

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

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 **3**
NM-103872 & NM-103873 **CA NM123299**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

RECEIVED
FEB 22 2010
NMOCD ARTESIA

1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator
Devon Energy Production Co., LP

3a Address
20 North Broadway
OKC, OK 73102

3b Phone No. (include area code)
(405)-552-7802

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

8 Well Name and No
Shakespeare 20 Federal Com 1H & 3H

9 API No. **30-015-36376 + 30-015-37193**

10 Field and Pool or Exploratory Area
Dog Canyon; Wolfcamp (17970)

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
See below

11 Country or Parish, State
Eddy County NM

12 CHECK THE 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 Lease Commingle: Off-Lease Gas Sales & Measurement
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 Production Co. LLP respectfully requests approval for lease commingle and off lease storage and measurement of oil & gas hydrocarbon production from the following wells:

- * Shakespeare 20 Federal Com 1H: API # 30-015-36376 Sec 20-T16S-R28E Lease NM-103873 Dog Canyon; Wolfcamp (17970)
- * Shakespeare 20 Federal Com 3H: API # 30-015-37193 Sec 20-T16S-R28E Lease NM-103872 Dog Canyon; Wolfcamp (17970)

A central tank battery will be located at the Shakespeare 20 Federal Com 1H. The Well Test Method will be used to allocate production back to the wells (see proposed/current facility schematic). A common gas sales meter associated with a DCP central delivery point (CDP) is located at the Shakespeare 20 Federal Com 1H location. Waste is not induced and no correlative rights are impaired.

ROW will or has already been obtained.

Working, royalty, and overriding interest owners are uniform; no further notification is required.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**SUBJECT TO LIKE
APPROVAL BY STATE**

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
Stephanie A. Ysasaga

Title Sr. Staff Engineering Technician

Signature

Date 01/08/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

LPE7

Date

2/19/2010

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

CF0

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.

(Instructions on page 2)

D. JD 2/23/10

APPLICATION FOR LEASE COMMINGLING & OFF-LEASE MEASUREMENT AND OFF LEASE SALES APPROVAL

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

Lease commingling proposal for Shakespeare leases:

Devon Energy Production Company, LP is requesting approval for surface commingle, off-lease storage and off-lease measurement of hydrocarbon gas production from the Dog Canyon; Wolfcamp (17970) from the following wells:

Federal Lease NM-103873 *CA# NM 123299*

Well Name	Location	API #	Pool 97056	BOPD	Oil Gravity	MCFPD	BTU
Shakespeare 20	Sec 20-T16S-R28E	30-015-36376	Dog Canyon; Wolfcamp	50	42 SP	110	1450
Federal Com 1H	SESE						

Federal Lease NM-103872-
103873

Well Name	Location	API #	Pool 97056	BOPD	Oil Gravity	MCFPD	BTU
Shakespeare 20	Sec 20-T16S-R28E	30-015-37193	Dog Canyon; Wolfcamp	n/a	n/a	n/a	n/a
Federal Com 3H*	SWNW						

* Well is currently in process of drilling and/or completion.

A map (Exhibit A) is enclosed showing the Federal leases and well locations in Section 20 of T16S R28E. The ownership in the Shakespeare leases are uniform; no further notification is necessary.

Oil & Gas metering:

M
03873
A central tank battery will be located at the Shakespeare 20 Federal Com 1H location in the SESE of Section 20 in T16S, R28E on Federal Lease NM-~~54856~~ in Eddy County, New Mexico (Exhibit C). A common gas sales meter associated with a DCP central delivery point (CDP) is located in Sec 20-T16S-R28E at the Shakespeare 20 Federal Com 1. The oil and water hydrocarbon production from the Shakespeare 20 Federal Com 1H & 3H 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.

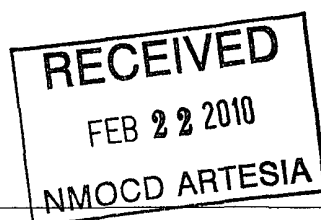
The BLM's interest in both wells are the same and the BTU's are equivalent. Waste is not induced and no correlative rights are impaired. These meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

Process and Flow Descriptions:

Please see attached diagram for the proposed Shakespeare 20 Federal Com 1H central tank battery. The flow of produced fluids is shown in detail on Exhibit D along with a description of each vessel.

