# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



		ADMINISTRATIVE APPLICATION CHECKLIST
T	HIS CHECKLIST IS MA	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Applic	DHC-Dowr PC-Pool I	
[1] .	TYPE OF AP	Location - Spacing Unit - Simultaneous Dedication
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measurement  DHC CTB PC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  WFX PMX SWD IPI EOR PPR
	[D]	Other: Specify
[2]	NOTIFICATI [A]	ON REQUIRED TO: - Check Those Which Apply, or Does Not Apply  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]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE TION INDICATED ABOVE.
	val is <b>accurate</b> an	<b>FION:</b> I hereby certify that the information submitted with this application for administrative and <b>complete</b> to the best of my knowledge. I also understand that <b>no action</b> will be taken on this quired information and notifications are submitted to the Division.
	Note:	Statement must be completed by an individual with managerial and/or supervisory capacity.
	e Crawford or Type Name	Signature  Regulatory Analyst  Title  Melanie Crawford@dyn.com
		IVIETALIEA JAWIOTOLOUU

e-mail Address



**Devon Energy Production Company** 20 North Broadway - CT 3.058 Oklahoma City, Oklahoma 73102-8260 Phone: (405)-552-4524 Fax (405)-552-1358 Melanie.Crawford@dvn.com

July 5, 2011

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

Re:

Pool/Lease Commingling, Off Lease Measurement and Sales

Ocotillo 6 State 1 and Hackberry 31 State Com 2

API # 30-015-34941 and 30-015-34782 Sec 6-T23S-R26E & Sec 31-T22S-R26E

Lease VO-7026 & Lease VO-6205

Sheep Draw: Atoka (gas) - Pool Code: 85120

Sheep Draw; Strawn (gas) – Pool Code: 85200

Carlsbad; Atoka South (gas) - Pool Code: 73800

Eddy County, New Mexico

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B and OCD Form C-103 Sundry Notice of Intent to Pool/Lease Commingle, Off Lease Measurement & Sales the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners in both leases are not uniform; parties have been notified via certified mail.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-4524.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Melanie Crawford Regulatory Analyst

Enclosures

#### Jones, William V., EMNRD

From: Jones, William V., EMNRD

Sent: Tuesday, August 23, 2011 9:01 AM

To: 'Crawford, Melanie'

Cc: Ezeanyim, Richard, EMNRD; Spivey, Melinda, EMNRD; Gray, Darold, EMNRD

Subject: RE: Ocotillo and Hackberry

#### Hello Melanie,

To finish processing this diversely owned surface Lease Commingle:

Would you send me the latest C-102's for both wells and also redo the language on the C-103 sundry form sent with the request for Surface Commingling. The C-107-B form should be corrected also.

Thanks for looking all this up. Those engineers have been active on these wells.

Will Jones New Mexico

Oil Conservation Division

**Images Contacts** 

**From:** Crawford, Melanie [mailto:Melanie.Crawford@dvn.com]

Sent: Monday, August 22, 2011 9:03 AM

**To:** Jones, William V., EMNRD **Subject:** Ocotillo and Hackberry

Will,

I spoke with the Engineer about the DHC and this is what they said:

The Ocotillo 6 State 1 is now producing from the Strawn (as of July 2011). The Atoka and Morrow are plugged with CIBP- never produced with the Strawn. From what I can tell, neither of those zones (Atoka and Morrow) were DHC either.

The Ocotillo 6 State 1 has a Completion report that was sent earlier this month that has not been approved yet. It was sent on 8/8/11.

Hackberry 31 State 2- moved up hole from Atoka to Strawn, set composite plug above the Atoka zones. Never DHC.

Please let me know what additional information you need from me.

Thanks

Mel

### Melanie Crawford

Regulatory Analyst
Devon Energy Corporation
Corporate Tower 03.058
405-552-4524 direct
405-552-1358 fax
melanie.crawford@dvn.com

<u>District I</u> 1625 N French Drive, Hobbs, NM 88240 <u>District II</u> 1301 W Grand Ave, Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 87410

E-MAIL ADDRESS. \_\_\_Melanie.Crawford@dvn com\_\_

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.

