

3/20/2014 DATE IN	SUSPENSE	ENGINE	3/24/2014 LOGGED IN	PLC TYPE	PMAM1408343869 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



Erin Workman
gAs ONLY

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]

396
-PLC
-DEVON
Energy
Production
Company, L.P.
6137

[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 _____

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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

Wells
- This H Unit
#17H
30-025-39893
- This H Unit
#32H
30-025-40016
- This H Unit
#43H
30-025-40898
POOLS
- BROWNSTON
- Triplex
Bowespring

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPED STATEMENTS 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.

<u>Erin Workman</u> Print or Type Name	 Signature	<u>Regulatory Compliance Professional</u> Title	<u>03.19.14</u> Date
		<u>Erin.Workman@dvN.com</u> E-mail Address	

APPLICATION FOR AN POOL/LEASE COMMINGLE

Pool/Lease Commingle for the Thistle Unit 17H, 32H, & 43H Wells:

Devon Energy Production Company, LP is requesting approval a Pool Commingle/Lease Commingle for the following wells:

Federal Lease: NMNM 088526X

Well Name	Location	API #	Pool 96193	BOPD	Oil Gravities	MCFPD	BTU
Thistle Unit #17H	NWNE Sec. 33-T23S-R33E	30-025-39893	Brinninstool, Delaware	79.14	38	103.14	1294.4

Federal Lease: ST NM V 2797

Well Name	Location	API #	Pool 96193	BOPD	Oil Gravities	MCFPD	BTU
Thistle Unit #32H	NWNE Sec. 33-T23S-R33E	30-025-40016	Brinninstool, Delaware	21.50	38	13.00	1297.8

Federal Lease: NMNM 088526X

Well Name	Location	API #	Pool 59900	BOPD	Oil Gravities	MCFPD	BTU
Thistle Unit #43H	SWSW Sec. 33-T23S-R33E	30-025-40898	Triple X; Bone Spring	250	37	240	1297.7

Attached is a map which displays the federal leases and well locations in Section 33 –T23S-R31E.

Oil & Gas metering:

The central tank battery is located on the Thistle Unit #17 located in SWSE, Sec. 33-T23S-R33E. The production from each well will have its own three phase separator, heater/treater and designated oil tank that will be strapped and measured daily by tank gauge, a flow meter to meter the water, and gas allocation meter to meter the gas. VRU will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Thistle Unit #17 battery will have three oil tanks, one to be utilized by the Thistle Unit #17, one by the Thistle Unit #32, and the other by the Thistle Unit #43. The Thistle Unit 17H, 32H, & 43H will have a common Duke Energy Central Delivery Point #725077-00 which is on location at the Thistle Unit #17 battery in Sec. 33, T23S, R33E. Oil, gas, and water volumes from these wells producing to this battery will be determined by using a test separator/heater treater and a 500 bbl. tank for each well at the facility.

The Thistle Unit #17 production flows to a three phase test separator, where after separation gas is routed to the gas test meter #390-49-125, then commingles with the 32H & 43H production, and flows the Duke Energy CDP #725077-00. Produced water and oil are separated, the oil will then flow to the 500 bbl. utilizing the tank gauging method and water is metered using a mag meter. The water from this well flows to the 500 bbl. produced water tank, along with the water from the other wells.

The Thistle Unit #32 production flows to a three phase test separator, where after separation gas is routed to the gas test meter (Number will be provided upon receipt), then commingles with the 17H & 43H production, and flows to the Duke Energy CDP #725077-00. Produced water and oil are separated, the oil will then flow to the 500 bbl. utilizing the tank gauging method and water is metered using a mag meter. The water from this well flows to the 500 bbl. produced water tank, along with the water from the other wells.

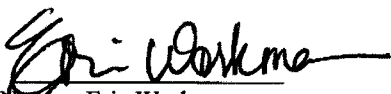
The Thistle Unit #43 production flows to a three phase test separator, where after separation gas is routed to the gas test meter (Number will be provided upon receipt), then commingles with the 17H & 32H production, and flows to the DCP CDP #725077-00. Produced water and oil are separated, the oil will then flow to the 500 bbl. utilizing the tank gauging method and water is metered using a mag meter. The water from this well flows to the 500 bbl. produced water tank, along with the water from the other wells.

