

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] *Multiple API*  
 [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD *Paxon Energy*  
 Check One Only for [B] or [C] *Multiple Wells*  
 [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 \_\_\_\_\_

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- [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 *Erin Workman* \_\_\_\_\_  
 Print or Type Name Signature Regulatory Compliance Associate Title 07/22/13 Date  
 \_\_\_\_\_  
 Erin.workman@dvn.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: 333 W Sheridan Avenue, Oklahoma City, 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
96473 Pierce Crossing; Bone Spring, East HB 10 Federal 2	41.9 / 1261.2			
96473 Pierce Crossing; Bone Spring, East HB 10 Federal 3	41.9 / 1262.4			
11520; Cedar Canyon; Bone Spring -- HB 10-A Federal 8	41.9 / 1261.8			
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 2	41.9 / 1254.9			
(See attached for the rest of the wells information)				

- (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  Well Test Method  
(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.  
(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  Other (Well Test Method)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Complete Sections A and E.

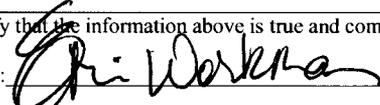
**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

- (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:  TITLE: Regulatory Compliance Assoc. DATE: 07/22/13

TYPE OR PRINT NAME: Erin Workman TELEPHONE NUMBER: 405-552-7970

E-MAIL ADDRESS: Erin.Workman@dvn.com

## HB POOL COMMINGLE

1) Pool Names and Codes	Gravities/ BTU of Non- Commingled Production
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 3	41.9 /1261.
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 4	41.9 /1243.8
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 5	41.9 /1243.2
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 6	41.9 /1269.4
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 7	41.9/1267.8
11540 Cedar Canyon; Delaware HB 11 Federal 11	41.9 /1272.7
11540 Cedar Canyon; Delaware HB 15 Federal 1	41.9 /1257.7

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised August 1, 2011

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.)		WELL API NO. See Below
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Devon Energy Production Company, L.P.		6. State Oil & Gas Lease No. See Below
3. Address of Operator 333 W. Sheridan, Oklahoma City, OK 73102 (405) 552-7970		7. Lease Name or Unit Agreement Name See Below
4. Well Location Unit Letter _____ : _____ feet from the _____ line and _____ feet from the _____ line Section See Below Township Range NMPM Eddy, County		8. Well Number See Below
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3299'GL		9. OGRID Number 6137
10. Pool name or Wildcat See Below		

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

NOTICE OF INTENTION TO: 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"/> DOWNHOLE COMMINGLE <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/> CTB, Pool/Lease commingle, Off Lease Gas Measurement, Sales & Storage		SUBSEQUENT REPORT OF: 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: <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Company, LP respectfully requests a Central Tank Battery, Pool/Lease Commingle, Off-Lease Measurement, Sales & Storage for the following wells:

Well	S/T/R	LEASE #	API	POOL
H B 10 Federal 2	Sec 10-T24S-R29E	Lease NM-81616	API # 30-015-33098	Pool: 96473 Pierce Crossing; Bone Spring, East
H B 10 Federal 3	Sec 10-T24S-R29E	Lease NM-81616	API # 30-015-34145	Pool: 96473 Pierce Crossing; Bone Spring, East
H B 10-A Federal 8	Sec 10-T24S-R29E	Lease NM-81616	API # 30-015-29915	Pool: 11520 Cedar Canyon; Bone Spring
H B 11 Federal 2	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-29248	Pool: 96473 Pierce Crossing; Bone Spring, East
H B 11 Federal 3	Sec 10-T24S-R29E	Lease NM-85892	API # 30-015-29249	Pool: 96473 Pierce Crossing; Bone Spring, East
H B 11 Federal 4	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-29625	Pool: 96473 Pierce Crossing; Bone Spring, East
H B 11 Federal 5	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-32741	Pool: 96473 Pierce Crossing; Bone Spring, East
H B 11 Federal 6	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-29585	Pool: 96473 Pierce Crossing; Bone Spring, East
H B 11 Federal 7	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-32606	Pool: 96473 Pierce Crossing; Bone Spring, East
H B 11 Federal 11	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-29739	Pool: 11540 Cedar Canyon; Delaware
H B 15 Federal 1	Sec 10-T24S-R29E	Lease NM-88137	API # 30-015-29490	Pool: 11540 Cedar Canyon; Delaware

A Central Tank Battery is located at the HB 11 Federal 2 location in the NW/4 SW/4 of Sec. 11-24S-29E in Eddy Co., NM. The production from all wells will come to a common production header with isolation lines to route each wells production. This header is located on the East side of the facility. The DCP central delivery point (CDP) #33166167 for all wells is also located at the HB 11 Federal 2 location. These are the only wells utilizing this CDP at this time. Production is allocated based off well test and the test equipment is on the HB 11 Federal 2 location. ROW has or will be obtained.

The working, royalty, and overriding interest owners are not identical; parties 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: Erin Workman TITLE: Regulatory Compliance Associate DATE: 07/22/13

Type or print name: Erin Workman E-mail address: Erin.workman@dvn.com Telephone No. (405) 552-7970  
 For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of Approval (if any): \_\_\_\_\_



Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

405 552 7970 Phone  
Erin.Workman@devn.com

July 22, 2013

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Interest Owners

**Re: Central Tank Battery, Pool/Lease Commingle, Off Lease Gas Measurement, Sales, & Storage  
Sec 10-T24S-R29E  
NMNM 81616, NMNM 88134, NMNM 85892, & NMNM 88137  
API #30-015-33098, #30-015-34145, #30-015-29915, #30-015-29248, #30-015-29249,  
#30-015-29625, #30-015-32741, #30-015-29585, #30-015-32606, #30-015-29739,  
#30-015-29490  
Pool: 96473 Pierce Crossing; Bone Spring East, 11520 Cedar Canyon; Bone Spring,  
11540 Cedar Canyon, Delaware  
Eddy County, New Mexico**

Gentlemen:

This is to advise you that Devon Energy Production Company, LP, is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval to permit a Pool\Lease Commingle, off-lease measurement sales, & storage of production from the aforementioned leases and pools.

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division, Santa Fe office within 20 days from the date of this letter.