APPLICA	TION FOR SURFACE O	COMMINGLING	(DIVERSE	OWNERSHIP)	
OPERATOR NAME:	Devon Energy Production Co.,				
OPERATOR ADDRESS:	20 North Broadway, Ste 1500				
APPLICATION TYPE:					
☐ Pool Commingling ☐ Lease	Commingling Pool and Lease Cor	nmingling Off-Lease	Storage and Measure	ement (Only if not Surface	e Commingled)
LEASE TYPE:					
	ting Order? Yes No If				
−Have-the-Bureau-of-Land-Ma ⊠Yes □No	nagement (BLM) and State Land	l-office (SLO) been not	ified in writing o	f the proposed comm	ingling
Mics Divo	(A) POO	L COMMINGLIN	G 		
		s with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled	Calculated Gravities / BTU of Commingled		Calculated Value of Commingled	Volumes
SHEEP Drew STY	Street Co Brogingon C	Production		Production	
		,		ı	
	n notified by certified mail of the pro-	oposed commingling?	□Yes □No		
<ul><li>(4) Measurement type:  M</li><li>(5) Will commingling decreas</li></ul>	1etering ☐ Other (Specify) e the value of production? ☐ Yes	□No If "yes", descri	be why commingli	ng should be approved	•
		SE COMMINGLIN			
(1) Pool Name and Code.	Please attach sheet	s with the following in	ntormation		
` '	e source of supply?	lo			
	notified by certified mail of the pro	posed commingling?	⊠Yes □N	o	
(4) Measurement type: MM	etering   Other (Specify)				
		I LEASE COMMIN ts with the following i		•	
(1) Complete Sections A and					
	(D) OFF-LEASE ST	TORAGE and MEA	SUREMENT	,	
	Please attagned she	ets with the following			
(1) Is all production from sam		Ю	,		
(2) Include proof of notice to	all interest owners.			*	
	(E) ADDITIONAL INFO	ORMATION (for al	l application to	vnes)	
		ts with the following i		/ F - ~/	
1	cility, including legal location.				
	es showing all well and facility loca	tions. Include lease numb	ers if Federal or St	ate lands are involved.	
(3) Lease Names, Lease and V	Well Numbers, and API Numbers.				
I hereby certify that the informa	tion above is true and complete to th	e best of my knowledge a	nd belief.		<u>.</u>
SIGNATURE: MUCO	ne hand Old 1	TITLE:Regulatory Anal	yst	DATE <u>8\</u>	33/11
TYPE OR PRINT NAME_Mela	nnie Crawford		TELEPHONE N	۱ O.:(405)552-4524	<u> </u>
-				<del>-</del>	<del></del>

Submit 3 Copies To Appropriate District	State of New Mexico		Form C-103
Office <u>District I</u>	Energy, Minerals and Natural Reso	ources	May 27, 2004
1625 N. French Dr., Hobbs, NM 88240 District II		WELL API NO. See Bo	elow
1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVIS	5 Indicate Type	
<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Francis Dr.	FED ST	ATE 🛛 FEE 🗌
District IV 1220 S St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505	6. State Oil & Ga	ı
87505			
(DO NOT USE THIS FORM FOR PROPODIFFERENT RESERVOIR. USE "APPLI PROPOSALS")	ICES AND REPORTS ON WELLS ISALS TO DRILL OR TO DEEPEN OR PLUG BACK CATION FOR PERMIT" (FORM C-101) FOR SUCH	TO A See B	r Unit Agreement Name
1. Type of Well: Oil Well	Gas Well 🛛 Other 🗌	8. Well Number	
2. Name of Operator  Devon Energy	Production Company, LP	9. OGRID Numb	per
3. Address of Operator	1. Journal Company, 151	10. Pool name or	Wildcat
20 North Broadway Oklahoma C	ity, Oklahoma 73102-8260 (405) 552-4	524 85200 – Sheep D	raw; Strawn (gas)
4. Well Location (See Below)			
	feet from the line and		
Section Tov		Eddy County New Me	exico
	11. Elevation (Show whether DR, RKB, K	T, GR, etc.)	
Pit or Below-grade Tank Application	or Closure		
Pit typeDepth to Groundy	vaterDistance from nearest fresh water well	Distance from nearest sur	face water
Pit Liner Thickness: mil			
12. Check	Appropriate Box to Indicate Nature of	f Notice, Report or Other	Data
NOTICE OF IN	NTENTION TO:	SUBSEQUENT RE	PORT OF:
PERFORM REMEDIAL WORK		DIAL WORK	ALTERING CASING
TEMPORARILY ABANDON		MENCE DRILLING OPNS.	P AND A
	1	IG/CEMENT JOB	
OTHER: Lease Commingle, Off Le	OTHE	R:	
	oleted operations. (Clearly state all pertinen		
of starting any proposed w or recompletion.	ork). SEE RULE 1103. For Multiple Comp	oletions: Attach wellbore diag	ram of proposed completion
following wells:	pectfully requests permission for the Pool/Lease	Commingle, Off-Lease Gas Meas	urement & Sales for the
	30-015-34941 Sec 6-T23S-R26E 0-015 -34782 Sec 31-T22S-R26E	Lease Number: VO-7026 Lease Number: VO-6205	
•			
the Allocation Meter 88533091 before through the Allocation meter 88533100	ery and they will be the only tank battery utilizing flowing to the Enterprise CDP Gas Sales Meter 6 before flowing to the Enterprise CDP Gas Sales ion in Section 6, T23S, R26E. The EV State Corchanges made.	872501. The Hackberry 31 State (Meter 6872501. The Enterprise Control of the Enterprise Control	Com 2 gas flow will1st go CDP is located approximately ¼
* A short form com agreement was con	npleted that communitized the S/2 of Section 31a	s to the Wolfcamp, Strawn, Atoka	, and Morrow.
The working interest, royalty interest a	nd overriding royalty interest owners are not iden	tical; parties have been notified v	ia certified mail (see attached).
		•	,
The show of the short of	1 1 1 1 1 1 1 1 1	1 1 1 - 11 C ve	
grade tank has been/will be constructed o	n above is true and complete to the best of m r closed according to NMOCD guidelines , a gene	y knowledge and belief. I furteral permit or an (attached) alter	ner certify that any pit or below- native OCD-approved plan .
SIGNATURE MUCALO	TITLE_Regulate	ory Analyst	DATE 8 83/11
	ford E-mail address: Melanie.Crawford@		
APPROVED BY:	TITLE		DATE
Conditions of Approval (if any):			

