

OCD-ARTESIA

Form 3160-5  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM99147

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
CHIMAYO 1

9. API Well No.  
30-015-29475

10. Field and Pool, or Exploratory  
CORRAL DRAW; WOLFCAMP, N

11. County or Parish, and State  
EDDY COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
DEVON ENERGY PRODUCTION CO. Contact: ERIN L WORKMAN  
E-Mail: ERIN.WORKMAN@DVN.COM

3a. Address  
333 WEST SHERIDAN AVENUE  
OKC, OK 73102

3b. Phone No. (include area code)  
Ph: 405-552-7970

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 8 T25S R29E 660FSL 1980FEL

**12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Off-Lease Measuremen ( SURFACE POOL COMINGLING )
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

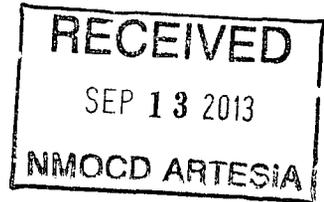
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy respectfully requests to add the Chimayo #001 to the previously approved Off-Lease Measurement for the following wells: *↓ SURFACE POOL COMINGLING*

Slider 8 Federal 1H  
8-NWSE-25S-R29E  
30-015-38242  
96217 Willow Lake; Bone Spring; SE  
NMNM 99147

Slider 8 Federal 2H  
8-NWSE-25S-R29E  
30-015-38281

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**



Accepted for record  
NMOC D *RES*  
9/13/2013

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

**Electronic Submission #219540 verified by the BLM Well Information System  
For DEVON ENERGY PRODUCTION CO.,LP, sent to the Carlsbad  
Committed to AFMSS for processing by KURT SIMMONS on 09/11/2013 ()**

Name (Printed/Typed) ERIN L WORKMAN Title REGULATORY COMPLIANCE ASSOC.

Signature (Electronic Submission) Date 09/10/2013

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By *J. D. Whitlock* Title *EPS* Date *9-11-13*

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office *CFO*

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #219540 that would not fit on the form**

**32. Additional remarks, continued**

96217 Willow Lake; Bone Spring; SE  
NMNM99147

Slider 8 Federal 3H  
8-NWSE-25S-R29E  
30-015-38272  
96217 Willow Lake; Bone Spring; SE  
NMNM99147

Slider 8 Federal 4H  
8-NWSE-25S-R29E  
30-015-38243  
96217 Willow Lake; Bone Spring; SE  
NMNM99147

Chimayo #1  
8-NWSE-25S-R29E  
30-015-29475  
94846 Corral Draw; Wolfcamp; North (G)  
NMNM99147

There is a central tank battery located on the Slider 8 Federal 4H location in Sec. 8-NWSE-T25S-R29E. These are the only wells utilizing this battery at this time. The Slider 8 Federal 1H, 2H, 3H, 4H, & the Chimayo #1 will come into the flow line header at the Slider 8 Federal 4H location. Production will flow first through a separator, then to a heater/treater, and then to a check meter #88512137 on location before flowing to the DCP CDP Gas Sales Meter #725070-00 located in the NW corner of Section 16-T25S-R29E in Eddy Co., NM. No other wells are connected to this gas line and reported gas volumes are at the DCP CDP #725070-00 sales meter. The Well Test Method will be used for allocation and each well will be tested at least once a month, for a minimum of 24 hours. ROW has been obtained: RW-32177, NM-126202, and NM-125877.

The working interest, royalty interest, and overriding royalty interest owners are identical; no additional notification is required.

**APPLICATION FOR POOL COMMINGLE & OFF-LEASE GAS MEASUREMENT, SALES, & STORAGE  
AMEND OLM-68-0**

State of New Mexico – Santa Fe  
Oil Conservation Division  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

**Pool Commingling, Off-Lease Measurement proposal for Slider & Chimayo:**

Devon Energy Production Company, LP is requesting approval to add the Chimayo #1 to the existing surface commingle, off-lease storage and off-lease measurement of production from the Willow Lake; Bone Spring, Southeast previously approved by the BLM 08/24/2012 and approved by the NMOCD under OLM-68-0