Please contact the undersigned at (405) 552-7970 should you have any questions or need anything further.

Sincerely,

**Devon Energy Production Company, L.P.**

Erin Workman  
Regulatory Compliance Associate

Enclosure

# CERTIFIED MAILING LIST

Well Name: **H B 15 FED 1**

<b><u>Repondent Name/Address:</u></b>	<b><u>Certified Mailing Number:</u></b>
Paul Barwis P.O. Box 230 Midland, TX 79702	9171999991703091646422 Transaction #30724
Colonial Management 11413 W. 104th Street Overland Park, KS 66214	9171999991703091646415 Transaction #30726
F-Co Holdings 245 Brattle Street Cambridge, MA 02138	9171999991703091646408 Transaction #30728
George G. Vaught Jr. P.O. Box 13557 Denver, CO 80201-3557	9171999991703091646392 Transaction #30738
Kingdom Investments Limited 1601 Elm Street, Suite 3400 Dallas, TX 75201-7201	9171999991703091646385 Transaction #30732
Lowe Royalty Partners LP P.O. Box 4887, Dept 4 Houston, TX 77210-4887	9171999991703091646378 Transaction #30749
YMC Royalty Company LP P.O. Box 681062 Houston, TX 77268-1062	9171999991703091646361 Transaction #30750
Jareed Partners Ltd P.O. Box 51451 Midland, TX 79710-1451	9171999991703091646354 Transaction #30751
Goldking Energy P.O. Box 671099 Dallas, TX 75367-1099	9171999991703091646347 Transaction #30753
Penwell Employee Royalty Pool 200 N. Loraine Street, Suite 1550 Midland, TX 79701	9171999991703091646330 Transaction #30754
Robro Royalty Partners Ltd P.O. Box 671028 Dallas, TX 75367-1028	9171999991703091646323 Transaction #30755
John Lawrence Thoma P.O. Box 17656 Golden, CO 80402	9171999991703091646316 Transaction #30756
Sandra Mary Thoma 8530 Mill Run Road Athens, TX 75751	9171999991703091646309 Transaction #30757
Energy Royalties LLC A/C 3600 Kirby Drive, Suite T Houston, TX 77098	9171999991703091646293 Transaction #30758
Bitter End Royalties LP P.O. Box 670988 Dallas, TX 75367-0988	9171999991703091646286 Transaction #30759

# CERTIFIED MAILING LIST

Well Name: **H B 15 FED 1**

<b><u>Repondent Name/Address:</u></b>	<b><u>Certified Mailing Number:</u></b>
Rave Energy Inc. 777 Walker Street, Suite 2500 Houston, TX 77002	9171999991703091646279 Transaction #30760
Taurus Royalty LLC P.O. Box 1477 Little Elm, TX 75068-1477	9171999991703091646262 Transaction #30761
Vendetta Royalty Partners Ltd P.O. Box 141638 Austin, TX 78714-1638	9171999991703091646255 Transaction #30762
ONRR P.O. Box 25627 Denver, CO 80225-0627	9171999991703091646248 Transaction #30763

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

# OPERATOR'S COPY

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.*

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

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple--See Attached
2. Name of Operator DEVON ENERGY PRODUCTION CO		6. If Indian, Allottee or Tribe Name
3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102		7. If Unit or CA/Agreement, Name and/or No. Multiple--See Attached
3b. Phone No. (include area code) Ph: 405-552-7970		8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool, or Exploratory Multiple--See Attached
		11. County or Parish, and State EDDY COUNTY, NM

**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 Surface Commingling
	<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 recomplete 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 recompletion 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 Production Company, LP respectfully requests a Central Tank Battery, Pool/Lease Commingle, Off-Lease Measurement, Sales & Storage for the following wells:

- HB 10 Federal 2    Sec 10-24S-29E    30-015-33098    96473 Pierce Crossing; Bone Spring, East
- HB 10 Federal 3    Sec 10-24S-29E    30-015-34145    96473 Pierce Crossing; Bone Spring, East
- HB 10-A Federal 8    Sec 10-24S-29E    30-015-29915    11520 Cedar Canyon; Bone Spring East
- HB 11 Federal 2    Sec 11-24S-29E    30-015-29248    96473 Pierce Crossing; Bone Spring, East
- HB 11 Federal 4    Sec 11-24S-29E    30-015-29625    96473 Pierce Crossing; Bone Spring, East

**RECEIVED**

**JUL 17 2013**

**REGULATORY DEPT.  
MID-CONTINENT DIVISION**

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

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

**Electronic Submission #164368 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 12/18/2012 (13KMS4197SE)**

Name (Printed/Typed) ERIN WORKMAN	Title REGULATORY COMPLIANCE ASSOC
Signature (Electronic Submission)	Date 12/14/2012

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

Approved By <u>DUNCAN WHITLOCK</u> <i>J.D. Whitlock</i>	Title SUPERVISORY PET	Date 06/11/2013
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 Carlsbad

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.

\*\* BLM REVISED \*\*

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

**Additional data for EC transaction #164368 that would not fit on the form**

**5. Lease Serial No., continued**

NMNM81616  
 NMNM85892  
 NMNM88134  
 NMNM88137

**Wells/Facilities, continued**

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM88134	NMNM88134	H B 11 FEDERAL 2	30-015-29248-00-S1	Sec 11 T24S R29E NWSW 1650FSL 400FWL
NMNM88134	NMNM88134	H B 11 FEDERAL 4	30-015-29625-00-S1	Sec 11 T24S R29E NWNW 510FNL 560FWL
NMNM81616	NMNM81616	H B 10 FEDERAL 2	30-015-33098-00-S1	Sec 10 T24S R29E NWSE 2240FSL 2240FEL
NMNM81616	NMNM81616	H B 10 FEDERAL 3	30-015-34145-00-S1	Sec 10 T24S R29E NESE 1480FSL 1110FEL
NMNM81616	NMNM81616	H B 10A FEDERAL 8	30-015-29915-00-S1	Sec 10 T24S R29E SESE 660FSL 400FEL
NMNM88134	NMNM88134	H B 11 FEDERAL 11	30-015-29739-00-C1	Sec 11 T24S R29E NWSE 2080FSL 1930FEL
NMNM88134	NMNM88134	H B 11 FEDERAL 11	30-015-29739-00-C2	Sec 11 T24S R29E NWSE 2080FSL 1930FEL
NMNM88134	NMNM88134	H B 11 FEDERAL 5	30-015-32741-00-S1	Sec 11 T24S R29E NENW 330FNL 1750FWL
NMNM88134	NMNM88134	H B 11 FEDERAL 6	30-015-29585-00-S1	Sec 11 T24S R29E SENW 1650FNL 1980FWL
NMNM88134	NMNM88134	H B 11 FEDERAL 7	30-015-32606-00-S1	Sec 11 T24S R29E NESW 2550FSL 1600FWL
NMNM85892	NMNM85892	H B 11 FEDERAL 3	30-015-29249-00-S1	Sec 11 T24S R29E SESW
NMNM88137	NMNM88137	H B 15 FEDERAL 1	30-015-29490-00-S2	Sec 15 T24S R29E NENE 660FNL 860FEL