30-015-3494/

DISTRICT I 1825 N. French Dr., Hobbs, NM 88240 DISTRICT II

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102 Revised October 12, 2005

1301 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT IV 1230 S. St. Francis Dr., Santa Fo, NM 87505

☐ AMENDED REPORT

		7			AND ACREA	AGE DEDICATION	ON PLAT			
30-05	Number 5-34°	7-41	85	2000 Codes		SheetDra	Pool Name	Strano	() B	
Property	Code				Property Nar			Weil Number		
				000	OTILLO "6" .			1.		
OGRID N			רבו יי	ON ENE	Operator Naz			Eleva		
613	t	l	DEV	JN ENE		CTION CO., L.I	<del>,</del>	337	9	
		-14			Surface Loc	ation				
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
LOT 1	6	23 S	26 E		660	NORTH	1020	EAST	EDDY	
			Bottom	Hole Lo	cation If Diff	erent From Sur	face			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
		L	1		<u> </u>	<u></u>			<u> </u>	
Dedicated Acre	į.	r Infill Co	nsolidation	Code	rder No.					
320,31	<u> </u>						· · · · · · · · · · · · · · · · · · ·			
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	ļ					ľ	location pursua	the proposed bottom nt to a contract witi	han i	
i	1			ł	3380.9	<del>33</del> 79.3'	owner of such or to a volunta	s mineral or working ry pooling agreemen ling organ heretoforo	g interest. t or a	
LOT 4		LOT 3		LOT 2		LOT 1	the division	ling order heretofore	entered by	
十一一				<del>                                     </del>	IL	ot - N32*20'21.1"/	<del>2</del> 81 / <i>X</i> /	d 11	11	
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	j			1	ı					
LOT 5		<u>//</u>		<i>k</i>	<i>\</i>		SURVEYO	OR CERTIFICA	TION	
	R		1,	1	10	•	I hereby certif	y that the well loca	ition shown	
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LOT6					I		Date Survey	SW of Surveyor	'	
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		, f		-	,			·		
LOT 7		<u> </u>		.l			E	ASIN SURVEYS		

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 811 South First, Artesia, NM 88210

.: .

UL or lot No.

