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ABOVE THIS LINE FOR DIVISION USE ONLY

### NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

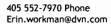
1220 South St. Francis Drive, Santa Fe, NM 87505

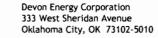


# **ADMINISTRATIVE APPLICATION CHECKLIST**

To all the Annual Control of the Con
WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Appli	[DHC-Down [PC-Poo	dard Location] [NSF nhole Commingling] ol Commingling] [0 [WFX-Waterflood Exp [SWD-Salt Wate	[CTB-Lease Commingl [DLS - Off-Lease Storage] [PMX-Pressur [PI-Injection]	OLM-Off-Lease Measu e Maintenance Expansio	ommingling] urement] n]
[1]	[A]	Location - Spacing NSL NSL NSC NSL NSC			CTB -Devon 6137 -Shaft452614 30-015-39819
	[C] [D]	☐ WFX ☐ PM	- Pressure Increase - Enh	I	-Shagt452624 30-015-39896 -Shagt452634 30-015-39994
[2]	NOTIFICATI [A]  [B]  [C]  [D]  [E]  [F]	☐ Offset Operato ☐ Application is ☐ Notification an U.S. Bureau of Land Ma	one Which Requires Pub d/or Concurrent Approva anagement - Commissioner of Public L bove, Proof of Notification	ce Owner	POO 1 Lost TANK Delanay 40299
	OF APPLICA  CERTIFICAT  oval is accurate ar	TION INDICATED  TION: I hereby certified complete to the be	• ABOVE.  fy that the information su	on REQUIRED TO PR omitted with this applications on understand that no action ted to the Division.	on for administrative
		Statement must be com		Regulatory Compliance Title Erin.Work	







2014 JAN 13 A 9: 37

January 10, 2014

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

Re:

Central Tank Battery

Shaqtus 26 State Com 1H, Shaqtus 26 State Com 2H, Shaqtus 26 State Com 3H,

& Shaqtus 26 State Com 4H

Sec. 35-T21S-R31E

Leases: NM VO 8747, NM VO 8760, NM VO 3604

#30-015-39819, 30-015-39896, 30-015-39994, & 30-015-40012

Pool: 40299 Lost Tank; Delaware

**Edddy County, New Mexico** 

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 Sundry Notice of Intent for a Central Tank Battery

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

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

Sincerely.

Regulatory Compliance Associate

**Enclosures** 

#### APPLICATION FOR A CENTRAL TANK BATTERY

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

#### Proposal for Shaqtus 26 State Com 1H, 2H, 3H, & 4H:

Devon Energy Production Company, LP is respectfully requesting approval for a Central Tank Battery involving the following wells:

Federal Lease NM VO	8747, NM VO 8760, N		Oil		V			
Well Name	Location	API#	Pool 40299	<b>BOPD</b>	Gravit	y MCFPD	BTU	
Shaqtus 26 State Com 1H	Sec. 35-T21S-R31E	30-015-39819	Lost Tank; Delaware	130	38	388	<b>1</b> 1264.	
Shaqtus 26 State Com 2H	Sec. 35-T21S-R31E	30-015-39896	Lost Tank; Delaware	96	38	65	1264.1	
Shaqtus 26 State Com 3H	Sec. 35-T21S-R31E	30-015-39994	Lost Tank; Delaware	87	38	651	1265.5	
Shaqtus 26 State Com 4H	Sec. 35-T21S-R31E	30-015-40012	Lost Tank; Delaware	75	37	335	1265	
					ν,	,	•	\ \<
Attached is a map shows	the federal leases and	well locations in	Section 21-T22S-R34E.		01		_	٠ /

#### Oil & Gas metering:

There is a central tank battery that is located at the Shaqtus 26 State Com 1H in Sec. 35-T21S-R31E in Eddy Co., NM. It will be utilized by the Shaqtus 26 State Com 1H & 2H. There is also a central tank battery located at the Shaqtus 26 State Com 3H Located in Sec. 35-T21S-R31E in Eddy, CO. NM, it will be utilized by the Shaqtus 26 State Com 3H & 4H. All four wells will share a common Duke Energy CDP #131-35405 located at the Shaqtus 26 State Com 1H.