Federal Lease:	NMNM99147					Oil	
Well Name	Location	API #	Pool 96217	BOPD	Gravity	MCFPD	BTU
Slider 8 Federal 1H	Sec. 8-NWSE-T25S-R29E	30-015-38242	Bone Spring	8	46	212	1077.4
Slider 8 Federal 2H	Sec. 8-NWSE-T25S-R29E	30-015-38281	Bone Spring	3	47	150	1096.5
Slider 8 Federal 3H	Sec. 8-NWSE-T25S-R29E	30-015-38272	Bone Spring	3	44	124	1096.3
Slider 8 Federal 4H	Sec. 8-SWSE-T25S-R29E	30-015-38243	Bone Spring	8	47	100	1100.7

Federal Lease:	NMNM99147					Oil	
Well Name	Location	API #	Pool 96846	BOPD	Gravity	MCFPD	BTU
Chimayo #001	Sec. 8-SWSE-T25S-R29E	30-015-29475	Corral Draw, Wolfcamp, North (G)	11.5	45	46	1087.1

Attached is a map displaying the Federal lease and well locations in Section 20 of T16S R28E and Sec 29 of T16S-R28E.

The BLM's interest in all wells is the same.

**Oil & Gas metering:**

The central tank battery will be located at the Slider 8 Fed 4H location in the SWSE of Sec. 8-T25S-R29E on Federal Lease NM-99147 in Eddy County, New Mexico. A common gas sales meter associated with a DCP Central Delivery Point (CDP) #725070-00 is located in SW corner of Section 16-T25S-R29E in Eddy County, NM. The oil and water hydrocarbon production from the Slider 8 Federal 1H, 2H, 3H, 4H, and Chimayo #1 will be commingled, measured, and sold off-lease; using the Well Test Method.

Oil, gas, and water volumes from each well producing to this battery will be determined by using a test separator/heater treater at the proposed facility, so that one well is always producing through the testing equipment. Production will be allocated on a daily basis based on the most recent individual well test of oil, gas, and water. Well tests for each well will be conducted at least once per month, for a minimum of 24 hours each well.

These meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

**Process and Flow Descriptions:**

The flow of produced fluids is shown in detail on the enclosed facility diagram, along with a description of each vessel and map which displays the lease boundaries, location of wells, facility, and gas sales meter. The commingling of this production is the most effective, economic means of producing the reserves and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses, as well as reduce the surface facility footprint and overall emissions.

Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. ROW approved; RW-32177 approved on 02/08/2011, NM-126202 approved on 04/08/2011, and ROW NM-125877 was granted on 02/12/2011, amended on 12/05/2012.

The working, royalty, and overriding ownership in the Slider and Chimayo lease is uniform, so no additional notification is necessary.

Signed:   
Printed Name: Erin Workman  
Title: Regulatory Compliance Associate  
Date: 09/09/13

Slider 142434

**Slider 8 #4**  
 API# 30-  
 S8 - T25S - R29E  
 225 FSL & 1888' FEL  
 Lat. 32°08' 16.63" & Long. 104°00' 14.77"

Production System: Closed

1) Oil sales by tank gauge to tank truck.  
 2) Seal requirements:  
 A. Production Phase: On all Tanks.  
 (1) All valves 5 sealed closed.

Sales Phase: On Tank being hauled.

(1) Valve 1 sealed closed.   
 (2) Valve 3 sealed closed.   
 (3) Valve 4 sealed.   
 (4) Valve 5 sealed closed.   
 (5) Misc. Valves: Plugged or otherwise unaccessible.   
 NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed. 

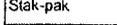
**Ledger for Site Diagram**

Valve #1: Production Line   
 Valve #2: Test or Roll line   
 Valve #3: Circ./Drain Line   
 Valve #4: Equalizer Line   
 Valve #5: Sales Line   
 Valve #6: BS&W Load Line 

Buried Lines: 

Firewall: 