Oil production will be allocated on a daily basis based on the tank strap method. Gas will be allocated based on the gas meter designated for each well. The gas production from each gas meter will commingle and flow through the Duke Energy Gas Sales meter. These meters will be calibrated on a regular basis per API, NMOCD, and BLM specifications. The BLM & OCD will be notified of any future changes in the facilities.

Process and Flow Descriptions:

The flow of produced fluids is shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, unit agreement boundaries, and location of wells, facility, and gas sales meter. The proposed commingling is appropriate based on the BLM's guidance in IM 2013-152. 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.

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

Signed: 
Printed Name: Erin Workman
Title: Regulatory Compliance Professional
Date: 04.25.14

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
Thistle Unit #17 - Brinninstool, Delaware	38/1277.4			
Thistle Unit #43 - Triple X; Bone Spring	37/1271.3			

- (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 (Coriolis 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 (Coriolis 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 Each well has a designated tank, no commingle of oil production
(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 Prof. DATE: 03.19.14

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

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

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87416

District IV

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

State of New Mexico

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FD Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

AUG 27 2010

HOBBSOCD

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

¹ API Number 30-025-39893		² Pool Code 96193	³ Pool Name BRUSHY CANYON		Brimmings Delaware
⁴ Property Code 30884	⁵ Property Name THISTLE "33" Unit			⁶ Well Number 17H	
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3654.0	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	33	23 S	33 E		150	SOUTH	1470	EAST	LEA

" Bottom Hole Location If Different From Surface

U/L or lot no. B	Section 33	Township 23 S	Range 33 E	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
					150	NORTH	2490	EAST	LEA

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

<p>N. O. CORNER SEC. 33 LAT. = 32°16'06.43"N LONG. = 103°34'38.24"W NMSP EAST (FT) N = 462168.17 E = 775041.37</p>	<p style="text-align: center;">2490'</p> <p>BOTTOM OF HOLE</p> <p>NE CORNER SEC. 33 LAT. = 32°16'08.39"N LONG. = 103°34'07.55"W NMSP EAST (FT) N = 462183.62 E = 777677.23</p>	<p style="text-align: center;">150'</p> <p>BOTTOM OF HOLE LAT. = 32°16'04.94"N LONG. = 103°34'36.54"W NMSP EAST (FT) N = 462019.02 E = 775188.35</p>
<p>SW CORNER SEC. 33 LAT. = 32°15'14.11"N LONG. = 103°35'08.94"W NMSP EAST (FT) N = 456861.33 E = 772441.83</p>	<p style="text-align: center;">150'</p> <p>THISTLE "33" #17H ELEV. = 3654.0' LAT. = 32°15'15.549"N (NAD83) LONG. = 103°34'24.636"W NMSP EAST (FT) N = 457033.82 E = 776246.46</p>	<p style="text-align: center;">150'</p> <p>SURFACE LOCATION</p> <p>SE CORNER SEC. 33 LAT. = 32°15'14.06"N LONG. = 103°34'07.52"W NMSP EAST (FT) N = 456893.46 E = 777717.59</p> <p style="text-align: center;">1470'</p>

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or subsurface mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with the owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Spence Laird Date: 8/26/10

Printed Name: **SPENCE LAIRD**

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 13, 2010

Date of Survey: August 13, 2010

Signature and Seal of Professional Surveyor: [Signature]

Certificate Number: 12797

SURVEY NO. 198

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 87416

District IV

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

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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

¹ API Number 30-025-40016	² Pool Code	³ Pool Name BRINNINSTOOL; DELAWARE
⁴ Property Code	⁵ Property Name THISTLE UNIT	⁶ Well Number 32H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3644.4

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	23 S	33 E		150	SOUTH	150	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	33	23 S	33 E		150	NORTH	1170	EAST	LEA

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. 5125
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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.