The commingling of production is in the interest of conservation and waste and will result in the most effective, economic means of producing the reserves in place from the affected wells 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. Additionally, Devon Energy Production Co., LP will submit within 30 days, an application for right-of-way approval to the BLM and NMOCD section in your office, if we have not already done so.

devon



Devon Energy Production Company
Operations Engineering
20 North Broadway - CT 3.056
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-7802
Fax (405)-552-8113
Stephanie.Ysasaga@devon.com

January 8th, 2010

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

**Re: Lease Commingling, Off Lease Measurement and Off Lease Sales Approval
Shakespeare 20 Federal Com 1H & Shakespeare 20 Federal Com 3H
Sec 20-T16S-R28E NM-54856 & NM-103872
API # 30-015-36376 & 30-015-37193
Dog Canyon; Wolfcamp - Pool Code: 17970
Eddy County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B and BLM Form 3160-5 Sundry Notice of Intent to Lease Commingle the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners in both leases are uniform; parties have been notified via certified mail.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-7802.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

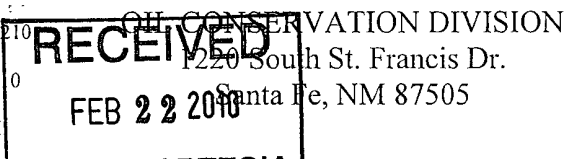
Stephanie A. Ysasaga
Sr. Staff Engineering Technician ☺

Enclosures

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 87400
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



WELL API NO. 30-015-36376 & 30-015-37193
5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Shakespeare 20 Federal Com
8. Well Number 1H & 3H
9. OGRID Number. 6137
10. Pool name or Wildcat See Below

SUNDRY NAMES 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, LP

3. Address of Operator
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-7802

4. Well Location (See Below)
Unit Letter _____: _____ feet from the _____ line and _____ feet from the _____ line
Section _____ Township _____ Range _____ NMPM Eddy County New Mexico

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
n/a

Pit or Below-grade Tank Application ☐ or Closure ☐

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
OTHER: LEASE COMMINGLE, OFF-LEASE GAS SALES & MEASUREMENT ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Co., LLP respectfully requests approval for lease commingle and off lease storage and measurement of oil & gas hydrocarbon production from the following wells:

- * Shakespeare 20 Federal Com 1H: API # 30-015-36376 Sec 20-T16S-R28E Lease NM-54856 Dog Canyon; Wolfcamp (17970)
- * Shakespeare 20 Federal Com 3H: API # 30-015-37193 Sec 20-T16S-R28E Lease NM-103872 Dog Canyon; Wolfcamp (17970)

A central tank battery will be located at the Shakespeare 20 Federal Com 1H. The Well Test Method will be used to allocate production back to the wells (see proposed/current facility schematic). A common gas sales meter associated with a DCP central delivery point (CDP) is located at the Shakespeare 20 Federal Com 1H location. Waste is not induced and no correlative rights are impaired.

ROW will or has already been obtained.

Working, royalty, and overriding interest owners have been notified via certified mail (see attached).

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 _____ TITLE Sr. Staff Engineering Technician DATE 01/08/2010

Type or print name Stephanie A. Ysasaga E-mail address: Stephanie.Ysasaga@devn.com Telephone No. (405) 552-7802
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
---------	----------	----------	-----------	------	--------

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.

Stephanie A. Ysasaga
 Print or Type Name

Signature

Sr. Staff Engineering Technician
 Title

01/08/2009
 Date

Stephanie.Ysasaga@dvnm.com
 e-mail Address

District I
1625 N French Drive, Hobbs, NM 88240
District II
1301 W Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Devon Energy Production Co, LP

OPERATOR ADDRESS: 20 North Broadway OKC, OK 73102

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code Dog Canyon, Wolfcamp (17970)

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type ☐ Metering ☒ Well Test

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Stephanie A. Ysasaga TITLE: Sr. Staff Engineering Technician DATE 01/08/2010

TYPE OR PRINT NAME Stephanie A. Ysasaga TELEPHONE NO (405)-552-7802

E-MAIL ADDRESS: Stephanie.Ysasaga@dnv.com



Devon Energy Corporation
20 North Broadway
Oklahoma City, OK 73102-8260

405 235 3611 Phone
www.devonenergy.com

December 14, 2009

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

RE: Surface Lease Commingling
Shakespeare 20 FC 1H & 3H
Section 20-T16S-R28E
Eddy County, New Mexico

Dear Gentlemen:

I have reviewed the files of Devon Energy Production Company, L. P. ("Devon") regarding the ownership of the referenced wells and the associated State of New Mexico oil and gas leases and find that the ownership of the working interest, royalty, and overriding royalty interests are uniform with respect to Devon's request to surface commingle all production from the following pool, insofar as such pool covers the referenced wells:

Dog Canyon; Wolfcamp pool (54856).