**10. Field and Pool, continued**

CEDAR CANYON-BONE SPRING  
 E PIERCE CROSSING  
 PIERCE CROSSING  
 PIERCE CROSSING BONE SPRING

**32. Additional remarks, continued**

HB 11 Federal 5	Sec 11-24S-29E	30-015-32741	96473	Pierce Crossing; Bone Spring, East
HB 11 Federal 6	Sec 11-24S-29E	30-015-29585	96473	Pierce Crossing; Bone Spring, East
HB 11 Federal 7	Sec 11-24S-29E	30-015-32606	96473	Pierce Crossing; Bone Spring, East
← HB 11 Federal 11	Sec 11-24S-29E	30-015-29739	11540	Cedar Canyon; Delaware
H B 11 Federal 3	Sec 11-24S-29E	30-015-29249	96473	Pierce Crossing; Bone Spring, East
H B 15 Federal 1	Sec 15-24S-29E	30-015-29490	11540	Cedar Canyon; Delaware

A Central Tank Battery is located at the HB 11 Federal 2 location in the NW/4 SW/4 of Sec. 11-24S-29E in Eddy Co., NM. The production from all wells will come to a common production header with isolation lines to route each wells production. This header is located on the East side of the facility. The DCP central delivery point (CDP) #33166167 for all wells is also located at the HB 11 Federal 2 location. These are the only wells utilizing this CDP at this time. Production is allocated based off well test and the test equipment is on the HB 11 Federal 2 location. ROW has or will be obtained

## APPLICATION FOR CENTRAL TANK BATTERY, POOL/LEASE COMMINGLING & OFF-LEASE MEASUREMENT, SALES, & STORAGE APPROVAL

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

### Pool/Lease commingling proposal for HB 10, HB 11, & HB 15

Devon Energy Production Company, LP is requesting approval for CTB, Pool/Lease Commingling, Off Lease Measurement, Sales, & Storage

#### Federal Lease: NM 81616

Well Name	Location	API #	Pool	BOPD	Oil Gravity	MCFPD	BTU
<i>NWSE</i> HB 10 Federal 2	Sec 10-24S-29E	30-015-33098	96473 Pierce Crossing; Bone Spring, East	3	See Run Ticket	10.49	1261.2
<i>NESE</i> HB 10 Federal 3	Sec 10-24S-29E	30-015-34145	96473 Pierce Crossing; Bone Spring, East	3	42.7 as per LAST SALE	41.95	1262.4
<i>SESE</i> HB 10-A Federal 8	Sec 10-24S-29E	30-015-29915	11520 Cedar Canyon; Bone Spring	1	31.46	31.46	1261.8

*3-2013 OGOR*

#### Federal Lease: NM 88134

Well Name	Location	API #	Pool	BOPD	Oil Gravity	MCFPD	BTU
<i>NWSW</i> HB 11 Federal 2	Sec 11-24S-29E	30-015-29248	96473 Pierce Crossing; Bone Spring, East	2	See Run Ticket	51.49	1254.9
<i>NWNW</i> HB 11 Federal 4	Sec 11-24S-29E	30-015-29625	96473 Pierce Crossing; Bone Spring, East	2	"	10.49	1243.8
<i>NENW</i> HB 11 Federal 5	Sec 11-24S-29E	30-015-32741	96473 Pierce Crossing; Bone Spring, East	2	45.6	36.23	1243.2
<i>SENE</i> HB 11 Federal 6	Sec 11-24S-29E	30-015-29585	96473 Pierce Crossing; Bone Spring, East	1	as per	14.30	1269.4
<i>NESE</i> HB 11 Federal 7	Sec 11-24S-29E	30-015-32606	96473 Pierce Crossing; Bone Spring, East	1	as per	26.70	1267.8
<i>NWSE</i> HB 11 Federal 11	Sec 11-24S-29E	30-015-29739	11540 Cedar Canyon; Delaware	.10	LAST SALE	0.95	1272.7

*3-2013 OGOR*

#### Federal Lease NM 85892

Well Name	Location	API #	Pool	BOPD	Oil Gravity	MCFPD	BTU
<i>SESW</i> HB 11 Federal 3	Sec 11-24S-29E	30-015-29249	96473 Pierce Crossing; Bone Spring, East	11	See Run Ticket	146.84	1261.0

*42.7 as per  
LAST SALE 3-2013 OGOR*

#### Federal Lease NM 88137

Well Name	Location	API #	Pool	BOPD	Oil Gravity	MCFPD	BTU
<i>NENE</i> HB 15 Federal 1	Sec 15-24S-29E	30-015-29490	11540 Cedar Canyon; Delaware	2	See Run Ticket	14.30	1257.7

*42.7 as per  
LAST SALE 3-2013 OGOR*

A map (Exhibit A) is enclosed showing the Federal leases and well locations in Sections: 10, 11, & 15 of T24S R29E and The ownership in the HB lease is not uniform; working, royalty, and overriding interest owners have been notified of this proposal via certified mail (Exhibit D).