The Shaqtus 26 State Com 1H & 2H battery will have three oil tanks that these two wells will utilize. Oil, gas, and water volumes from these two wells 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. Well tests for each well will be conducted at least once per month, for a minimum of 24 hours.

The production from these wells will come to a common production header with isolation lines to route each wells production. From this point, one well will be on test and its production routed through the test equipment. The well not on test will first flow through a two phase separator then to a heater/treater, then commingle with the test production and flows to the 500 BBL. After separation, the produced gas from the Shaqtus 26 State Com 1H & 2H is routed to the gas test meter #390-49164, then to the DCP CDP #131-35405 located in the SW corner of Section 35-T21S-R31E in Eddy County, NM.

The Shaqtus 26 State Com 3H & 4H battery will have three oil tanks that these two wells will utilize. Oil, gas, and water volumes from these two wells 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. Wells test for each well will be conducted at least once per month, for a minimum of 24 hours.

The production from these wells will come to a common production header with isolation lines to route each wells production. From this point, one well will be on test and its production routed through the test equipment. The well not on test will first flow through a two phase separator then to a heater/treater, then commingle with the test production and flows to the 500 BBL. The produced gas from the Shaqtus 26 State Com 3H & 4H will flow first through a separator, then to a check meter #390-33-176 on location at the Shaqtus 26 State Com 3H before flowing to the DCP sales meter #131-35405 located at the Shaqtus 26 State Com 1H location in SW corner of Section 35-T21S-R31E in Eddy County, NM.

#### **Process and Flow Descriptions:**

The flow of produced fluids is shown in detail on the enclosed facility diagram, along with a description of each vessel. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed commingling will reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

Devon Energy Production Company, LP has submitted and received an approved for ROW RW-32758.

Working, royalty, and overriding interest owners is identical so no further notification is needed.

Signed: Control of the Printed Name: Erin Workman

Title: Regulatory Compliance Associate

Date: 12.19.13

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

# State of New Mexico Energy. Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe. NM 87505

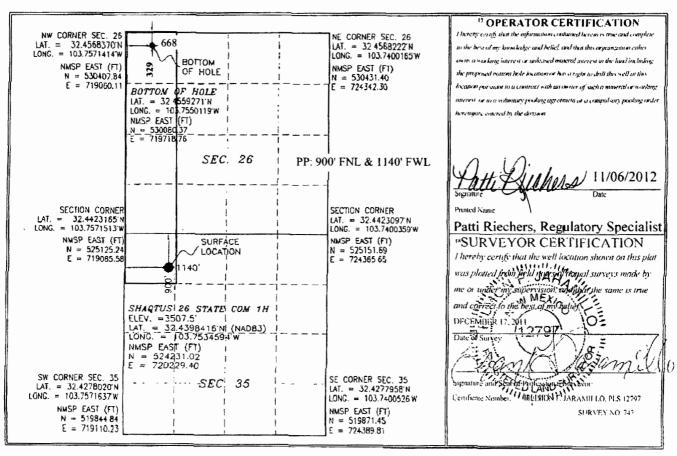
Form C-102 Revised October 15,2009 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number			Pool Code		Poot Name					
30-015-39	9819		402	299	Lo	st Tank: Delav	vare			
1 Property	Code				Property	Name			"Well Number	
39007	}			SI	HAQTUS 26 S	STATE COM		Ì	īΗ	
OGRID	No.				Operator	Name			* Elevation	
6137			DEV	DEVON ENERGY PRODUCTION COMPANY, L.P.				3507.5		
					" Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	35	21 S	31 E		900	NORTH	1140	WEST	EDDY	
		<del></del>	" Bo	ttom Ho	le Location I	f Different From	n Surface		<b></b>	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	26	21 S	31 E		329	NORTH	668	WEST	EDDY	

