

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



August 14, 2013

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-381
Administrative Application Reference No. pAXK1320455636

Devon Energy Production Company, LP
Attention: Ms. Erin Workman

Pursuant to your application received on July 23, 2013, Devon Energy Production Company, LP is hereby authorized to surface commingle gas production only from the following pools located in Township 21 South, Range 32East, NMPM, Lea County, New Mexico.

Bilbrey; Morrow Gas Pool (72124)
North Bilbrey; Delaware Pool (96407)

and from the following diversely owned wells located on federal leases in said township and range in Lea County, New Mexico:

Bilbrey 27 Federal Well No. 1
API No. 30-025-30980
1980 FSL & 990 FWL,
Unit L, Section 27
Bilbrey; Morrow Gas Pool

Bilbrey 27A Federal Well No. 1
API No. 30-025-31095
1980 FNL & 1980 FWL,
Unit F, Section 27
North Bilbrey Delaware Pool

Bilbrey 28 Federal Well No. 1
API No. 30-025-30495
1980 FNL & 660 FEL
Unit H, Section 28
Bilbrey Morrow: Gas Pool

August 15, 2013

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Each well produces only from the pool identified with such well above. Non downhole commingling is authorized.

Gas production from each well shall be separately metered prior to commingling. All meters shall be calibrated as required by Division Rule 19.15.12.10.C(2) NMAC. The commingled gas production shall be again measured, and sold, at the central delivery point located in the SW/4 SE/4 of Section 21-21S-32E and will be allocated back to the respective wells pursuant to well meter readings.

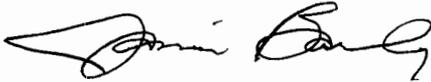
Oil production shall not be commingled. Each well has its own tank batter and will be the only well utilizing that tank batter at this time.

The producer/operator shall notify the transporter of this commingling authority.

The operator shall notify the Hobbs district office of the Division upon commencement of commingling operations.

This order is subject to approval of the United States Bureau of Land Management (BLM).

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey", written in a cursive style.

Jami Bailey
Division Director

JB/DB

cc: Oil Conservation Division District Office – Hobbs
United States Bureau of Land Management