State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John H. Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



Administrative Order PLC-354-A

April 5, 2012

Devon Energy Production Co., LP 20 North Broadway Oklahoma City, OK 73102

Attention: Melanie Crawford

Devon Energy Production Company, LP ("Devon") is hereby authorized to surface commingle <u>oil and gas production</u> from the following Pools located in Township 23 South, Ranges 35 East, NMPM, Lea County, New Mexico.

Antelope Ridge; Bone Spring Gas Pool (**2200**) Cinta Rojo; Delaware Gas Pool (**96341**)

and from the following diversely owned wells located on State leases in Lea County, New Mexico:

Well Name & Number	API No.	Well Location	S-T-R
Red Bull 31 State Well No. 1	30 - 25 - 36798	SE/4SW/4	31-23S-35E
Red Bull 31 State Well No. 2	30-025-37069	SE/4SE/4	31-23S-35E
Red Bull 31 State Well No. 3	30 025 37620	SE/4NW/4	31-23S-35E

The commingled oil and gas production shall be measured and sold at the Central Tank Battery (CTB) located in Section 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico. Oil and gas production from the wells is approved for off lease measurement and sales.

The Red Bull 31 Well Nos. 1, 2, and 3 are stripper wells. The original Order No. PLC-354 required metering to allocate production back to the wells. The operator now requests to use monthly periodic well tests to measure production. The request by the operator is hereby approved, and therefore production shall be measured by monthly periodic well tests.

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



Administrative Order PLC-354-A April 5, 2012 Page 2 of 2

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

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This Order supersedes Order No. PLC-354

DONE at Santa Fe, New Mexico, on April 5, 2012.

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Jami Bailey Division Director

JB/re

cc: Oil Conservation Division District Office – Hobbs State Land Office – oil, gas, and minerals division – Santa Fe