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



REDGELI 1625 N. French III., Habbs, NM 88240 District II 1031 W. Grand Avenue, Artesia, NM 88210 District III 1060 Ro. Brazos Rd., Artes, NM 87410 Ostroct V

1220 S. St. Francis Dr., Santa Fc. NM 87505

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

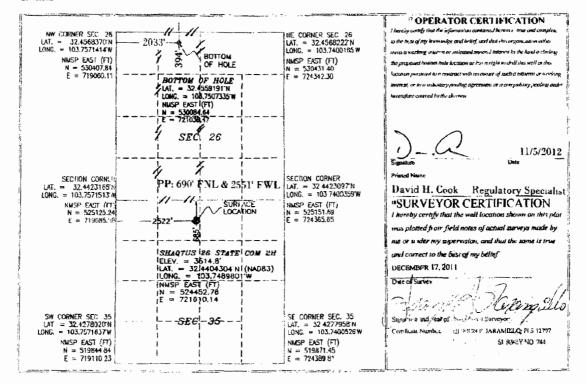
Form C-102.
Revised October 15,2009
Submit one copy to appropriate
District Office

MENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code 30-015-39896 40299 BRUSHY CANYON Property Code Property Name Well Number 39007 SHAQTUS 26 STATE COM 2H OGRID No. Elevation 6137 DEVON ENERGY PRODUCTION COMPANY, L.P. 3514.8 Surface Location

Uff. or lot no.	Section	Township	Range	Lot Idio	Feet from the	North/South line	Fert from the	Enst/West line	County
C	35	21 8	31 E		685	NORTH	2522	WEST	EDDY
L		1	II Do	ttom Us	la Lagation I	Different From	n Surface		
			DO	шош то	ie Location i	Dilletent Floi	11 Surface		
UL or lat no.	Section	Township	Rauge	I ci Ida	Fort from the	North/South line	Feet from the	East/West line	County
C	26	21 5	31 E		394	NORTH	2033	WEST	EDDY
Dedicated Acre	Dedicated Acres   Joint or Intili   Consolidation Code   Order No								
160	ì	1							
1	1	1		1					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1009 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

District IV

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505



MENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

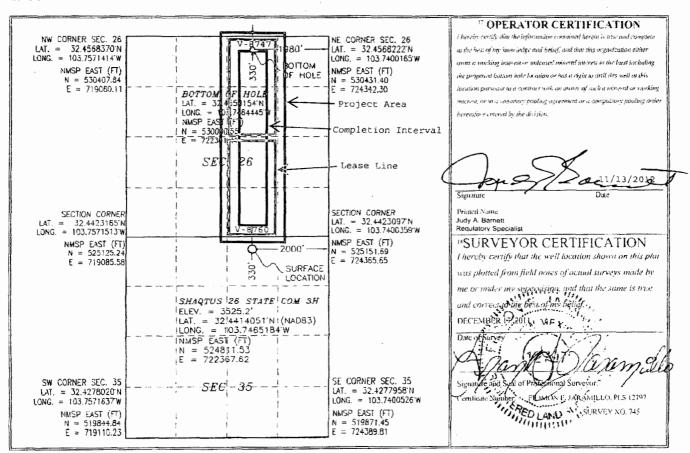
API Numbe		Pool Name				
30-015-39994	40299	Lost Tank; Delaware				
Property Code	, [r	operty Name "Well Number				
39007	SHAQTUS	26 STATE COM 3H				
OGRID No.	, 01	perator Name Elevation				
6137	DEVON ENERGY PRO	DDUCTION COMPANY, L.P. 3525.2				

"Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County B. 35 21 S 330 **NORTH** 2000 **EDDY** EAST

" Bottom Hole Location If Different From Surface

	"Bottom Hole Location If Different From Surface									
	UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
	В	26	21 S	31 E		330	NORTH	1980	EAST	EDDY
12	Deficated Acres Daint or Infill Consolidation Code Dorder No.									
	160									
_										