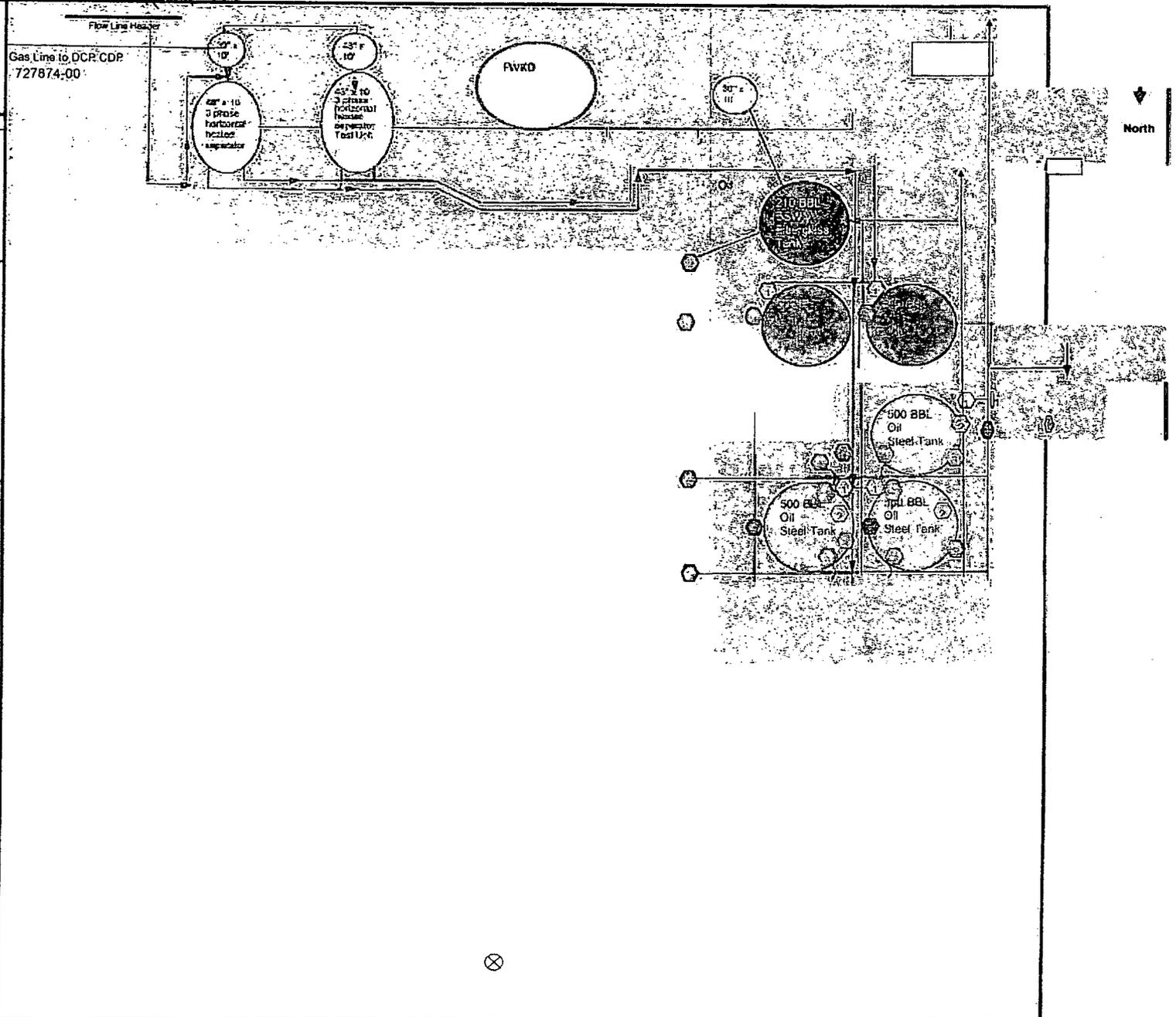
Wellhead: 

