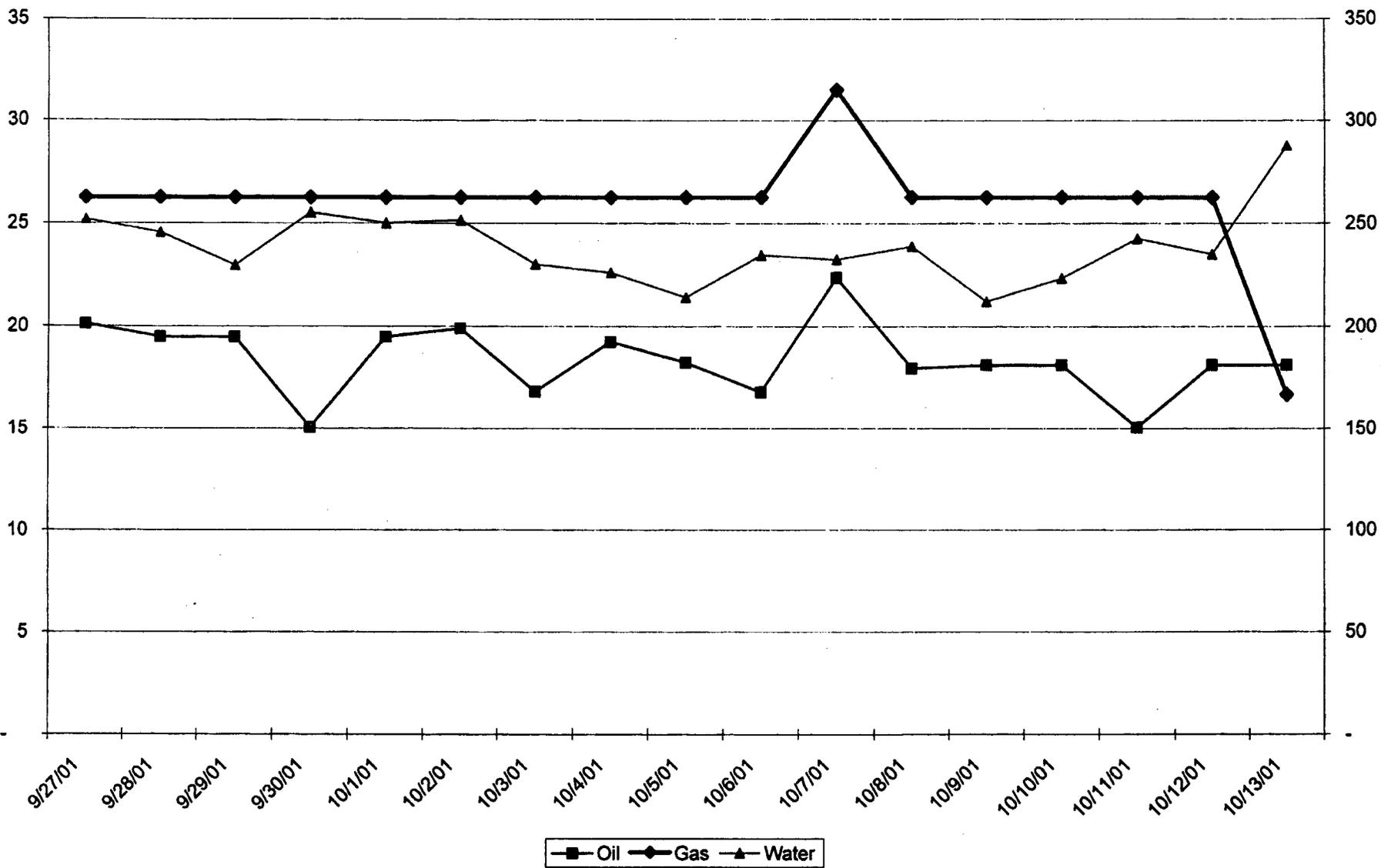
Date	Oil	Gas	Water	Choke	Strokes	Casing Pressure(1)	Tubing Pressure
10/18/01	8	18	147	-	12	50	200
10/19/01	10	18	213	-	12	50	200
10/20/01	29	49	495	-	12	50	200
10/21/01	105	87	555	-	12	60	200
10/22/01	101	54	569	-	12	60	200
10/23/01	82	53	539	-	12	60	200
10/24/01	69	58	433	-	12	60	200
10/25/01	55	67	439	-	12	60	200
10/26/01	68	65	408	-	12	60	200
10/27/01	63	68	407	-	12	60	200
10/28/01	66	69	420	-	12	60	200
10/29/01	72	74	437	-	12	60	200
10/30/01	61	62	472	-	12	60	200
10/31/01	58	66	440	-	12	60	200
11/1/01	49	60	416	-	12	60	200
11/2/01	58	64	450	-	12	50	200
11/3/01	49	59	459	-	12	50	200