#### Oil & Gas metering:

A central tank battery will be located at the HB 11 Federal #2 location in the NW/4 SW/4 of Section 11 in T24S, R29E on Federal Lease NM-88134 in Eddy County, New Mexico (Exhibit B). A common gas sales meter associated with a DCP central delivery point (CDP) #33166167 is located in Sec 11-T24S-R29E at the HB 11 Federal 2. The oil and water production from these wells 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. The HB 11 Federal 4, 5, 6, & 7 will run through a test separator to test these wells, then to the HB 11 Federal 2. 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 these 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, NMOC 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 (EXHIBIT B) for the current & proposed HB 11 Federal 2 central tank battery. The flow of produced fluids is shown in detail on Exhibit B 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.

Signed:



Printed Name: Erin Workman

Title: Regulatory Compliance Associate

Date: 11/26/12

Any questions on this please contact Tracy Kidd @ (575) 748-0189

Truck Ticket(H B 11 FED 2 OIL TK 111115-1)

H B 11 FED 2 OIL TK 111115-1 Oil

Date	Ticket #	Oil	Water	
10/25/2012	1006976	179.54	0.00	C
10/20/2012	1001893	181.69	0.00	O
9/3/2012	948268	178.98	0.00	O
8/30/2012	948267	178.24	0.00	O
7/30/2012	912593	178.35	0.00	O
7/23/2012	912592	185.75	0.00	O
5/26/2012	860469	187.64	0.00	O
5/24/2012	860468	173.16	0.00	O
5/4/2012	838819	189.07	0.00	O
4/19/2012	825300	179.00	0.00	O
3/17/2012	792362	191.63	0.00	O
3/16/2012	792363	177.60	0.00	O
1/14/2012	733869	177.67	0.00	O
1/14/2012	733868	178.31	0.00	O
12/15/2011	695243	180.30	0.00	O

**Ticket Type**

Oil Sale or Disposition

Entry Date: 10/25/2012

Ticket #: 1006976

Ticket Drawn: Before stock read

Purchaser: SHELL TRADING US COMPANY

Transporter: TAYLOR TRUCKING

Product: 10: Oil

Disposition: 140: Sales To Truck

Top Gauge Open: 7' 11 1/4"

Top Gauge Close: 2' 6 2/4"

Gross Volume (BBL): 180.639

Water Gauge Open: 0' 0 0/4"

Water Gauge Close: 0' 0 0/4"

Free Water Volume (BBL): 0.000

BSW Percent: 0.1

Open Temp (F): 70

Close Temp (F): 70

Obsv Gravity (sg): 41.9

Observed Temp: 70

Corr Gravity (sg): 41.000

Net Oil Volume (BBL): 179.538

Calculation Type: System Calculated

Buttons: Cancel, Add, Delete, Save, Save & Close

Exhibit A

3

2



10

NM-81616

NM-88134

11

H.B. 10 Fed. 2

H.B. 11 Fed. 4

H.B. 11 Fed. 5

H.B. 11 Fed. 6

H.B. 11 Fed. 7

H.B. 11 Fed. 11

H.B. 10 Fed. 3

NM-85892

H.B. 11 Fed. 3

H.B. 10-A Fed. 8

NM-88137

H.B. 15 Fed. 1

24S 29E

14

15



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001

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H B STATE #003

H B STATE #004

H B 10 FEDERAL #004

H B 11 FEDERAL #005

H B 11 FEDERAL #004

H B 10 FEDERAL #005

CEDAR CANYON 10 FEDERAL #001

H B 10 FEDERAL #001

RIVER BEND 10 FEDERAL #001

RIVER BEND 10 FEDERAL #001

RIVER BEND 10 FEDERAL #002

HARROUN 10 #003

HARROUN 10 #004

HARROUN 10 #003

HARROUN 9 #002

H B 11 FEDERAL #002

H B 10 FEDERAL #003

HARROUN 10 #002

HARROUN 10 #001

H B 11 FEDERAL #003

H B 10 FEDERAL #008

NM85892

011

HARROUN 15 #002

H BUCK STATE #003

HARROUN 15 #014

HARROUN 15 #014

H B 16 FEDERAL #001

H B 15 FEDERAL #001

NM88137

HARROUN 15 #005

HARROUN 15 #008

HARROUN 15 #006

HARROUN 15 #003

HARROUN 15 #015

HARROUN 15 #008

H BUCK STATE #004H

ORE IDA 14 FEDERAL #003

ORE IDA 14 FEDERAL #002

ORE IDA 14 FEDERAL #002

ORE IDA 14 FEDERAL #006

CORRAL DRAW AQH FEDERAL #004

ORE IDA 14 FEDERAL #005

CORRAL DRAW AQH FEDERAL #005

NM88134

H B 11 FEDERAL #007

H B 11 FEDERAL #011

H B 11 FEDERAL #011

JUSTER BFJ FEDERAL #003

HB 10 11 & 15  
EXHIBIT B







HB 11 FED.2 BATT.  
1650 FSL-400 FWL  
SEC.11-245-29E NMPM  
EDDY CO.N.M.-96222

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 closed.