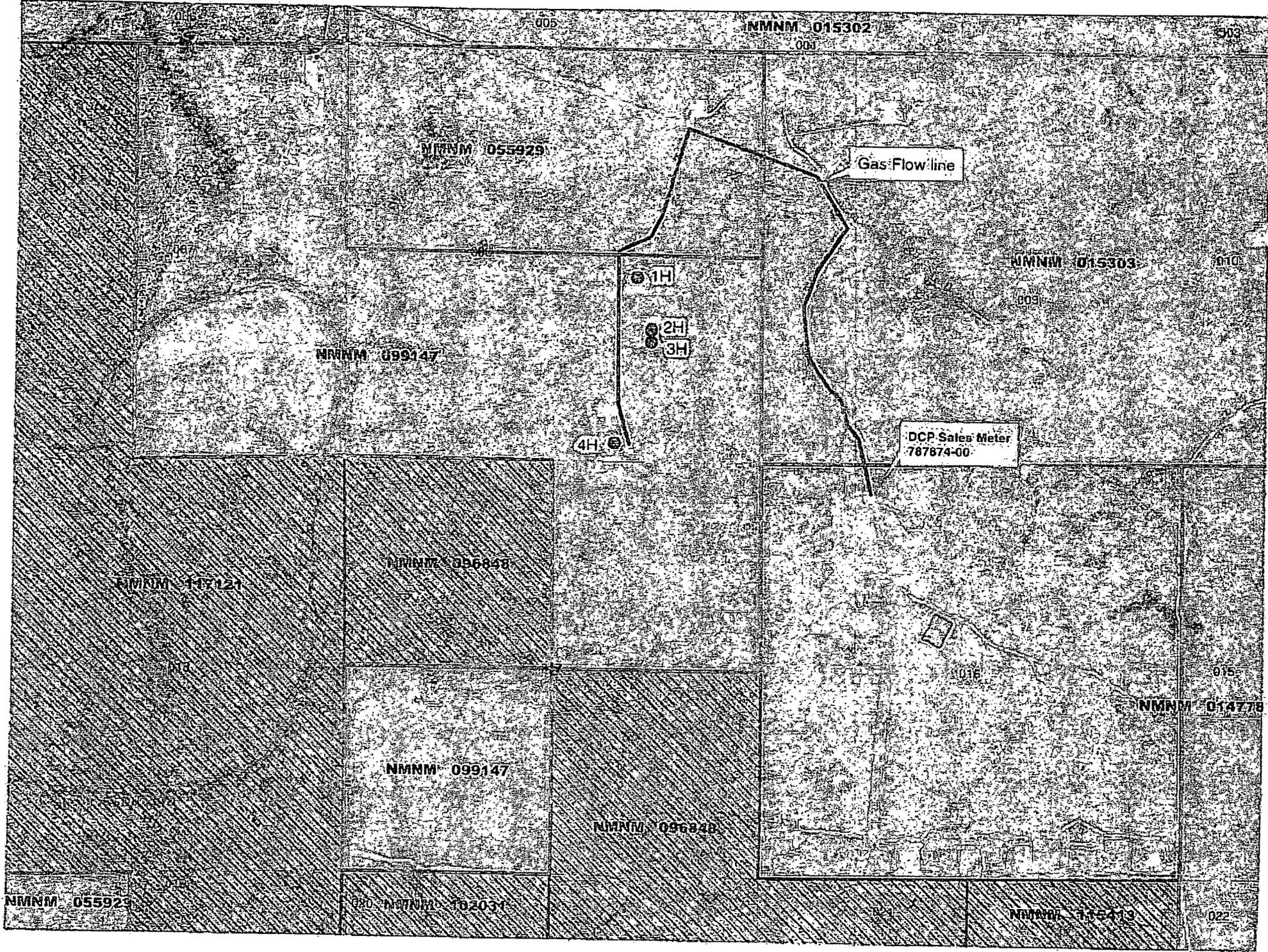
Stak-pak: 

Production line: 

Water line: 

Gas Meter   





NMNM 015302

NMNM 055929

Gas Flow line

NMNM 015303

NMNM 099147

1H

2H  
3H

DCP Sales Meter  
787674-00

4H

NMNM 096848

NMNM 115413

NMNM 014778

NMNM 099147

NMNM 096848

NMNM 055929

NMNM 102031

NMNM 115413

022

SILVER CREEK H. 2  
EXHIBIT B

CHINAYO 400

MEXICO

25S-29E

EDDY COUNTY

8

9

Silver Creek

Silver Creek

Silver Creek

Callavo

Silver Creek

17

16

NEW MEXICO 25S-29E

EDDY COUNTY

Slider 8 Federal 1

Slider 8 Federal 2

Slider 8 Federal 3

Slider 8 Federal 4

© GDP GIS  
Sales Meter 787874

Devon GIS Mapping



Disclaimer: This plat is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one.