Ρ

#### State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

Submit to Appropriate District Office

East/West line

**EAST** 

County

EDDY

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

AMENDED REPORT

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

Section

31

Township

22 S

Range

26 E

Lot Idn

2040 South Pacheco Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-3J	187 Pool Code Po Sheep Dra	ol Name Straw 601
Property Code	Property Name HACKBERRY "31" STATE	Well Number 2
0GRID-No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3381'
	Surface Location	•

### Bottom Hole Location If Different From Surface

North/South line

SOUTH

Feet from the

1310

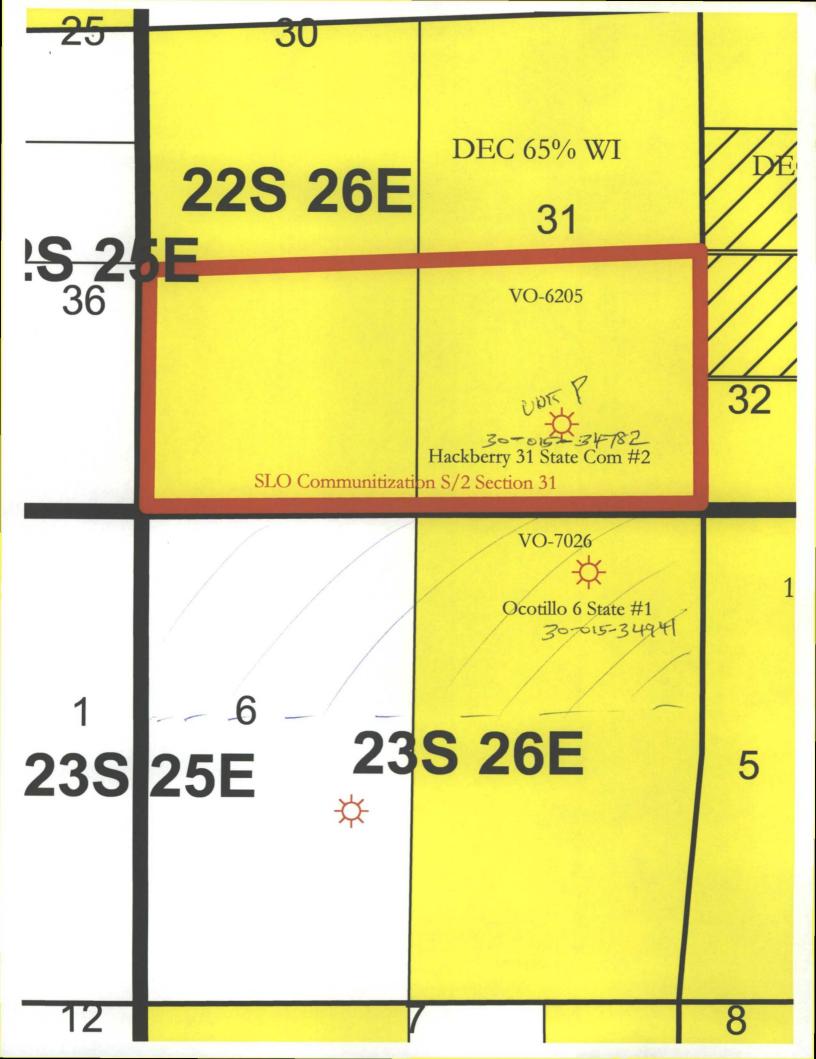
Peet from the

920

UL or lot No.	Section	Townsh	ip	Range	Lot le	dn	Feet from the	North/South line	Feet from the	East/West line	County
				R.							
Dedicated Acres Joint		r Infill	Co	nsolidation	Code	Oro	der No.		-		
320					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

		OPERATOR CERTIFICATION
!	j	I hereby certify the the information contained herein is true and complete to the
		best of my knowledge and belief.
	1	1 1/1/ L
LOT 1		Signature
	i	Stephanie A. Ysasaga
!	!	Sr. Staff Engineering Tech
		Title 04/10/06
i		Date
LOT 2		SURVEYOR CERTIFICATION
7	1	I hereby certify that the well location shown
Volume		on this plat was plotted from field notes of
1016218	VO16205	actual surveys made by me or under my supervision and that the same is true and
<u>}</u>	1	correct to the best of my belief
<i>}</i>	Lat - N32*20'36.7"    Long - W104*19'40.8"	MARCH 17 20061 JONES
LOT 3	+	Date Surveyed Signature & Scal of
,	Ī	Professional Surfeyor
<b>{</b>	1310'	1 SEL SM
	1 1	W.O. NO. 0359
<u>}</u> .	9 <u>7</u> 07	Certificate No. Gary L. Jones. 7977
LOT 4 /		
1 // //		Basin surveyS