(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: Equalizer Line

Valve #4: Circ./Drain Line

Valve #5: Sles Line

Valve #6: BS&W Load Line

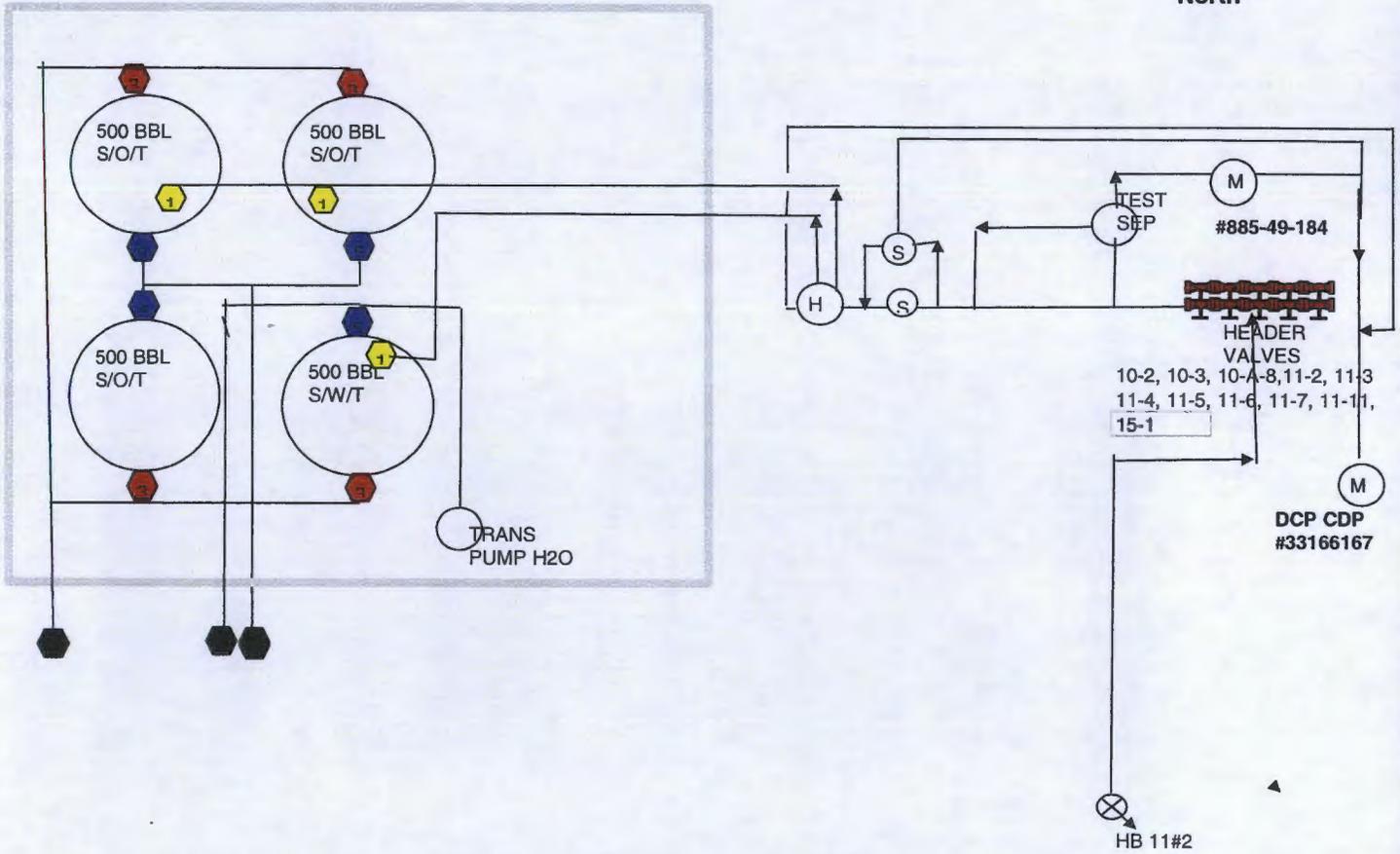
Buried Lines: -----

Firewall:

Wellhead:

Stak-pak:

Gas Meter





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

November 27, 2012

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

**Re: Central Tank Battery, Pool/Lease Commingle, Off Lease Gas Measurement, Sales, & Storage  
Sec 10-T24S-R29E  
NMNM 81616, NMNM 88134, NMNM 85892, & NMNM 88137  
API: #30-015-33098, #30-015-34145, #30-015-29915, #30-015-29248, #30-015-29249,  
#30-015-29625, #30-015-32741, #30-015-29585, #30-015-32606, #30-015-29739,  
#30-015-29490  
Pool: 96473 Pierce Crossing; Bone Spring East, 11520 Cedar Canyon; Bone Spring,  
11540 Cedar Canyon, Delaware  
Eddy County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103, C-107B and BLM Form 3160-5 Sundry Notice of Intent for a Central Tank Battery, Pool\Lease Commingle, Off Lease Measurement, Sales, & Storage for the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners are not uniformed; notification has been sent via certified mail (see attached).

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

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.

\_\_\_\_\_  
 Erin Workman  
 Print or Type Name

Signature

\_\_\_\_\_  
 Regulatory Compliance Associate  
 Title

\_\_\_\_\_  
 11-27-12  
 Date

\_\_\_\_\_  
 Erin.workman@dvn.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: 333 W Sheridan Avenue, Oklahoma City, OK 73102  
APPLICATION TYPE:

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

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
96473 Pierce Crossing; Bone Spring, East HB 10 Federal 2	41.9 /1261.2			
96473 Pierce Crossing; Bone Spring, East HB 10 Federal 3	41.9/1262.4			
11520; Cedar Canyon; Bone Spring - HB 10-A Federal 8	41.9 /1261.8			
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 2	41.9 /1254.9			
(See attached for the rest of the wells information)				

(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  Well Test Method  
(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.  
(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  Other (Well Test Method)

**(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: Erin Workman TITLE: Regulatory Compliance Assoc. DATE: 11/27/12

TYPE OR PRINT NAME: Erin Workman TELEPHONE NUMBER: 405-552-7970

E-MAIL ADDRESS: Erin.Workman@dvn.com

## HB POOL COMMINGLE

1) Pool Names and Codes	Gravities/ BTU of Non- Commingled Production
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 3	41.9 /1261.
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 4	41.9 /1243.8
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 5	41.9 /1243.2
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 6	41.9 /1269.4
96473 Pierce Crossing; Bone Spring, East HB 11 Federal 7	41.9 /1267.8
11540 Cedar Canyon; Delaware HB 11 Federal 11	41.9 /1272.7
11540 Cedar Canyon; Delaware HB 15 Federal 1	41.9 /1257.7

## OFF LEASE PRODUCTION - EDDY COUNTY

	05/01/12	06/01/12	07/01/12	08/01/12	09/01/12	10/01/12
Well Name	Sum Est Gas					
HB 10 Federal 2	796.33	671.15	511.87	467.35	441.2	260.73
HB 10 Federal 3	1157.75	973.57	1,342.35	1,152.64	1,181.08	888.33
HB 10 - A Federal 8	740.86	670.99	1,017.22	801.31	915.21	636.61
HB 11 Federal 2	1455.61	1,315.33	1,896.8	1,453.23	1,553.9	1,071.08
HB 11 Federal 3	4756.32	4,021.1	6,436.44	5,166.06	5,451.56	3,629.78
HB 11 Federal 4	511.86	391.84	511.86	477.96	519.22	306.06
HB 11 Federal 5	1177.98	961.56	1,265.1	1,047.25	1,064.29	776.12
HB 11 Federal 6	478.4	424.56	500.61	418.17	426.48	339.69
HB 11 Federal 7	586.36	625.31	1,454.16	669.54	781.75	507.37
HB 11 Federal 11	41.26	118.61	33.01	26.38	27.8	19.54
HB 15 Federal 1	752.54	577.12	787.28	578.4	585.	375.08