Scale: 1:18,056

Date Printed: 5/1/2012 8:56:57 AM



Keri Gray  
Senior Advisor, Land

Devon Energy Corporation  
20 North Broadway  
Oklahoma City, Oklahoma 73102-8260  
Office: (405) 552-4633  
Fax: (405) 552-8113

December 17, 2012

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

Re: Off Lease Gas Measurement and Sales  
Section 8-T25S-R29E  
Eddy County, New Mexico

Gentlemen:

I have reviewed the files of Devon Energy Production Company, L.P. ("Devon") regarding the ownership of the wells listed below and the associated federal oil and gas lease NM-99147 and find that the ownership of the working interest, royalty and overriding royalty interests are uniform with respect to Devon's application for Off Lease Gas Measurement and Sales from the following pool, insofar as such pool covers the following wells:

Slider 8 Federal #1H	API: 30-015-38242	Willow Lake Bone Spring SE Pool (96217)
Slider 8 Federal #2H	API: 30-015-38281	Willow Lake Bone Spring SE Pool (96217)
Slider 8 Federal #3H	API: 30-015-38272	Willow Lake Bone Spring SE Pool (96217)
Slider 8 Federal #4H	API: 30-015-38243	Willow Lake Bone Spring SE Pool (96217)
Chimayo Unit #1	API: 30-015-29475	Corral Draw; Wolfcamp; North (96846)

If there are any questions or if additional information is required feel free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

  
Ken Gray  
Senior Advisor, Land

5

Exhibit A

● Slider 8 Fed 1H

Slider 8 Fed 3H

● Slider 8 Fed 2H

USA NMNM-99147



Chimayo Unit #1



Slider 8 Fed 4H

25S 29E

18

17



Devon Energy Production Company  
333 W. Sheridan Avenue  
Oklahoma City, Oklahoma 73102  
Phone: (405)-552-7970  
Erin.Workman@dvn.com

December 17, 2012

Mr. Richard Ezeanyim  
State of New Mexico  
Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

**Re: CTB, Pool Commingle, Off Lease Gas Measurement, Sales, & Storage  
Slider 8 Federal 1H, Slider 8 Federal 2H, Slider 8 Federal 3H, Slider 8 Federal 4H, & Chimayo #1  
API: 30-015-38242, 30-015-38281, 30-015-38272, 30-015-38243, & 30-015-29475  
Sec 8-T25S-R29E  
Lease NMNM99147  
Willow Lake; Bone Spring, Southeast Pool Code: 96217  
Eddy County, NM**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 and BLM Form 3160-5 Sundry Notice of Intent for a Central Tank Battery, Pool Commingle, Off Lease Gas Measurement, Sales & Storage of the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners are unformed; no additional notification is required.

BLM sundry approval and BLM conditions of approval attached.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-7970.

Very truly yours,

**DEVON ENERGY PRODUCTION COMPANY, L.P.**

Erin Workman  
Regulatory Compliance Associate

Enclosures



Devon Energy Production Company  
333 W. Sheridan Avenue  
Oklahoma City, Oklahoma 73102  
Phone: (405)-552-4524  
[Melanie.Crawford@dvn.com](mailto:Melanie.Crawford@dvn.com)

June 5, 2012

Mr. Richard Ezeanyim  
State of New Mexico  
Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

**Re: Off Lease Gas Measurement, Sales, & Storage**  
**Slider 8 Federal 1H, Slider 8 Federal 2H, Slider 8 Federal 3H, & Slider 8 Federal 4H**  
**API: 30-015-38242, 30-015-38281, 30-015-38272, & 30-015-38243**  
**Sec 8-T25S-R29E**  
**Lease NMNM99147**  
**Willow Lake; Bone Spring, Southeast Pool Code: 96217**  
**Eddy County, NM**

2012 JUN 16 P 12:45  
RECEIVED OCD

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 and BLM Form 3160-5 Sundry Notice of Intent to Off Lease Gas Measurement, Sales & Storage the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners are unformed; no additional notification is required.

BLM sundry approval and BLM conditions of approval attached.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-4524.

Very truly yours,

**DEVON ENERGY PRODUCTION COMPANY, L.P.**

*Melanie Crawford*

Melanie Crawford  
Regulatory Analyst

Enclosures

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**  
 [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply  
 [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Erin Workman  
 Print or Type Name

*Erin Workman*  
 Signature

Regulatory Compliance Assoc.  
 Title

12/13/12  
 Date

Erin.Workman@dvn.com  
 E-mail Address

**Precision Gas Measurement, Inc.**  
**Natural Gas Report**

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	CHIMAYO UNIT-1
Location ID	
Sample Date	4-4-13
WATER	
Method Name	BTUH2S.met
Injection Date	2013-04-04 18:16:51

