

**devon**  
**ENERGY CORPORATION**  
February 28, 1996

20 North Broadway, Suite 1500 Telephone: 405/235-3611  
Oklahoma City, Oklahoma 73102-8260 FAX 405/552-4550

pc N/R  
935

New Mexico Oil Conservation Division  
Principal Office  
2040 S. Pacheco  
Santa Fe, New Mexico 87505

MAR 5 1996

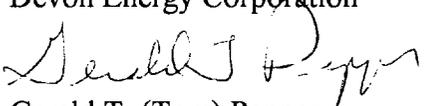
Re: Authorization to Commingle at Surface  
Todd 13 Sand Dunes (Cherry Canyon)  
Todd 13 Ingle Wells (Delaware)  
Section 13- T23S-R31E  
Eddy County, New Mexico

Dear Sir:

Attached please find a copy of our application to the BLM to commingle production from the two referenced pools at the surface. We are currently in the process of re-completing the Todd "13K" Federal #11 from the Ingle Wells (Delaware) to the Sand Dunes (Cherry Canyon). I discussed this situation with Tim Gum of your office this date. He indicated that using the gas meter on the test treater as a deduct meter for the time being would be acceptable for the time being.

Ultimately, we will allocate the production based entirely on the well tests. Please advise if you require further information.

Sincerely,  
Devon Energy Corporation

  
Gerald T. (Tom) Pepper  
District Engineer

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

PC 935 SF

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 CORPORATION (NEVADA)**

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)  
**T23S-R31E (please see attached for details by well)**

5. Lease Designation and Serial No.  
**NM0404441**

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

7. If Unit or CA, Agreement Designation  
**N/A**

8. Well Name and No.  
**Todd Federal (please see below)**

9. API Well No.

10. Field and Pool, or Exploratory Area  
**(please see below)**

11. County or Parish, State  
**Eddy Cnty, 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 checked="" type="checkbox"/> Other <u>Commingling at surface</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 Corporation is requesting approval for surface commingling of hydrocarbon production from the following wells.

- Todd 13K Federal #11 Sand Dunes (Cherry Canyon)
- Todd 13N Federal #14 Ingle Wells (Delaware)

Please be advised we are request<sup>4</sup>like approval for surface commingling with the NMCCD.

**RECEIVED**

**APR 09 1996**

**OIL CON. DIV.**

**DIST. 2**

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

Signed Candace R. Graham Title CANDACE R. GRAHAM ENGINEERING TECH. Date 2/26/96

(This space for Federal or State office use)

Orig. Signed by Shannon J. Shaw Title PETROLEUM ENGINEER Date 4/4/96

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

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 as to any matter within its jurisdiction.

APPLICATION FOR SURFACE COMMINGLING,  
OFF LEASE STORAGE AND MEASUREMENT APPROVAL

To: Bureau of Land Management  
P. O. Box 1778  
Carlsbad, New Mexico 88221-1778

Devon Energy Corporation is requesting approval for surface commingling of hydrocarbon production from the following formations and wells on Federal Lease No. NM0404441, Lease name: Todd 13 Federal. Production from these wells is currently collected at a facility we will refer to in the remainder of this application as the Todd 13 BC battery, more specifically described below:

Well No.	Loc.	Sec.	Twp.	Rng.	Formation
13K #11	SW/4	13	T23S	R31E	Ingle Wells (Delaware)
13N #14	SW/4	13	T23S	R31E	Ingle Wells (Delaware)

A recompletion is in progress on the 13K-11 well. Production after recompletion will be from a formation designated as a different field by the NMOCD. The new production will be collected at the same battery referred to above, but with the following change in producing formation:

Well No.	Loc.	Sec.	Twp.	Rng.	Formation
13K #11	SW/4	13	T23S	R31E	Sand Dunes (Cherry Canyon)

Post-recompletion production from the 13-11 should commence later this week. Our current production facilities make it possible to separate liquid production from the wells but the new Cherry Canyon gas production will have to be vented until this application is approved. The attached schematic shows how we will ultimately produce and measure production from the wells after approval to surface commingle. No test data is yet available on the Cherry Canyon production from the 13-11. A recent test on the 13-14 put production at 67 BOPD, 114 MCFD, and 221 BWPD. A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram (Exhibit 1) is also attached which clearly identifies all equipment that will be utilized.