Yeso	18	26	239	
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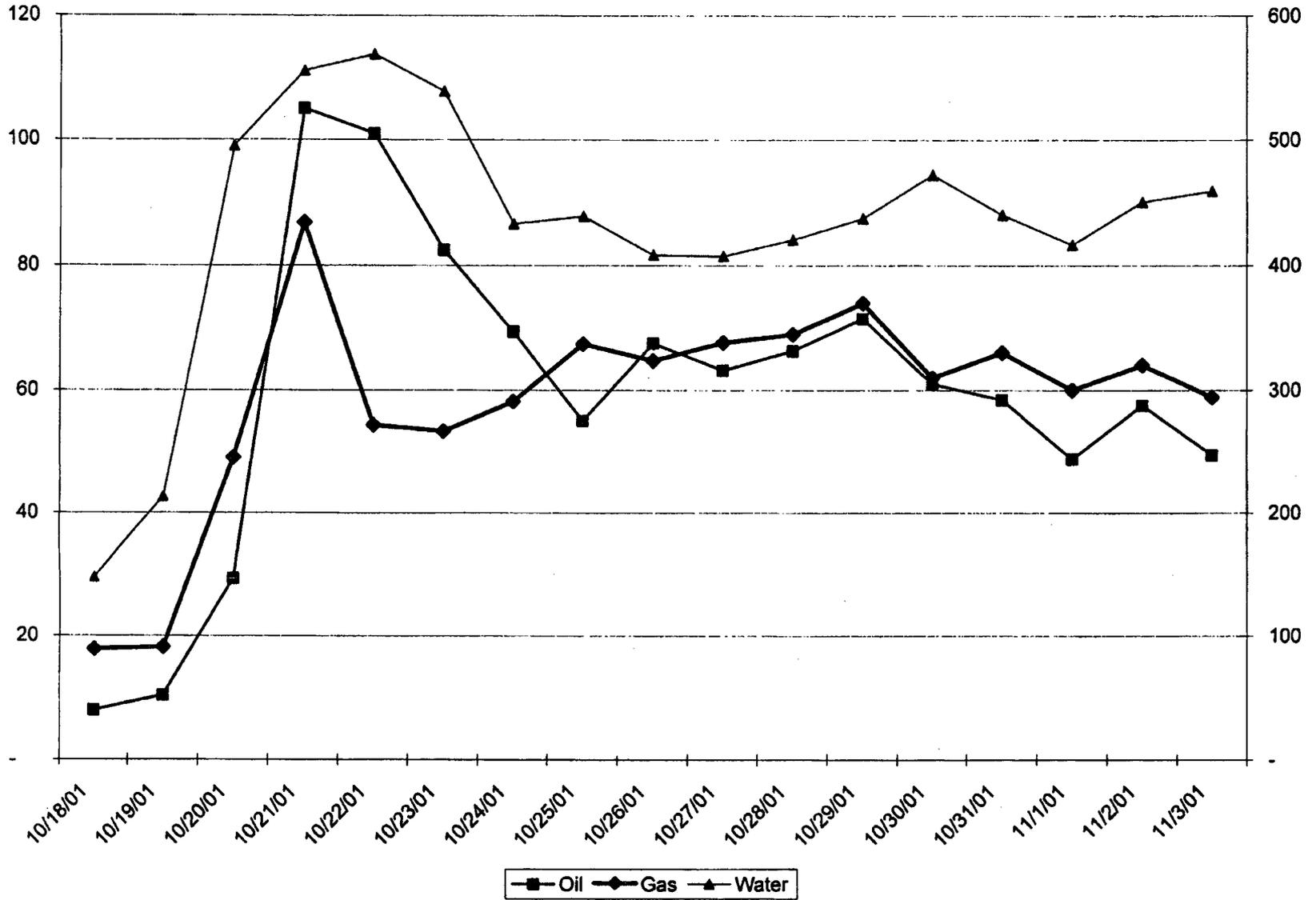
San Andres		59	58	429
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	Oil	Gas	Water
Total	77	84	668
Yeso	24%	31%	36%
San Andres	76%	69%	64%

Yeso



San Andres



operator's copy

devon
ENERGY CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Telephone 405/228-7512
FAX 405/552-4667

November 6, 2001

Certified Mail No. 7001 0360 0000 2116 1794

Bureau of Land Management
2909 West Second Street
Roswell, NM 88201



RE: Downhole Commingling
Mann 3 Federal #3
Section 4-18S-27E Lot M
API #30-015-30442
Red Lake (Q-GB-SA) and
Red Lake (Glorieta-Yeso), fields
Eddy County, NM

Gentlemen:

Concerning the referenced, enclosed please find the Form C-103 Sundry Notice of Intent to downhole commingling and attachments (and five copies).

Please direct inquiries concerning this notice to me at (405) 228-7512.

Yours truly,

A handwritten signature in cursive script that reads 'Karen Cottom'.

Karen Cottom
Engineering Tech.
DEVON ENERGY PRODUCTION COMPANY, L.P.

/kac
Enclosures

c: OCD w/Sundry Notice of Intent & attachments. Via Certified Mail (7001 0320 0003 8815 7678)
File

Mann 3 Federal #3

Allocation Formula

<u>Well Name</u>	<u>Producing Formation</u>	<u>*Daily Production Test 30 day average</u>	<u>% of Total Oil</u>
Mann 3 Federal #3	(51300)Red Lake (Q-GB-SA)	59 BO/ 58 MCF/ 429 BW	76 %
Mann 3 Federal #3	(51120)Red Lake; Glorieta-Yeso	18 BO/ 26 MCF/ 239 BW	24 %

* From attached production plots

The above production test represents stable production from a San Andres producer and a Yeso producer. We believe these rates of production represent an acceptable means to allocate production. **We have previously received approval for downhole commingling in these fields utilizing a similar allocation method.**