**Component Results**

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0000	0.0	0.0	0.00000	0.000
NITROGEN	2.3910	0.0	0.0	0.02313	0.264
CARBON DIOXIDE	10.8098	0.0	0.0	0.16425	1.851
METHANE	70.6794	715.5	703.1	0.39149	12.022
ETHANE	8.8765	157.5	154.7	0.09216	2.382
PROPANE	4.5759	115.4	113.4	0.06967	1.265
I-BUTANE	0.4793	15.6	15.4	0.00962	0.157
N-BUTANE	1.1961	39.1	38.4	0.02400	0.378
I-PENTANE	0.2979	11.9	11.7	0.00742	0.109
N-PENTANE	0.3260	13.1	12.9	0.00812	0.119
C6+	0.3681	18.9	18.6	0.01184	0.160
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1087.1	1068.1	0.80171	18.708

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	68.6	
Flowing Pressure (psia)	142.4	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1087.1	1068.1
Gross Heating Value (BTU / Real cu.ft.)	1091.0	1072.4
Relative Density (G), Real	0.8042	0.8014
Compressibility (Z) Factor	0.9964	0.9960
Total GPM	18.708	18.489
Wobbe Index	1216.5	1197.9

**Precision Gas Measurement, Inc.**  
**Natural Gas Report**

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	SLIDER 8.#1
Location ID	88549138
Sample Date	4-4-13
WATER	
Method Name	BTUH2S.met
Injection Date	2013-04-04 17:42:26

**Component Results**

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0000	0.0	0.0	0.00000	0.000
NITROGEN	2.3123	0.0	0.0	0.02236	0.255
CARBON DIOXIDE	11.4659	0.0	0.0	0.17422	1.963
METHANE	70.1979	710.6	698.3	0.38883	11.940
ETHANE	8.9313	158.4	155.7	0.09272	2.397
PROPANE	4.5859	115.7	113.6	0.06982	1.268
I-BUTANE	0.4715	15.4	15.1	0.00946	0.155
N-BUTANE	1.1041	36.1	35.5	0.02216	0.349
I-PENTANE	0.2932	11.8	11.6	0.00730	0.108
N-PENTANE	0.2996	12.0	11.8	0.00746	0.109
C6+	0.3383	17.4	17.1	0.01088	0.147
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1077.4	1058.6	0.80523	18.691

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	62.0	
Flowing Pressure (psia)	149.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1077.4	1058.6
Gross Heating Value (BTU / Real cu.ft.)	1081.2	1062.8
Relative Density (G), Real	0.8078	0.8049
Compressibility (Z) Factor	0.9904	0.9900
Total GPM	18.691	18.473
Wobbe Index	1203.0	1184.7

**Precision Gas Measurement, Inc.**  
**Natural Gas Report**

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	SLIDER 8 #2
Location ID	
Sample Date	4-4-13
WATER	
Method Name	BTUH2S.met
Injection Date	2013-04-04 18:09:15

**Component Results**

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0000	0.0	0.0	0.00000	0.000
NITROGEN	1.9621	0.0	0.0	0.01898	0.217
CARBON DIOXIDE	10.0269	0.0	0.0	0.15236	1.717
METHANE	71.9565	728.4	715.8	0.39857	12.239
ETHANE	8.9511	158.8	156.0	0.09293	2.402
PROPANE	4.5269	114.2	112.2	0.06892	1.251
I-BUTANE	0.4763	15.5	15.3	0.00956	0.156
N-BUTANE	1.1636	38.0	37.4	0.02335	0.368
I-PENTANE	0.2815	11.3	11.1	0.00701	0.103
N-PENTANE	0.3040	12.2	12.0	0.00757	0.111
C6+	0.3511	18.1	17.7	0.01130	0.153
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1096.5	1077.4	0.79055	18.717

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	63.0	
Flowing Pressure (psia)	147.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu. ft.)	1096.5	1077.4
Gross Heating Value (BTU / Real cu.ft.)	1100.4	1081.7
Relative Density (G), Real	0.7930	0.7904
Compressibility (Z) Factor	0.9965	0.9961
Total GPM	18.717	18.498
Wobbe Index	1235.7	1216.7

**Precision Gas Measurement, Inc.**  
**Natural Gas Report**

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	SLIDER 8 #3
Location ID	88549138
Sample Date	4-4-13
WATER	
Method Name	BTUH2S.met
Injection Date	2013-04-04 17:50:01