**Process and Flow Description:** Under the proposed flow system, both oil and gas production from the Sand Dunes (Cherry Canyon) and Ingle Wells (Delaware) will normally flow to the production treater. A header system currently in place and a second treater (test treater), also in place already, will be used to periodically test each

Surface Commingling Application

February 13, 1996

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well. A gas meter off the vent of the test treater will allow separate measurement of gas while testing, and liquids from the test treater will be dumped to a test tank for separate measurement..

**Production Allocation:** Production allocation will be based on periodic well tests as described above. Allocation of total gas recorded by the Sales Gas Meter will be based on these periodic tests. All liquid storage will be on lease at the 13 BC battery. The working interest owners have been notified of the proposal, and none have opposed it.

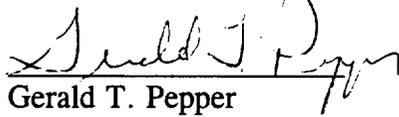
The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. Further, we do not anticipate that any such rights will be needed beyond those already existing. We will submit within 30 days any applications for right-of-way approval to the BLM's Realty Section in your office if we determine that any are required.

Signed:

Name:

Title:

Date:



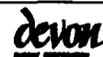
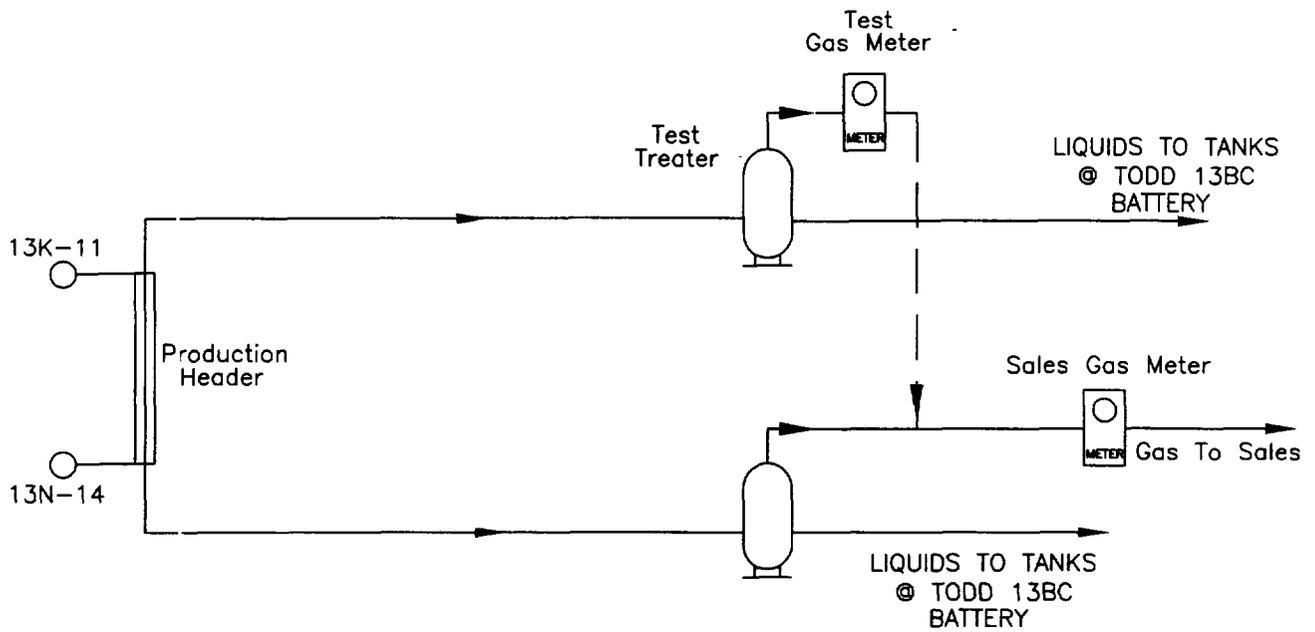
Gerald T. Pepper

District Engineer

February 26, 1996

Devon Energy Corporation (Nevada)  
20 N. Broadway, Suite 1500  
OKC, OK 73102-8260

Certified Mail No. Z 731 696 409



**TODD FEDERAL AREA**  
 EDDY COUNTY, NEW MEXICO

**EXHIBIT 1**  
 FLOW DIAGRAM  
 Section 13  
 Todd 13 BC Battery  
 NO SCALE

MN\PLATS\TODD\13

GTP

2/28/98

R 31 E

13

13K-11

13K-14

T  
23  
S



*devon*

**SAND DUNES FIELD**

SEBY COUNTY, NEW MEXICO

Scale in Feet