<p>N. Q. CORNER SEC. 33 LAT. = 32°16'06.36"N LONG. = 103°33'36.80"W NMSP EAST (FT) N = 462199.47 E = 780317.75</p> <p>BOTTOM OF HOLE LAT. = 32°16'04.92"N LONG. = 103°34'21.17"W NMSP EAST (FT) N = 462026.76 E = 776508.39</p> <p>NE CORNER SEC. 33 LAT. = 32°16'06.39"N LONG. = 103°34'07.55"W NMSP EAST (FT) N = 462183.62 E = 777677.23</p> <p>SE CORNER SEC. 33 LAT. = 32°15'14.06"N LONG. = 103°34'07.52"W NMSP EAST (FT) N = 456893.46 E = 777717.59</p> <p>SW CORNER SEC. 33 LAT. = 32°15'14.11"N LONG. = 103°35'08.94"W NMSP EAST (FT) N = 456861.33 E = 772441.83</p> <p>THISTLE UNIT #32H PP: 150 FSL & 150 FEL ELEV. = 3644.4' LAT. = 32°15'15.54"N (NAD83) LONG. = 103°34'09.27"W NMSP EAST (FT) N = 457042.52 E = 777566.44</p> <p>Producing Area</p> <p>Project Area</p> <p>SURFACE LOCATION</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Judy A. Barnett</i> Date: 1/24/12</p> <p>Printed Name: Judy A. Barnett Regulatory Specialist</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 23 2010</p> <p>Date of Survey: 10/23/10</p> <p>Signature and Seal of Professional Surveyor: <i>[Signature]</i></p> <p>Certificate Number: 143797</p> <p>PLS 12797</p> <p>SURVEY NO. 302</p>
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HOBBES OCD

JUL 15 2013

District I
1623 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
511 S. First St., Artesia, NM 88210
Phone: (575) 748-1233 Fax: (575) 748-9730
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-40898		⁴ Pool Code 59900		³ Pool Name TRIPLE X; BONE SPRING	
¹ Property Code 30884		⁵ Property Name THISTLE UNIT			⁴ Well Number 43H
² OGRID No. 6137		⁶ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁷ Elevation 3656.0
¹⁰ Surface Location					
UL or lot no. M	Section 33	Township 23 S	Range 33 E	Lot Idn	Feet from the 200
				North/South line SOUTH	Feet from the 500
				East/West line WEST	County LEA
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. D	Section 33	Township 23 S	Range 33 E	Lot Idn	Feet from the 475
				North/South line NORTH	Feet from the 475
				East/West line WEST	County LEA
¹² Dedicated Acres 160		¹³ Joint or Infill		¹⁴ Consolidation Code	
				¹⁵ Order No.	

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.

<p>S89°39'50"W 2638.55 FT</p> <p>415'</p> <p>BOTTOM OF HOLE</p> <p>NW CORNER SEC. 33 LAT. = 32.2685894°N LONG. = 103.5858855°W NMSP EAST (FT) N = 462250.40 E = 772362.29</p> <p>W Q CORNER SEC. 33 LAT. = 32.2613069°N LONG. = 103.5858818°W NMSP EAST (FT) N = 459601.07 E = 772381.86</p> <p>SW CORNER SEC. 33 LAT. = 32.2540481°N LONG. = 103.5858782°W NMSP EAST (FT) N = 456960.36 E = 772401.35</p> <p>THISTLE UNIT 33 STATE 43H ELEV. = 3656.0' LAT. = 32.2545960°N (NAD83) LONG. = 103.5842613°W NMSP EAST (FT) N = 457163.15 E = 772899.82</p> <p>S Q CORNER SEC. 33 LAT. = 32°25'40.37"N LONG. = 103°57'35.38"W NMSP EAST (FT) N = 456975.09 E = 776036.64</p> <p>NE CORNER SEC. 33 LAT. = 32.2685723°N LONG. = 103.5688255°W NMSP EAST (FT) N = 462281.34 E = 777635.45</p> <p>E Q CORNER SEC. 33 LAT. = 32.2613005°N LONG. = 103.5688182°W NMSP EAST (FT) N = 459635.90 E = 777656.55</p> <p>SE CORNER SEC. 33 LAT. = 32.2540344°N LONG. = 103.5688168°W NMSP EAST (FT) N = 456992.49 E = 777675.80</p> <p>200'</p> <p>500'</p> <p>SURFACE LOCATION</p> <p>N89°40'47"E 2635.87 FT</p> <p>N89°37'20"E 2639.76 FT</p>		<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete in the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order, as so far as entered by the division.</p> <p><i>J. H. R.</i> 7/12/2013 Signature Date David H. Cook Regulatory Specialist Printed Name david.cook@dmn.com E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 8, 2012 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor Certificate Number: F. JARAMILLO, PLS 12797 SURVEY NO. 1397</p>
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AUG 15 2013



Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 552-7970 Phone
Erin.workman@dvn.com

May 14, 2014

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

Re: Off-Lease Measurement, Sales, & Storage
Thistle Unit 17H, 32H, & 43H
Sec 33, T23S, 33E
NMMN 088526X & ST NM V-2797
API: #30-025-39893, 30-025-40016, & 30-025-40898
Pool: 96193 Brinninstool, Delaware & Triple X; Bone Spring

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B & Off-Lease Measurement for the aforementioned wells.

A copy of our application has been submitted to the Division & to the BLM.

The working interest, royalty interest and overriding royalty interest owners are not identical; notification has been sent via certified mail (see attached).

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 552-7970.

Sincerely,

Erin Workman
Regulatory Compliance Professional

Enclosures



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

March 19, 2014

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Pool Commingle, Off-Lease Measurement
Thistle Unit 17H, 32H, & 43H
Sec 33, T23S, 33E
NMMN 088526X & ST NM V-2797
API: #30-025-39893, 30-025-40016, & 30-025-40898
Pool: 96193 Brinninstool, Delaware & Triple X; Bone Spring

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 for a Pool Commingle/Off Lease Measurement, Sales, & Storage for the above mentioned wells.

A copy of our application submitted to the Division & to the BLM

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.

A handwritten signature in black ink, appearing to read "Erin Workman", written over a horizontal line.

Erin Workman
Regulatory Compliance Professional

Enclosure

E-CERTIFIED MAILING LIST

Commingle Mailing Reference: **Thistle Unit 17H, 32H & 43H**

<u>Repondent Name/Address:</u>	<u>E-Certified Mailing Number:</u>
EOG Resources, Inc. 5509 Champions Drive Midland, TX 79706	91 7199 9991 7030 8929 4604
ConocoPhillips Company P.O. Box 2197 To: WL -15058 Houston TX 77252-2197	91 7199 9991 7030 8929 4598
Performance Oil & Gas Company 5400 Lyndon B. Johnson Freeway, Suite 1500 Dallas, TX 75240-1017	91 7199 9991 7030 8929 4581
Angelo Holdings LLC. P.O.Box 50086 Midland, TX 79710	91 7199 9991 7030 8929 4574
Lucille H. Pipkin Trust P.O. Box 1174 Roswell, NM 88202-1174	91 7199 9991 7030 8929 4567

Fed Ex Mailing to SLO

<u>Repondent Name/Address:</u>	<u>Fed Ex Mailing Number:</u>
Mr. Pete Martinez State Land Office Oil & Gas Division 310 Old Santa Fe Trail Santa Fe, New Mexico 87501	5123 1352 5584

17

16

15

14

23S - 33E

20

21

USA NMNM
94186ST NM
V-2818

23

29

28
USA NMNM
94186THISTLE;
NMNM 088526XST NM
V-4057ST NM
V-2794

26

UA- THISTLE
UNIT; NMNM
088526BST NM
V-4057Thistle Unit
17H, 32H, 43H
Lea, NM

devon

This map is for illustrative purposes only and
is neither a legally recorded map nor a survey and
is not intended to be used as one. Devcon makes
no warranty, as presented here, or guarantee of any
kind regarding this map.