**Component Results**

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0000	0.0	0.0	0.00000	0.000
NITROGEN	2.3183	0.0	0.0	0.02242	0.256
CARBON DIOXIDE	10.8175	0.0	0.0	0.16437	1.852
METHANE	70.3322	712.0	699.6	0.38957	11.964
ETHANE	8.8504	157.0	154.3	0.09188	2.375
PROPANE	4.7742	120.4	118.3	0.07269	1.320
I-BUTANE	0.5177	16.9	16.6	0.01039	0.170
N-BUTANE	1.3320	43.6	42.8	0.02673	0.421
I-PENTANE	0.3405	13.7	13.4	0.00848	0.125
N-PENTANE	0.3586	14.4	14.2	0.00893	0.130
C6+	0.3586	18.4	18.1	0.01154	0.156
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1096.3	1077.2	0.80701	18.770

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	63.0	
Flowing Pressure (psia)	142.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1096.3	1077.2
Gross Heating Value (BTU / Real cu.ft.)	1100.3	1081.6
Relative Density (G), Real	0.8096	0.8067
Compressibility (Z) Factor	0.9964	0.9960
Total GPM	18.770	18.550
Wobbe Index	1222.9	1204.2

**Precision Gas Measurement, Inc.**  
**Natural Gas Report**

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	SLIDER 8 #4
Location ID	88549138
Sample Date	4-4-13
WATER	
Method Name	BTUH2S.met
Injection Date	2013-04-04 18:00:26

**Component Results**

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
H2S	0.0000	0.0	0.0	0.00000	0.000
NITROGEN	2.3200	0.0	0.0	0.02244	0.256
CARBON DIOXIDE	10.9509	0.0	0.0	0.16640	1.875
METHANE	69.7891	706.5	694.2	0.38656	11.872
ETHANE	9.0142	159.9	157.1	0.09359	2.419
PROPANE	4.9243	124.2	122.0	0.07497	1.361
I-BUTANE	0.5404	17.6	17.3	0.01084	0.177
N-BUTANE	1.3920	45.5	44.7	0.02793	0.440
I-PENTANE	0.3456	13.9	13.6	0.00861	0.127
N-PENTANE	0.3596	14.4	14.2	0.00896	0.131
C6+	0.3639	18.7	18.4	0.01171	0.158
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1100.7	1081.6	0.81201	18.818

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	60.7	
Flowing Pressure (psia)	142.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1100.7	1081.6
Gross Heating Value (BTU / Real cu.ft.)	1104.8	1086.0
Relative Density (G), Real	0.8147	0.8117
Compressibility (Z) Factor	0.9963	0.9959
Total GPM	18.818	18.598
Wobbe Index	1224.0	1205.4

North Permian Basin Region  
P.O. Box 740  
Sundown, TX 79372-0740  
(806) 229-8121

Lab Team Leader - Sheila Hernandez  
(432) 495-7240

## ANALYTICAL REPORT

Company:	DEVON ENERGY CORPORATION	Report Date:	04/22/13
Region:	PERMIAN BASIN	Date Range:	4/21/12 - 4/23/13
Area:	ARTESIA, NM	Sales RDT:	33521.1
Lease/Platform:	CHIMAYO LEASE	Account Manager:	GENE ROGERS (575) 910-1022
Entity (or well#):	1	Analysis Cost: (Per Reading)	\$15.00
Formation:	UNKNOWN		

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Sample Point	Sample Date	Item	Reading	Units
OIL TANK	02/26/13	API GRAVITY	45. @ 60° F.	

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North Permian Basin Region  
P.O. Box 740  
Sundown, TX 79372-0740  
(806) 229-8121

Lab Team Leader - Sheila Hernandez  
(432) 495-7240

## ANALYTICAL REPORT

Company:	<u>DEVON ENERGY CORPORATION</u>	Report Date:	<u>04/22/13</u>
Region:	<u>PERMIAN BASIN</u>	Date Range:	<u>4/1/13 - 4/23/13</u>
Area:	<u>ARTESIA, NM</u>	Sales RDT:	<u>33521.1</u>
Lease/Platform:	<u>SLIDER 8 LEASE</u>	Account Manager:	<u>GENE ROGERS (575) 910-1022</u>
		Analysis Cost: (Per Reading)	<u>\$15.00</u>