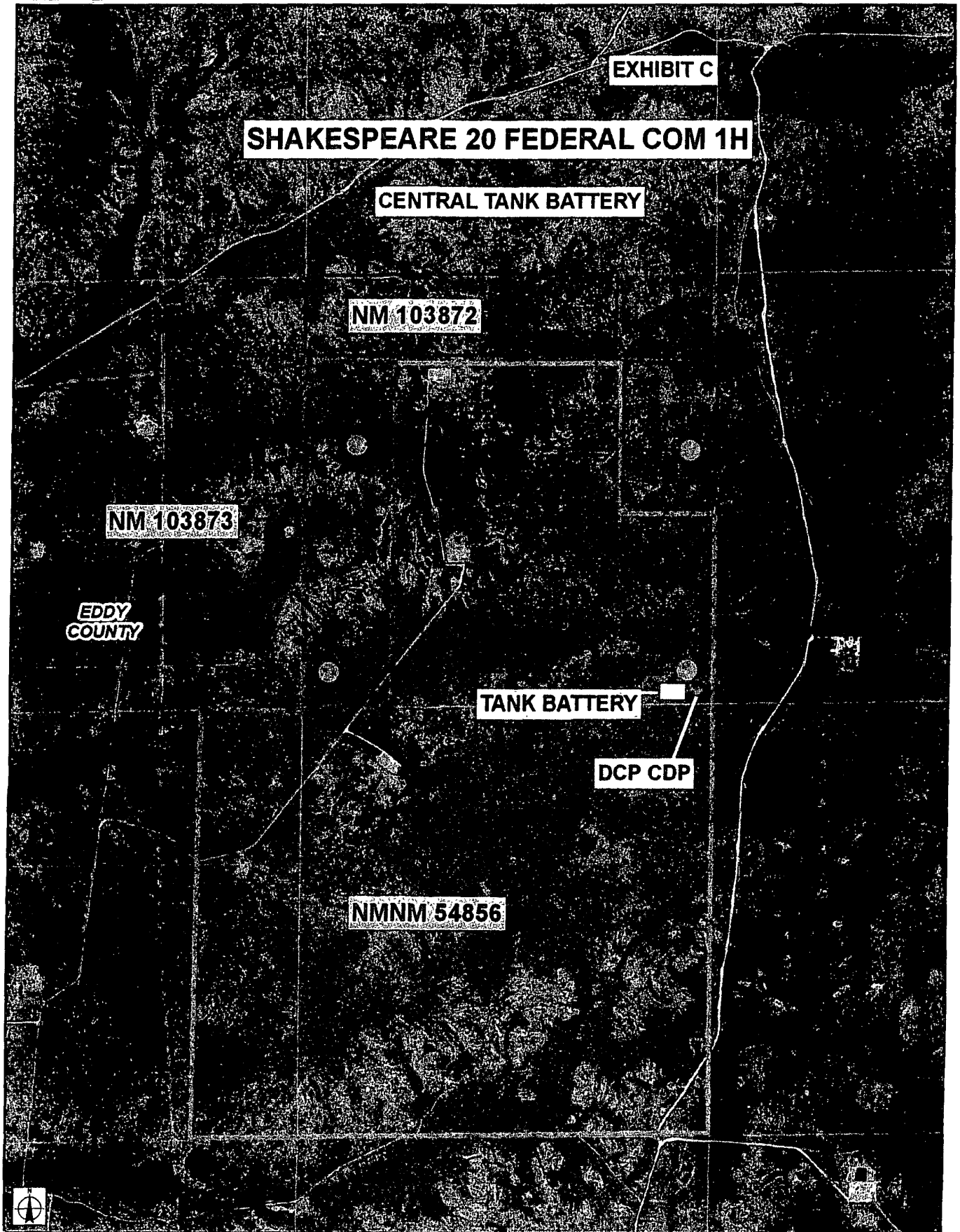
If there are any questions or if additional information is required, please feel free to contact me at (405) 552-8040.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L. P.

A handwritten signature in cursive script that reads "Katie A. McDonnell". The signature is written in black ink and is positioned above the printed name.