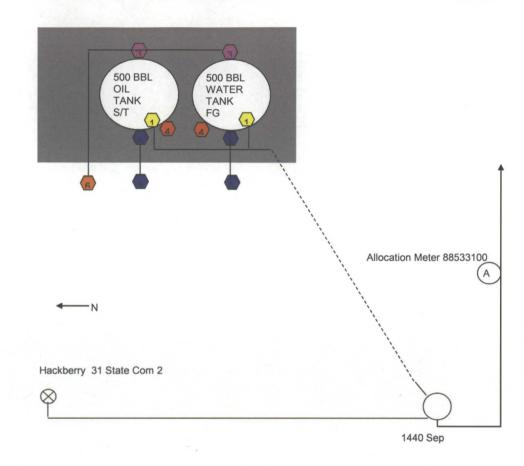
Ocotillo 6 State # 1 API: 30-015-34941 6-23S-26E

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.	500 BBL 0IL 1	Ocotillo 6 State 1
Sales Phase: On Tank being hauled.	TANK S/T	
1) Valve 1 sealed closed.		
2) Valve 3 sealed closed.	500 BBL	
3) Valve 4 sealed closed.	WATER TANK	
	FG	
4) Valve 5 sealed closed.	6	
5) Misc. Valves: Plugged or otherwise inaccessable.		
NOTE: Valve 2 is either a test or roll line		
f there is a valve 2 it will be sealed		Stac-Pac
Legend for Site Diagram		
Legend for Site Diagram		
Valve #1: Production Line		Allocation Meter 88533091
/alve #2: Test or Roll line		
/alve #3: Circ./Drain Line		
Valve #4: Equilizer Line		
Valve #5: Sles Line		
Valve #6: BS&W Load Line		
Buried Lines:		
Firewall:		
Wellhead:		
Stak-pak:		
Production line:		
Water line:		
Gas Meter (A)		



#### Hackberry 31 State 2 API: 30-015-34782 Sec 31-22S-26E

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 unaccessable.  NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed.						
Legend for Site Diagram						
Valve #1: Production Line						
Valve #2: Test or Roll line						
Valve #3: Circ./Drain Line						
Valve #4: Equilizer Line						
Valve #5: Sles Line						
Valve #6: BS&W Load Line						
Buried Lines:						
Firewall:						
Wellhead:						
Stak-pak:						
Production line:						
Water line:						
Gas Meter A S C						





July 5, 2011

## CERTIFIED MAIL RETURN RECEIPT REQUESTED

**Interest Owners** 

Re: Pool/Lease Commingle, Off Lease Gas Measurement & Sales Ocotillo 6 State 1 & Hackberry 31 State Com 2 Sec 6 T23S-R26E & Sec 31 T22S-R26E API # 30-015-34941 & 30-015-34782 Pool 85120 Sheep Draw; Atoka (gas) Pool 73800 Carlsbad; Atoka South (gas) Pool 85200 Sheep Draw; Strawn (gas) Eddy County, New Mexico

To Whom It May Concern:

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/Lease Commingle, Off-Lease Gas Measurement & Sales.

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) 552-4524 should you have any questions or need anything further.

Sincerely,

Devon Energy Production Company, L.P.

Melanie Crawford Régulatory Analyst

**Enclosure** 

Chesapeake Exploration LLC - PO Box 548806 Oklahoma City, OK 73154-8806

State of New Mexico Commission of Public Lands PO Box 1148 Santa Fe, NM 87504-1148

Randall Capps PO Box 6025 Midland, TX 79704

RC Barnett DBA B & H Properties 2502 Auburn Pl Midland, TX 79707

Patti Pullen 3106 Baybridge Ct Midland, TX 79705

Chesapeake Exploration LLC %Chesapeake Operating Inc PO Box 960161 Oklahoma City, OK 73196-0161

Premier Oil & Gas Inc Attn: Accounts Payable PO Box 837205 Richardson, TX 75083-7205

McCombs Energy Ltd, A Texas Partnership McCombs Energy GP LLC Gen Ptnr, Rick Haikin Vice President 5599 San Felipe Ste 1200 Houston, TX 77056

Premier Oil & Gas Inc PO Box 1246 Artesia, NM 88210 Certified Mailing Number: 7010 1060 0000 0917 5872

Certified Mailing Number: 7010 1060 0000 0917 5865

Certified Mailing Number: 7010 1060 0000 0917 5858

Certified Mailing Number: 7010 1060 0000 0917 5841

Certified Mailing Number: 7010 1060 0000 0917 5797

Certified Mailing Number. 7010 1060 0000 0917 5834

Certified Mailing Number: 7010 1060 0000 0917 5827

Certified Mailing Number, 7010 1060 0000 0917 5810

Certified Mailing Number: 7010 1060 0000 0917 5803