Location	Sample Point	Sample Date	Item	Reading	Units
01H	WELLHEAD	04/04/13	API GRAVITY	46	@60° F
02H	WELLHEAD	04/04/13	API GRAVITY	46	@60° F
03H	WELLHEAD	04/04/13	API GRAVITY	44	@60° F
4H	WELLHEAD	04/04/13	API GRAVITY	47	@60° F

**OFF LEASE PRODUCTION**

	10/01/11	11/01/11	12/01/11	01/01/12	02/01/12	03/01/12
Well Name	Sum Est Gas					
Slider 8 Federal 1H	6,469.55	9,923.97	10,433.19	11,359.19	8,373.65	4,377.57
Slider 8 Federal 2H	5,184.85	6,733.44	4,352.48	4,230.66	4,321.07	2,235.33
Slider 8 Federal 3H	6,766.01	5,192.15	3,858.19	5,027.29	3,153.4	1,409.3
Slider 8 Federal 4H	7,811.61	4,196.43	1,421.7	1,117.11	1,045.86	2,103.21

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 May 27, 2004

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. See Below 5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> 6. State Oil & Gas Lease No. NMNM-99147
2. Name of Operator Devon Energy Production Company, LP		7. Lease Name or Unit Agreement Name See Below 8. Well Number See Below
3. Address of Operator 333 W. Sheridan Avenue, Oklahoma City, OK 73102 (405) 552-4524		9. OGRID Number 6137 10. Pool name or Wildcat 96217 - Willow Lake; Bone Spring, SE
4. Well Location Unit Letter _____ feet from the _____ line and _____ feet from the _____ line Section 8 Township 25S Range 29E NMPM Eddy County New Mexico		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) n/a		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: Off Lease Gas Measurement, Sales & Storage <input checked="" type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: OLM-68 <input type="checkbox"/>
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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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

*Reviewed by [Signature] 8/20/12*

Devon Energy Production Co., LP respectfully requests to Off Lease Gas Measurement, Sales, & Storage for the following wells:

Slider 8 Federal 1H - 30-015-38242, Slider 8 Federal 2H - 30-015-38281, Slider 8 Federal 3H - 30-015-38272, & Slider 8 Federal 4H - 30-015-38243.

There is a central tank battery located on the Slider 8 Federal 4H location for the 4 wells to utilize. At this time they are the only wells utilizing the battery. Production will flow through 1st a separator, then a heater/treater on location before flowing to the DCP CDP Gas Sales Meter 727874-00 located in the NW corner of Section 16-T25S-R29E in Eddy County, NM. No other wells are connected to the gas line and reported gas volumes are the DCP CDP Gas Sales Meter 727874-00 volumes. The well test method will be used and each well will be tested 72 hours monthly.

*Recommend Approval*

ROW will or has already been obtained.

The working interest, royalty interest and overriding royalty interest owners are identical; no additional notification is required.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE: Melanie Crawford TITLE: Regulatory Analyst DATE: 6-5-12

Type or print name Melanie Crawford E-mail address: Melanie.Crawford@dvn.com Telephone No. (405) 552-4524  
 For State Use Only

\*APPROVED BY: [Signature] TITLE Director DATE 8/20/12  
 Conditions of Approval (if any):

DATE IN 8/16/12	SUSPENSE	ENGINEER Eeanym	LOGGED IN 8/17/12	TYPE OLM	APP NO. PKVR1ZZ303ZZ63
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



Devon Energy Production  
 Company NP  
 Slider 8 Federal #s  
 1H, 2H, 3H, 4H

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

- [D] Other: Specify \_\_\_\_\_

2012 AUG 16 P 12:45  
 RECEIVED OOD

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Melanie Crawford	<i>Melanie Crawford</i>	Regulatory Analyst	6-5-12
Print or Type Name	Signature	Title	Date
		Melanie.Crawford@dmv.com	
		E-mail Address	

OLM - 68

**Bureau of Land Management  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

Slider 8 Federal 1H, 2H, 3H, 4H, and Chimayo #1  
Devon Energy Production Co.  
September 11, 2013

**Condition of Approval  
Pool Commingling and off lease sales**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
8. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
9. This agency shall be notified of any change in sales method or location of sales point.
10. Additional wells and/or leases require additional commingling approvals.

**The public's interest in this lease has been found to be 12.5%. Therefore, this surface pool commingle is being approved. This does not mean that the allocation of production to each well will be 100% accurate each month. By approving this request it will only guarantee that the public's interest will not be compromised.**