GCS North American 1983
Datum: North American 1983; Units: Degree
Created by: Alameda
Map is current as of 24-08-14



Miles
0 0.075 0.15 0.3
1 in = 0.4 miles

- Federal Unit
- Participating Area
- Project Areas
- BHL
- SHL
- Path
- ST NM V-2794
- ST NM V-2797
- ST NM V-2798
- ST NM V-2818
- ST NM V-4057
- USA NMNM 94186

ST NM
V-2797ST NM
V-2797ST NM
V-2797ST NM
V-2797

33

ST NM
V-2797

THISTLE UNIT 17H

THISTLE UNIT 32H

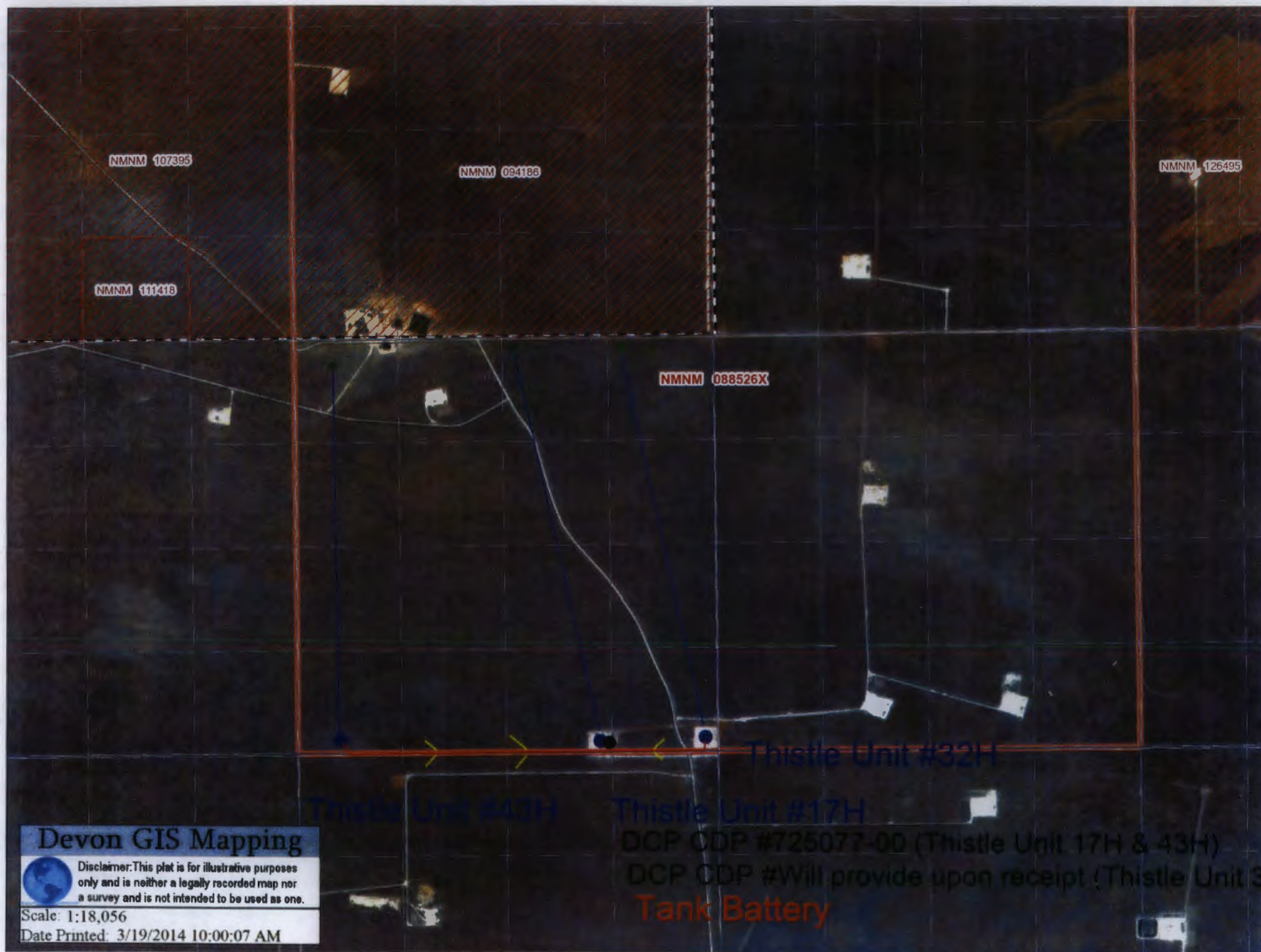
THISTLE UNIT 43H

4

3

2

35



NMNM 107395

NMNM 094186

NMNM 126495

NMNM 111418

NMNM 088526X

Thistle Unit #43H

Thistle Unit #17H

Thistle Unit #32H

DCP CDP #725077-00 (Thistle Unit 17H & 43H)