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



RECEIVED

JAN 14 2013

2District\_I 1625 N. French Dr., Hobbs, NM 88240 District II

1301 W. Grand Avenue, Artesla, NM 88210 District III

1000 Rio Brazes Rd., Aztec, NM 87410 District IV

1220 S. St. Francis Dr., Sente Fe. NM 87505

State of New Mexico

Form C-102 Energy, Minerals & Natural Resources Department ARTESTA

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe. NM 87505

opy to appropriate District Office

☐ AMENDED REPORT

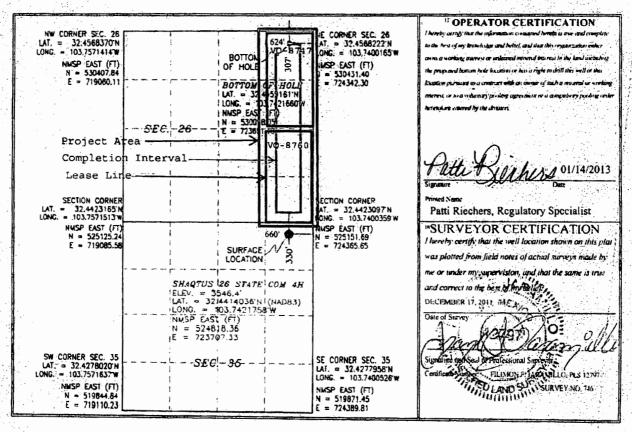
ctober 15,2009

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-40012	1 Pool Code 40299	Lost Tank; Delaware			
*Property Code 39007		Property Name SHAQTUS 26 STATE COM			
OGRID No. 6137		Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			

"Surface Location UL or lot wo. Towashi East/West lin Count 330 NORTH 35 21 S 31 E 660 EAST EDDY "Bottom Hole Location If Different From Surface Feet from the North/South line Feet from th County Range 26 21 S 31 E 307 NORTH 624 **EAST** EDDY Dedicated Acres Consolidation Code Order No 160.00

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.





Samuel Walker Landman Devon Energy Corporation 333 West Sheridan Ave. Oklahoma City, Oklahoma 73102-8260 Office: (405) 228-4342 Fax: (405) 234-2634

November 4, 2013

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

Re:

Off Lease Measurement and Sales

Section 26-T21S-R31E Eddy County, NM



#### Gentlemen:

Devon Energy Production Company, L.P. ("Devon") recently reviewed its files covering ST OF NM V-8747 and ST OF NM V-8760 and has determined that the ownership of the working interest, royalty interest and overriding royalty interest in the following wells are uniform with respect to Devon's application for Off Lease Gas Measurement and Sales:

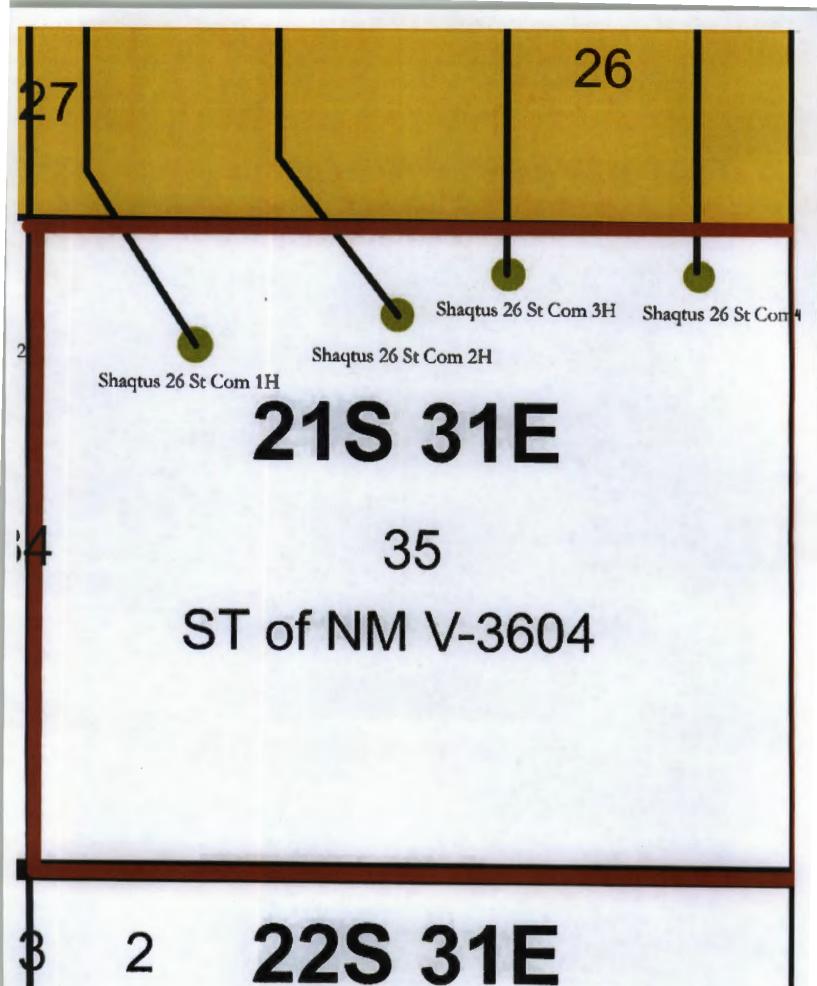
Shaqtus 26 State Com 111	API: 30-015-39819
Shaqtus 26 State Com 2H	API: 30-015-39896
Shaqtus 26 State Com 3H	API: 30-015-39994