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 10 FED 2
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 15:22:27

**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	1.9967	0.0	0.0	0.01931	0.220
CARBON DIOXIDE	2.2768	0.0	0.0	0.03460	0.390
METHANE	74.0488	749.6	736.6	0.41016	12.599
ETHANE	11.7848	209.0	205.4	0.12235	3.163
PROPANE	5.9962	151.2	148.6	0.09129	1.658
I-BUTANE	0.6846	22.3	21.9	0.01374	0.225
N-BUTANE	1.6785	54.9	53.9	0.03368	0.531
I-PENTANE	0.3975	15.9	15.7	0.00990	0.146
N-PENTANE	0.4517	18.1	17.8	0.01125	0.164
C6+	0.6846	35.2	34.6	0.02203	0.298
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1256.4	1234.5	0.76831	19.395

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	72.0	
Flowing Pressure (psia)	75.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1256.4	1234.5
Gross Heating Value (BTU / Real cu.ft.)	1261.2	1239.8
Relative Density (G), Real	0.7710	0.7687
Compressibility (Z) Factor	0.9961	0.9957
Total GPM	19.395	19.165
Wobbe Index	1436.4	1414.0

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 10 FED 3
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 15:12:43

**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	2.0314	0.0	0.0	0.01965	0.224
CARBON DIOXIDE	2.3413	0.0	0.0	0.03558	0.401
METHANE	73.8247	747.4	734.3	0.40892	12.561
ETHANE	11.8570	210.3	206.7	0.12310	3.183
PROPANE	6.0072	151.5	148.9	0.09146	1.661
I-BUTANE	0.6865	22.4	22.0	0.01378	0.225
N-BUTANE	1.6881	55.2	54.2	0.03388	0.534
I-PENTANE	0.4008	16.1	15.8	0.00998	0.147
N-PENTANE	0.4553	18.3	18.0	0.01134	0.166
C6+	0.7077	36.4	35.8	0.02277	0.308
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1257.5	1235.6	0.77045	19.411

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	72.0	
Flowing Pressure (psia)	72.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1257.5	1235.6
Gross Heating Value (BTU / Real cu.ft.)	1262.4	1240.9
Relative Density (G), Real	0.7731	0.7709
Compressibility (Z) Factor	0.9961	0.9957
Total GPM	19.411	19.180
Wobbe Index	1435.7	1413.4

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 10 A FED 8
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 15:29:19

**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	2.0204	0.0	0.0	0.01954	0.223
CARBON DIOXIDE	2.2952	0.0	0.0	0.03488	0.393
METHANE	73.9492	748.6	735.6	0.40960	12.582
ETHANE	11.8071	209.4	205.8	0.12258	3.169
PROPANE	6.0207	151.8	149.2	0.09167	1.665
I-BUTANE	0.6849	22.3	21.9	0.01374	0.225
N-BUTANE	1.6800	54.9	54.0	0.03371	0.532
I-PENTANE	0.3970	15.9	15.6	0.00989	0.146
N-PENTANE	0.4495	18.1	17.7	0.01120	0.164
C6+	0.6960	35.8	35.2	0.02239	0.303
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1256.9	1235.0	0.76921	19.401

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	71.0	
Flowing Pressure (psia)	70.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1256.9	1235.0
Gross Heating Value (BTU / Real cu.ft.)	1261.8	1240.3
Relative Density (G), Real	0.7719	0.7696
Compressibility (Z) Factor	0.9961	0.9957
Total GPM	19.401	19.171
Wobbe Index	1436.2	1413.9

TK

4808 N. Michigan, Roswell, NM. 88202-8323 575-622-9874

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 11 FED 2
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 16:03:27

**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	2.1849	0.0	0.0	0.02113	0.241
CARBON DIOXIDE	2.4863	0.0	0.0	0.03778	0.426
METHANE	73.9294	748.4	735.4	0.40949	12.578
ETHANE	11.5837	205.5	201.9	0.12026	3.109
PROPANE	5.9400	149.8	147.2	0.09044	1.642
I-BUTANE	0.6741	22.0	21.6	0.01353	0.221
N-BUTANE	1.6505	54.0	53.0	0.03312	0.522
I-PENTANE	0.3868	15.5	15.2	0.00964	0.142
N-PENTANE	0.4390	17.6	17.3	0.01094	0.160
C6+	0.7253	37.3	36.6	0.02334	0.316
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1250.1	1228.3	0.76966	19.358

**Results Summary**

Result	Dry	Sat
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	70.0	
Flowing Pressure (psia)	70.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1250.1	1228.3
Gross Heating Value (BTU / Real cu.ft.)	1254.9	1233.6
Relative Density (G), Real	0.7723	0.7701
Compressibility (Z) Factor	0.9962	0.9957
Total GPM	19.358	19.129
Wobbe Index	1427.9	1405.7

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 11 FED 3
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 16:38:26

**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	2.0494	0.0	0.0	0.01982	0.226
CARBON DIOXIDE	2.2920	0.0	0.0	0.03483	0.393
METHANE	73.9535	748.7	735.6	0.40963	12.583
ETHANE	11.8153	209.6	205.9	0.12267	3.171
PROPANE	5.9909	151.1	148.5	0.09121	1.656
I-BUTANE	0.6994	22.8	22.4	0.01404	0.230
N-BUTANE	1.6617	54.3	53.4	0.03335	0.526
I-PENTANE	0.3918	15.7	15.4	0.00976	0.144
N-PENTANE	0.4436	17.8	17.5	0.01105	0.161
C6+	0.7024	36.1	35.5	0.02260	0.306
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1256.1	1234.2	0.76895	19.396

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	70.0	
Flowing Pressure (psia)	72.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1256.1	1234.2
Gross Heating Value (BTU / Real cu.ft.)	1261.0	1239.5
Relative Density (G), Real	0.7716	0.7694
Compressibility (Z) Factor	0.9961	0.9957
Total GPM	19.396	19.166
Wobbe Index	1435.5	1413.2