DCP CDP #Will provide upon receipt (Thistle Unit 32H)

Tank Battery

Devon GIS Mapping



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

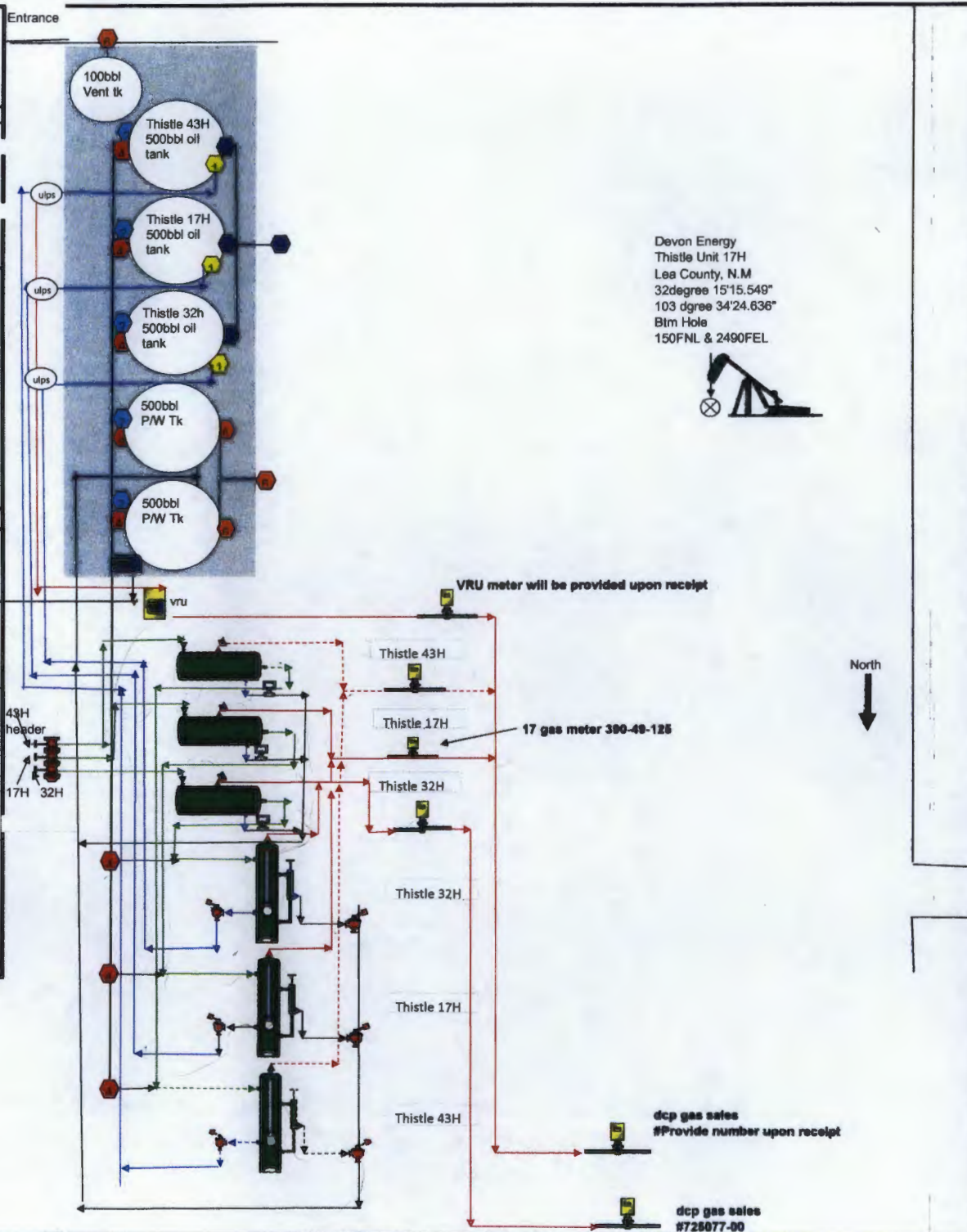
Scale: 1:18,056

Date Printed: 3/19/2014 10:00:07 AM

Devon Energy
Thistle Unit 17H
Sec-33,T23S,R33E
150FSL&1470FEL
API#30-025-39817

Production System: Open
1) Oil sales by tank gauge to tank truck.
2) Seal requirements:
A. Production Phase: On all Tanks.
(1) All valves 5 sealed closed.
(2) Valves 3 open
(3) Valves 2 & 4 sealed closed
(4) Valves 1 open on tk proucing into.
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 unaccessable.
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: Equilizer Line
Valve #4: Circ./Drain Line
Valve #5: Sies Line
Valve #6: BS&W Load Line
Buried Lines:
Firewall:
Wellhead:
Stak-pak:
Production line:
Water line:
Gas Meter





Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 552-7970 Phone
Erin.workman@devn.com

April 25, 2014

Mr. Pete Martinez
State Land Office
Oil & Gas Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

**Re: Pool/Lease Commingle
Thistle Unit 17H, 32H, & 43H
Sec 33, T23S, 33E
NMNM 088526X & ST NM V-2797
API: #30-025-39893, 30-025-40016, & 30-025-40898
Pool: 96193 Brinninstool, Delaware & 59900 Triple X; Bone Spring
Lea County, New Mexico**

Dear Mr. Martinez:

Please find enclosed the SLO Commingle Pre-Application and our \$30.00 application fee, for a Pool/Lease Commingle of the aforementioned wells.

The working interest, royalty interest and overriding royalty interest owners are not identical; notification has been sent via certified mail (see 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 Professional

Enclosures

Well ID	WC ID	WC Name	Month	Year	Oil DN Name	Prod	Gas Prod