Shaqtus 26 State Com 4H	API: 30-015-40012

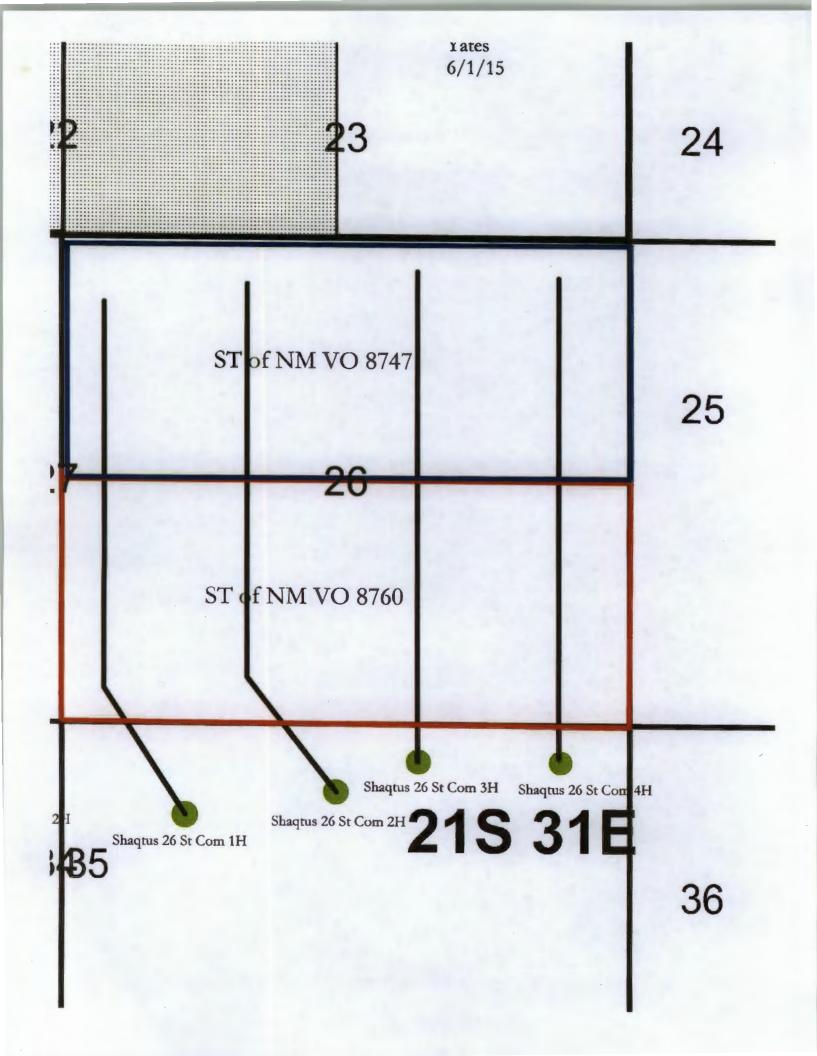
If there are any questions or if any additional information is required, feel free to call me at (405) 228-4342.

