



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jim Noel
Cabinet Secretary

Karen W. Garcia
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Surface Commingling Order CTB-619

August 9, 2010

Devon Energy Production Company
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

Attention: Norvella Adams:

Devon Energy Production Company is hereby authorized to surface commingle oil and gas production from Ojo Chiso; Morrow, West (Gas) Pool (**96665**) from the following leases and wells.

Lease: **Federal Lease No. USA NMNM-43564**

Wells: Gaucho 21 Fed.Well No.1 (**API No. 30-025-34266**), 1980' FSL, 660' FWL
NW/4SW/4, Sect. 21, T-22-S, R-34-E

Lease: **Federal Lease No. NMNM 94480X**

Well: Gaucho Unit Well No. 4 (**API No. 30-025-33930**), 1650' FNL, 2310' FEL, Sect. 20,
T-22-S, R-34-E.

All in NMPM, Lea County, New Mexico

Commingled oil and gas production from the wells detailed above shall be measured and sold at the Central Delivery Point (CDP), located in Section 21, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

Oil and gas production from each well shall be continuously measured with allocation meters before commingling with production from other wells. The oil and gas allocation meters shall be calibrated quarterly.

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

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



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

DONE at Santa Fe, New Mexico, on August 9, 2010.

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

MARK E. FESMIRE, P.E.,
Division Director

MEF/re

cc: Oil Conservation Division – Hobbs
Bureau of Land Management (BLM) - Carlsbad