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 11 FED 4
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 15:56:21

**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	1.8454	0.0	0.0	0.01785	0.204
CARBON DIOXIDE	1.9323	0.0	0.0	0.02936	0.331
METHANE	75.8690	768.0	754.7	0.42024	12.906
ETHANE	11.3554	201.4	197.9	0.11789	3.047
PROPANE	5.5070	138.9	136.5	0.08384	1.522
I-BUTANE	0.6202	20.2	19.9	0.01245	0.204
N-BUTANE	1.5151	49.5	48.7	0.03041	0.479
I-PENTANE	0.3576	14.3	14.1	0.00891	0.131
N-PENTANE	0.4061	16.3	16.0	0.01012	0.148
C6+	0.5919	30.4	29.9	0.01904	0.258
Water	0.0000	0.0	0.0	0.00000	0.000
<b>Total:</b>	<b>100.0000</b>	<b>1239.2</b>	<b>1217.6</b>	<b>0.75010</b>	<b>19.230</b>

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	74.0	
Flowing Pressure (psia)	70.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1239.2	1217.6
Gross Heating Value (BTU / Real cu.ft.)	1243.8	1222.6
Relative Density (G), Real	0.7526	0.7506
Compressibility (Z) Factor	0.9963	0.9959
Total GPM	19.230	19.003
Wobbe Index	1433.8	1411.2

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 11 FED 5
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 16:24:52

**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	1.8466	0.0	0.0	0.01786	0.204
CARBON DIOXIDE	1.9019	0.0	0.0	0.02890	0.326
METHANE	76.0111	769.5	756.1	0.42103	12.931
ETHANE	11.2727	200.0	196.5	0.11703	3.025
PROPANE	5.4826	138.3	135.9	0.08347	1.516
I-BUTANE	0.6162	20.1	19.7	0.01237	0.202
N-BUTANE	1.5048	49.2	48.3	0.03020	0.476
I-PENTANE	0.3538	14.2	13.9	0.00881	0.130
N-PENTANE	0.4021	16.2	15.9	0.01002	0.146
C6+	0.6082	31.3	30.7	0.01957	0.265
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1238.6	1217.1	0.74925	19.220

**Results Summary**

Result	Dry	Sat
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	75.0	
Flowing Pressure (psia)	75.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1238.6	1217.1
Gross Heating Value (BTU / Real cu.ft.)	1243.2	1222.0
Relative Density (G), Real	0.7517	0.7498
Compressibility (Z) Factor	0.9963	0.9959
Total GPM	19.220	18.993
Wobbe Index	1433.9	1411.3

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 11 FED 6
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 15:42:42

**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	1.8049	0.0	0.0	0.01746	0.199
CARBON DIOXIDE	1.9553	0.0	0.0	0.02971	0.335
METHANE	74.5094	754.3	741.2	0.41271	12.678
ETHANE	11.7540	208.5	204.9	0.12203	3.155
PROPANE	5.9557	150.2	147.6	0.09068	1.647
I-BUTANE	0.6905	22.5	22.1	0.01386	0.227
N-BUTANE	1.7161	56.1	55.1	0.03444	0.543
I-PENTANE	0.4159	16.7	16.4	0.01036	0.153
N-PENTANE	0.4805	19.3	19.0	0.01197	0.175
C6+	0.7177	36.9	36.3	0.02309	0.313
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1264.5	1242.5	0.76630	19.423

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	76.0	
Flowing Pressure (psia)	70.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1264.5	1242.5
Gross Heating Value (BTU / Real cu.ft.)	1269.4	1247.8
Relative Density (G), Real	0.7690	0.7668
Compressibility (Z) Factor	0.9961	0.9957
Total GPM	19.423	19.193
Wobbe Index	1447.6	1425.0

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 11 FED 7
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 15:36:48

**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	1.7881	0.0	0.0	0.01729	0.197
CARBON DIOXIDE	1.9683	0.0	0.0	0.02991	0.337
METHANE	74.6528	755.7	742.6	0.41350	12.702
ETHANE	11.6744	207.1	203.5	0.12120	3.133
PROPANE	5.9148	149.2	146.6	0.09005	1.635
I-BUTANE	0.6858	22.4	22.0	0.01376	0.225
N-BUTANE	1.7030	55.7	54.7	0.03418	0.539
I-PENTANE	0.4125	16.5	16.3	0.01028	0.151
N-PENTANE	0.4765	19.1	18.8	0.01187	0.173
C6+	0.7238	37.2	36.6	0.02329	0.315
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1262.9	1240.9	0.76533	19.409

**Results Summary**

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	75.0	
Flowing Pressure (psia)	70.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1262.9	1240.9
Gross Heating Value (BTU / Real cu.ft.)	1267.8	1246.3
Relative Density (G), Real	0.7680	0.7658
Compressibility (Z) Factor	0.9961	0.9957
Total GPM	19.409	19.179
Wobbe Index	1446.7	1424.2

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 11 FED 11
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 16:17:35

**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	1.7966	0.0	0.0	0.01738	0.198
CARBON DIOXIDE	1.9699	0.0	0.0	0.02993	0.337
METHANE	74.3966	753.1	740.0	0.41208	12.659
ETHANE	11.7134	207.8	204.2	0.12161	3.144
PROPANE	6.0255	152.0	149.3	0.09174	1.666
I-BUTANE	0.6973	22.7	22.3	0.01399	0.229
N-BUTANE	1.7321	56.6	55.6	0.03476	0.548
I-PENTANE	0.4252	17.1	16.8	0.01059	0.156
N-PENTANE	0.4897	19.7	19.3	0.01220	0.178
C6+	0.7537	38.7	38.1	0.02425	0.328
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1267.7	1245.6	0.76853	19.444

**Results Summary**

Result	Dry	Sat
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	75.0	
Flowing Pressure (psia)	70.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1267.7	1245.6
Gross Heating Value (BTU / Real cu.ft.)	1272.7	1251.1
Relative Density (G), Real	0.7712	0.7690
Compressibility (Z) Factor	0.9961	0.9957
Total GPM	19.444	19.214
Wobbe Index	1449.2	1426.7