Katie A. McDonnell
Landman



20-20-2086724/000/8

Shakespeare 20 FC #3H

Shakespeare 20 FC #1H •

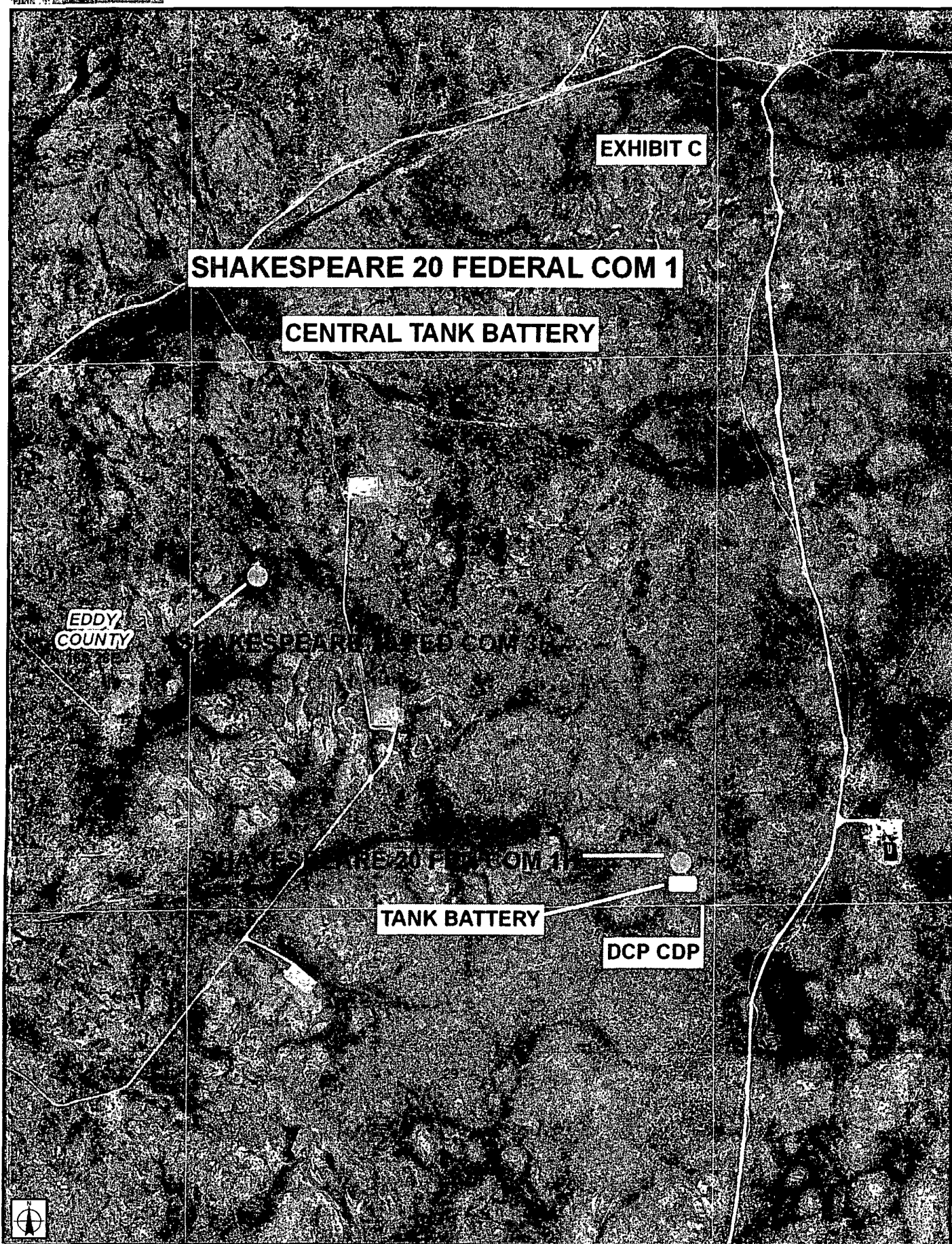
SHC

USA NMNM 54856

0 1,300 2,600 Feet



Shakespeare Commingle
Section 20, T16S - R28E
Eddy County, New Mexico



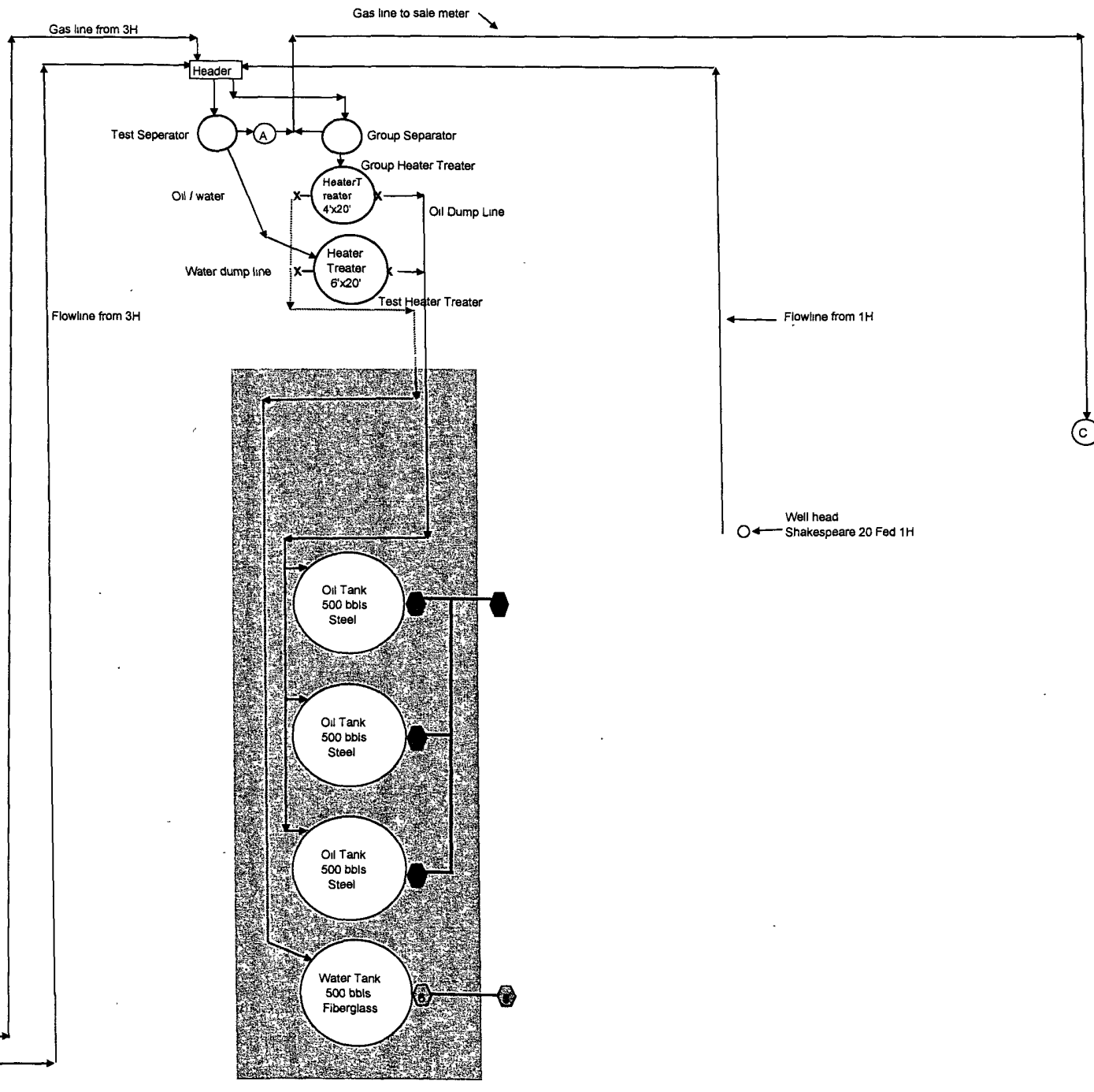
Devon Energy Corp.
Shakespeare 20 Fed 1H / 3H
S20 T16S R28E
Eddy County, NM

Current / Proposed Facility Diagram

Legend for Site Diagram

Valve #1: Production Line
Valve #2: Test or Roll line
Valve #3: Circ./Drain Line
Valve #4: Equillizer Line
Valve #5: Sales Line
Valve #6: BS&W Load Line
Buried Lines:
Firewall:
Wellhead:
Stak-pak:
Production line:
Water line:
Gas Meter
Liquid Meter

North



Shakespeare 20 Fed 3H

Gas line for 3H

Flowline for 3H

Well head
Shakespeare 20 Fed 1H

SHAKEPEARE 20 FEDERAL COM 1:

Date	Actual Oil Production	Actual Gas Production	Actual Water Production
10/1/2009	64	137	6
10/2/2009	50	132	6
10/3/2009	53	130	6
10/4/2009	49	130	9
10/5/2009	54	130	6
10/6/2009	56	134	6
10/7/2009	61	130	3
10/8/2009	56	132	3
10/9/2009	56	130	3
10/10/2009	54	127	3
10/11/2009	56	126	3
10/12/2009	62	126	3
10/13/2009	50	129	3
10/14/2009	64	123	3
10/15/2009	59	133	3
10/16/2009	46	130	6
10/17/2009	53	128	6
10/18/2009	58	128	6
10/19/2009	53	128	6
10/20/2009	53	130	3
10/21/2009	59	127	3
10/22/2009	59	125	3
10/23/2009	49	128	3
10/24/2009	61	127	6
10/25/2009	47	126	3
10/26/2009	59	121	3
10/27/2009	59	129	3
10/28/2009	56	129	6
10/29/2009	49	126	6
10/30/2009	50	126	6
10/31/2009	56	123	6
	1712	3980	141
11/1/2009	56	123	3
11/2/2009	53	124	3
11/3/2009	53	120	3
11/4/2009	50	123	3
11/5/2009	53	124	2
11/6/2009	52	124	3
11/7/2009	57	124	3
11/8/2009	53	124	3
11/9/2009	53	120	3
11/10/2009	53	121	3
11/11/2009	48	119	3
11/12/2009	59	121	3
11/13/2009	53	110	3
11/14/2009	62	123	3
11/15/2009	50	122	2
11/16/2009	56	118	2

SHAKEPEARE 20 FEDERAL COM 1:

Date	Actual Oil Production	Actual Gas Production	Actual Water Production
11/17/2009	51	121	3
11/18/2009	53	120	3
11/19/2009	50	120	4
11/20/2009	53	117	4
11/21/2009	47	121	4
11/22/2009	50	118	3
11/23/2009	56	112	3
11/24/2009	56	117	8
11/25/2009	47	121	6
11/26/2009	53	116	3
11/27/2009	53	118	6
11/28/2009	45	119	6
11/29/2009	59	114	6
11/30/2009	47	114	4
	1582	3588	108
12/1/2009	50	113	6
12/2/2009	51	112	5
12/3/2009	52	110	3
12/4/2009	53	112	0
12/5/2009	53	112	0
12/6/2009	48	117	2
12/7/2009	53	110	3
12/8/2009	53	114	6
12/9/2009	50	113	3
12/10/2009	57	114	2
12/11/2009	53	116	3
12/12/2009	50	116	3
12/13/2009	52	118	4
12/14/2009	50	117	3
12/15/2009	53	111	3
12/16/2009	54	116	3
12/17/2009	53	116	3
12/18/2009	50	116	5
12/19/2009	50	116	6
12/20/2009	50	115	3
12/21/2009	53	113	3
12/22/2009	47	107	6
12/23/2009	48	113	3
12/24/2009	57	111	3
12/25/2009	56	112	3
12/26/2009	45	112	3
12/27/2009	324	110	4
12/28/2009	48	109	3
12/29/2009	48	112	3
12/30/2009	50	110	5
12/31/2009	47	111	3
	1859	3504	105

**NOTIFICATION LIST
EXHIBIT B**

Chase Oil Corporation
P O Box 1767
Artesia, NM 88211-1767
7008-1140-0004-6108-8321

Robert C Chase
P O Box 297
Artesia, NM 88211-0297
7008-1140-0004-6108-8277

Richard L Chase
P.O. Box 359
Artesia, NM 88211-0359
7008-1140-0004-6108-8284

Gerene Dianne Chase Ferguson
Rebecca S Ericson AIF
P O. Box 693 Artesia, NM 88211
7008-1140-0004-6108-8291

McCombs Energy Ltd – Ricky Haiken VP
5599 San Felipe, Ste 1200
Houston, TX 77056
7008-1140-0004-6108-8307

Imperial Oil Company
22499 Imperial Valley Drive
Houston, TX 77073-1173
7008-1140-0004-6108-8314

Minerals Management Services
Royalty Mgmt Program
P.O. Box 5810 Denver, CO 80217
7008-1140-0004-6108-8338

Chase Oil Corporation - Staci D Sanders AIF
P O. Box 1767
Artesia, NM 88211-1767
7008-1140-0004-6108-8345

Robert C Chase
P.O. Box 297
Artesia, NM 88211-0297
7008-1140-0004-6108-8352

Imperial RR Ltd A Texas LP – H Roy Tex Inc
Mnging Gen Prtnr - George S Webb – VP
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Shakespeare 20 Federal Com. #1H and #3H

Devon Energy Production Co., LP

February 16, 2010

Condition of Approval
Commingle on and off lease

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 MMS as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to MMS. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.