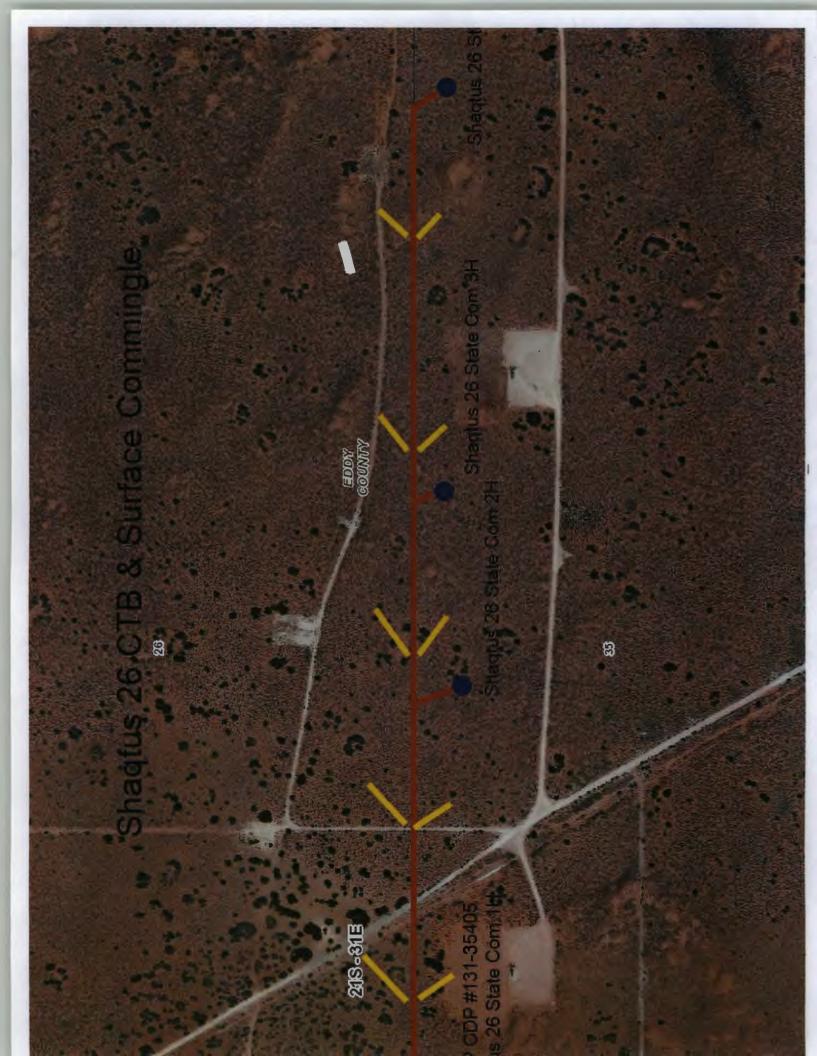
Yours very truly,

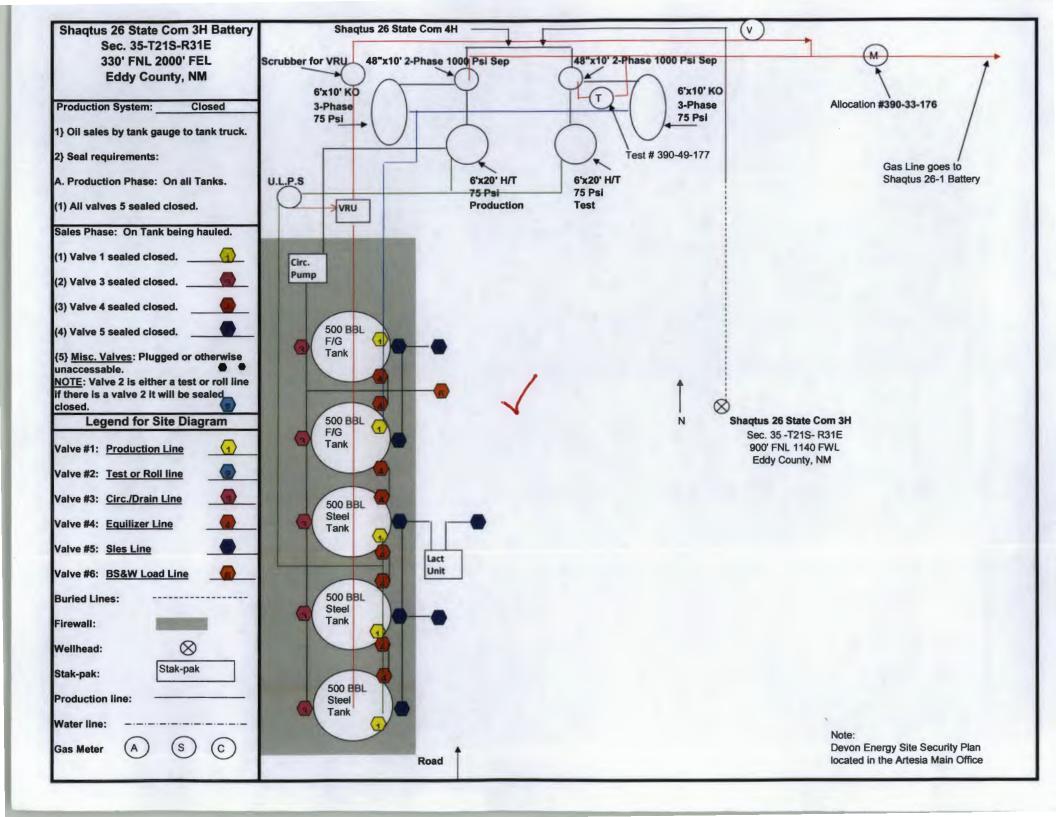
DEVON ENERGY PRODUCTION COMPANY, L.P.