TK

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

**Sample Information**

Sample Information	
Company Name	DEVON ENERGY
Lease Name	HB 15 FED 1
Location ID	
Sample Date	11-19-12
WATER	
Method Name	BTUH2S.met
Injection Date	2012-11-20 15:49:06

**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	1.8384	0.0	0.0	0.01778	0.203
CARBON DIOXIDE	2.0906	0.0	0.0	0.03177	0.358
METHANE	74.7864	757.1	743.9	0.41424	12.724
ETHANE	11.7134	207.8	204.2	0.12161	3.144
PROPANE	5.8360	147.2	144.6	0.08885	1.614
I-BUTANE	0.6548	21.3	21.0	0.01314	0.215
N-BUTANE	1.5972	52.2	51.3	0.03205	0.505
I-PENTANE	0.3733	15.0	14.7	0.00930	0.137
N-PENTANE	0.4228	17.0	16.7	0.01053	0.154
C6+	0.6871	35.3	34.7	0.02211	0.299
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1252.9	1231.1	0.76138	19.353

**Results Summary**

Result:	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	71.0	
Flowing Pressure (psia)	75.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1252.9	1231.1
Gross Heating Value (BTU / Real cu.ft.)	1257.7	1236.3
Relative Density (G), Real	0.7640	0.7619
Compressibility (Z) Factor	0.9962	0.9958
Total GPM	19.353	19.123
Wobbe Index	1438.9	1416.4

Submit 1 Copy to Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised August 1, 2011

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

WELL API NO. See Below
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. See Below
7. Lease Name or Unit Agreement Name See Below
8. Well Number See Below
9. OGRID Number 6137
10. Pool name or Wildcat See Below

**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  
333 W. Sheridan, Oklahoma City, OK 73102 (405) 552-7970

4. Well Location  
 Unit Letter \_\_\_\_\_ : \_\_\_\_\_ feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_ line  
 Section See Below Township Range NMPM Eddy, County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3299'GL

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>		OTHER: <input type="checkbox"/>	
OTHER: <input checked="" type="checkbox"/> CTB, Pool/Lease commingle, Off Lease Gas Measurement, Sales & Storage			

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Company, LP respectfully requests a Central Tank Battery, Pool/Lease Commingle, Off-Lease Measurement, Sales & Storage for the following wells:

Well	S/T/R	LEASE #	API	POOL
HB 10 Federal 2	Sec 10-T24S-R29E	Lease NM-81616	API # 30-015-33098	Pool: 96473 Pierce Crossing; Bone Spring, East
HB 10 Federal 3	Sec 10-T24S-R29E	Lease NM-81616	API # 30-015-34145	Pool: 96473 Pierce Crossing; Bone Spring, East
HB 10-A Federal 8	Sec 10-T24S-R29E	Lease NM-81616	API # 30-015-29915	Pool: 11520 Cedar Canyon; Bone Spring
HB 11 Federal 2	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-29248	Pool: 96473 Pierce Crossing; Bone Spring, East
HB 11 Federal 3	Sec 10-T24S-R29E	Lease NM-85892	API # 30-015-29249	Pool: 96473 Pierce Crossing; Bone Spring, East
HB 11 Federal 4	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-29625	Pool: 96473 Pierce Crossing; Bone Spring, East
HB 11 Federal 5	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-32741	Pool: 96473 Pierce Crossing; Bone Spring, East
HB 11 Federal 6	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-29585	Pool: 96473 Pierce Crossing; Bone Spring, East
HB 11 Federal 7	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-32606	Pool: 96473 Pierce Crossing; Bone Spring, East
HB 11 Federal 11	Sec 10-T24S-R29E	Lease NM-88134	API # 30-015-29739	Pool: 11540 Cedar Canyon; Delaware
HB 15 Federal 1	Sec 10-T24S-R29E	Lease NM-88137	API # 30-015-29490	Pool: 11540 Cedar Canyon; Delaware

A Central Tank Battery is located at the HB 11 Federal 2 location in the NW/4 SW/4 of Sec. 11-24S-29E in Eddy Co., NM. The production from all wells will come to a common production header with isolation lines to route each wells production. This header is located on the East side of the facility. The DCP central delivery point (CDP) #33166167 for all wells is also located at the HB 11 Federal 2 location. These are the only wells utilizing this CDP at this time. Production is allocated based off well test and the test equipment is on the HB 11 Federal 2 location. ROW has or will be obtained.

The working, royalty, and overriding interest owners are not identical; parties 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: Erin Workman TITLE: Regulatory Compliance Associate DATE: 11-29-12

Type or print name: Erin Workman E-mail address: Erin.workman@dvn.com Telephone No. (405) 552-7970  
 For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

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

H B 10, 11 & 15 Federal wells  
3001533098, 3001534145, 3001529915, 3001529248, 3001529625, 3001532741, 3001529585, 3001532606,  
3001529739, 3001529249 and 3001529490  
NM81616, NM88134, NM85892 and NM88137  
Devon Energy Production Co.  
May 28, 2013

**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 and/or check meters 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 all 4 leases has been found to be identical at 12.5%. Therefore, this commingle is being approved. This does not mean that the allocation of production to each lease will be 100% accurate each month. By approving this request it will only guarantee that the public's interest will not be compromised.**



RECEIVED OGD

2013 JUL 23 A 11: 05

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

July 22, 2013

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

**Re: Central Tank Battery, Pool/Lease Commingle, Off Lease Gas Measurement, Sales, & Storage  
Sec 10-T24S-R29E  
NMNM 81616, NMNM 88134, NMNM 85892, & NMNM 88137  
API: #30-015-33098, #30-015-34145, #30-015-29915, #30-015-29248, #30-015-29249,  
#30-015-29625, #30-015-32741, #30-015-29585, #30-015-32606, #30-015-29739,  
#30-015-29490  
Pool: 96473 Pierce Crossing; Bone Spring East, 11520 Cedar Canyon; Bone Spring,  
11540 Cedar Canyon, Delaware  
Eddy County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103, C-107B and BLM Form 3160-5 Sundry Notice of Intent for a Central Tank Battery, Pool\Lease Commingle, Off Lease Measurement, Sales, & Storage for the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners are not uniformed; notification has been sent via certified mail (see attached).

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