

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

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Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order PLC-354-B

August 10, 2012

Devon Energy Production Co., LP
333 W. Sheridan
Oklahoma City, OK 73102

Attention: Erin Workman

Devon Energy Production Company, LP ("Devon") is hereby authorized to surface commingle **oil and gas production** 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. Because the wells are stripper wells, the operator requested to use monthly periodic well tests to measure production instead of continuous measurement with allocation meters. This request was approved resulting in the issuance of administrative Order No. PLC-354-A, allowing production to be measured by monthly periodic well tests.



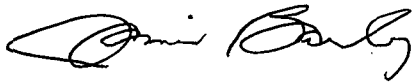
Now the operator requests that the Red Bull 31 State Well No. 4H (API No. 30-0250-40428) located in Section 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico, be added to the commingling operations. This request is hereby approved, and the Red Bull State Well No. 4H shall be added to the commingling operations with the three (3) wells listed above.

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 supersedes Order No. PLC-354-A

DONE at Santa Fe, New Mexico, on August 10, 2012.

A handwritten signature in black ink, appearing to read "Jami Bailey", is written over a horizontal line.

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division District Office – Hobbs
State Land Office – Oil, Gas, and Minerals Division – Santa Fe