000000000017485	00001	THISTLE UN 17H	07	2013	THISTLE UNIT 17H OIL	2176.76	7491
000000000017485	00001	THISTLE UN 17H	08	2013	THISTLE UNIT 17H OIL	5025.81	7566
000000000017485	00001	THISTLE UN 17H	09	2013	THISTLE UNIT 17H OIL	3269.39	4025
000000000017485	00001	THISTLE UN 17H	10	2013	THISTLE UNIT 17H OIL	1956.65	3892
000000000017485	00001	THISTLE UN 17H	11	2013	THISTLE UNIT 17H OIL	1455.10	1848
000000000017485	00001	THISTLE UN 17H	12	2013	THISTLE UNIT 17H OIL	1704.97	1849
000000000017485	00001	THISTLE UN 17H	01	2014	THISTLE UNIT 17H OIL	2094.56	28
CUM						17683.24	26699
000000000018043	00001	THISTLE UN 32H	07	2013	THISTLE UNIT 17H OIL	640.25	861
000000000018043	00001	THISTLE UN 32H	08	2013	THISTLE UNIT 17H OIL	1425.37	817
000000000018043	00001	THISTLE UN 32H	09	2013	THISTLE UNIT 17H OIL	658.28	245
000000000018043	00001	THISTLE UN 32H	10	2013	THISTLE UNIT 17H OIL	363.08	276
000000000018043	00001	THISTLE UN 32H	11	2013	THISTLE UNIT 17H OIL	232.95	141
000000000018043	00001	THISTLE UN 32H	12	2013	THISTLE UNIT 17H OIL	391.16	312
	18043 00001	THISTLE UN 32H	01	2014	THISTLE UNIT 17H OIL	571.98	121
CUM						4283.07	2773
000000000032497	00001	THISTLE UNIT 43H	07	2013	THISTLE UNIT 17H OIL	15437.20	10891
000000000032497	00001	THISTLE UNIT 43H	08	2013	THISTLE UNIT 17H OIL	4104.13	1491
000000000032497	00001	THISTLE UNIT 43H	09	2013	THISTLE UNIT 17H OIL	17513.33	9549
000000000032497	00001	THISTLE UNIT 43H	10	2013	THISTLE UNIT 17H OIL	8750.87	6573
000000000032497	00001	THISTLE UNIT 43H	11	2013	THISTLE UNIT 17H OIL	9700.09	7345
000000000032497	00001	THISTLE UNIT 43H	12	2013	THISTLE UNIT 17H OIL	9685.31	11038
000000000032497	00001	THISTLE UNIT 43H	01	2014	THISTLE UNIT 17H OIL	834.11	600
CUM						66025.04	47487