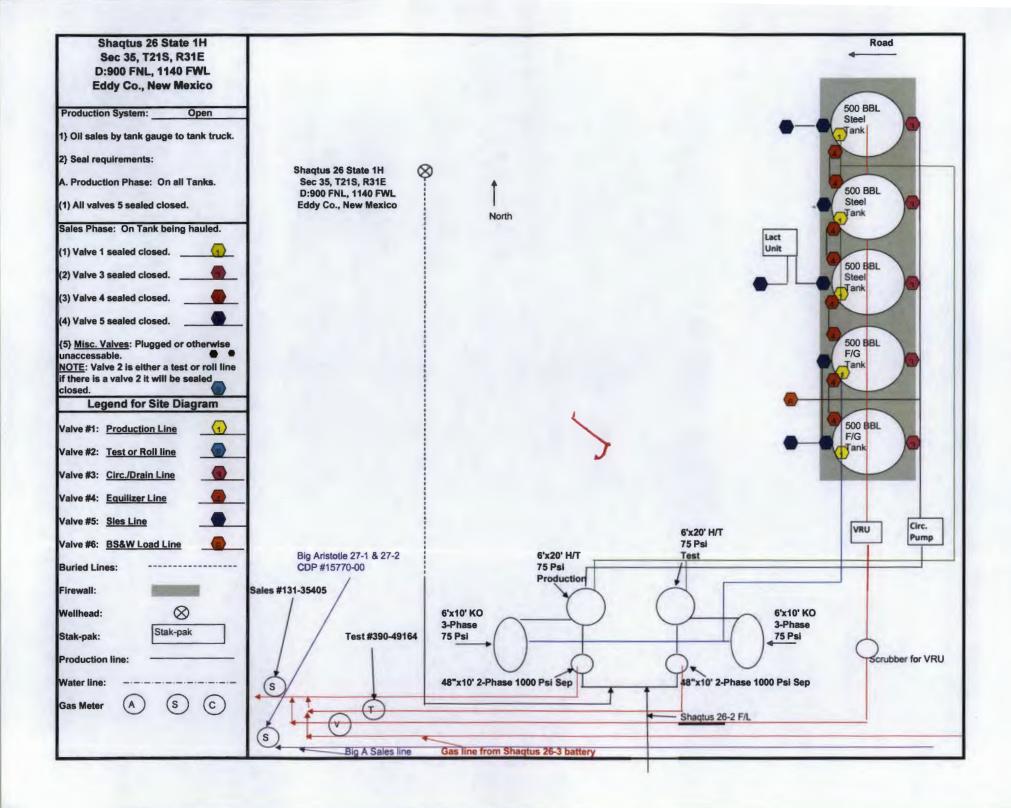
Samuel Walker Landman











# Natural Gas Analysis Report AKM Measurement Services

# Sample Information

	Sample Information
Sample Name	Shaqtus 26 Fed 1 (39033213)
Injection Date	2013-10-07 14:30:45

# **Component Results**

Component Name	Norm%	GPM (Dry) (Gal. / 1000 cu.ft.)	
Nitrogen	5.1488	0.000	And the second s
Methane	72.0461	0.000	
CO2	0.0401	0.000	
Ethane	11.9264	3.201	
H2S	0.0000	0.000	
Propane	6.8046	1.881	
iso-Butane	0.7383	0.242	
n-Butane	1.9543	0.618	the
iso-Pentane	0.4448	0.163	e de la
n-Pentane	0.4528	0.165	I into into matel
Hexanes Plus	0.4438	0.193	J MIO.
Water	0.0000	0.000	N
Total	100.0000	6.464	

# **Results Summary**

Result	Dry	Sat.
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	0.0	
Flowing Pressure (psia)	0.0	
Gross Heating Value (BTU / Real cu.ft.)	1264.1	1242.6
Relative Density (G), Real	0.7701	0.7679
Total GPM	6.464	6.454
Total Molecular Weight	22.231	22.158

# Natural Gas Analysis Report AKM Measurement Services

## Sample Information

	Sample Information	-
Sample Name	Shaqtus 26 Fed 3&4 (39033176)	-
Injection Date	2013-10-07 14:01:41	-

## **Component Results**

Component Name	Norm%	GPM (Dry) (Gal. / 1000 cu.ft.)	
Nitrogen	5.4683	0.000	
Methane	72.9205	0.000	
CO2	0.0586	0.000	
Ethane	10.8116	2.902	
H2S	0.0000	0.000	
Propane	6.1257	1.694	
iso-Butane	0.7189	0.236	
n-Butane	1.8976	0.600	1.
iso-Pentane	0.5163	0.189	to me the
n-Pentane	0.5451	0.198	D.T ,N
Hexanes Plus	0.9374	0.408	I TUPLT into metal.
Water	0.0000	0.000	
Total	100.0000	6.228	

# **Results Summary**

Result	Dry	Sat.		
Pressure Base (psia)	14.730			
Flowing Temperature (Deg. F)	0.0			
Flowing Pressure (psia)	0.0		/	
Gross Heating Value (BTU / Real cu.ft.)	1265.5	1244.0		
Relative Density (G), Real	0.7749	0.7726		
Total GPM	6.228	6.222	_	
Total Molecular Weight	22.368	22.292		