McMillan, Michael, EMNRD

From: Workman, Erin <Erin.Workman@dvn.com>
Sent: Wednesday, May 14, 2014 12:55 PM
To: McMillan, Michael, EMNRD
Subject: RE: Thistle Unit surface commingle application

Yes sir! We have a separate tank for each well, so we are not commingling the oil.

Erin Workman

Regulatory Compliance Professional
Mid-Continent Division
Devon Energy Corporation
333 W. Sheridan Avenue
OKC, OK 73102
OKDEC28.518
405.552.7970
Erin.Workman@dvn.com

Matthew 7:25, "The rain fell, the rivers rose, and the winds blew and pounded that house. Yet it didn't collapse, because its foundation was on the rock.

From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Wednesday, May 14, 2014 1:53 PM
To: Workman, Erin
Subject: Thistle Unit surface commingle application

Ms. Workman:
I just want to clarify for the Thistle Unit that the surface application is for gas only.
Thank You

Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448 F. 505.476.3462

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

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. STATE
2. Name of Operator DEVON ENERGY PRODUCTION CO. LP		6. If Indian, Allottee or Tribe Name
Contact: ERIN WORKMAN E-Mail: ERIN.WORKMAN@DVN.COM		7. If Unit or CA/Agreement, Name and/or No. NMNM88526X
3a. Address 333 WEST SHERIDAN AVE. OKC, OK 73102	3b. Phone No. (include area code) Ph: 405-552-7970	8. Well Name and No. THISTLE UNIT 17H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 33 T23S R33E 150FSL 1470FEL		9. API Well No. 30-025-39893
		10. Field and Pool, or Exploratory BRINNINSTOOL, DELAWARE
		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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Devon Energy Production Company, LP respectfully requests an approval for a Pool/Lease Commingle for the following wells:

Thistle Unit 17H
NWNE Sec. 33-T23S-R33E
30-025-39893
Brinninstool, Delaware
NMNM 088526X

Thistle Unit 32H
NWNE Sec. 33-T23S-R33E
30-025-40016

14. I hereby certify that the foregoing is true and correct. Electronic Submission #243559 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO.,LP, sent to the Hobbs	
Name (Printed/Typed) ERIN WORKMAN	Title REGULATORY COMPLIANCE PROF.
Signature (Electronic Submission)	Date 04/25/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
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 _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

Additional data for EC transaction #243559 that would not fit on the form

32. Additional remarks, continued

Brinninstool, Delaware
ST NM V 2797

Thistle Unit 43H
SWSW Sec. 33-T23S-R33E
30-025-40898
Triple X; Bone Spring
NMNM 088526X

The central tank battery is located on the Thistle Unit #17 located in SWSE, Sec. 33-T23S-R33E. The production from each well will have its own three phase separator, heater/treater and designated oil tank that will be strapped and measured daily by tank gauge, a flow meter to meter the water, and gas allocation meter to meter the gas. VRU will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Thistle Unit #17 battery will have three oil tanks, one to be utilized by the Thistle Unit #17, one by the Thistle Unit #32, and the other by the Thistle Unit #43. The Thistle Unit 17H, 32H, & 43H will have a common Duke Energy Central Delivery Point #725077-00 which is on location at the Thistle Unit #17 battery in Sec. 33, T23S, R33E. Oil, gas, and water volumes from these wells producing to this battery will be determined by using a test separator/heater treater and a 500 bbl. tank for each well at the facility.

Working, royalty, and overriding interest owners are not identical; notification has been sent via certified mailing (see attachment).