

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

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]

- [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 _____

- PC
- Rigel 20 Federal Comm H
30-015-39393
- Rigel 20 Federal Comm St
30-015-41514
- Decon Energy
Production company
LP
6137

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply Pool

- [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

- Hackberry Bone
Springs, NW 60
97020
- Hackberry
Bone Springs, NW
97056

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE 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.

Erin Workman
Print or Type Name

Erin Workman
Signature

Regulatory Compliance Prof.
Title

04.21.15
Date

Erin.Workman@dvn.com
E-mail Address



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

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

April 21, 2015

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

Re: Central Tank Battery
Rigel 20 Fed Com 1H & Rigel 20 Fed Com 5H,
Lease: NMNM 0557729, NMNM63362, NMNM28328, NMNM129458 (CA)
API: 30-015-39393 & 30-015-41514
Pool: Hackberry; Bone Spring, N
County: Eddy County, New Mexico

RECEIVED OCD
2015 APR 22 A 10: 37

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B Sundry Notice of Intent for a Central Tank Battery.

A copy of the BLM approval is attached.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

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. NMNM28328
2. Name of Operator DEVON ENERGY PRODUCTION CO		6. If Indian, Allottee or Tribe Name
3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102		7. If Unit or CA/Agreement, Name and/or No. NMNM129458
3b. Phone No. (include area code) Ph: 405-552-7970		8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool, or Exploratory HACKBERRY UNKNOWN
		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 Surface Commingling
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recomplete 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 recompletion 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.)

Per verbal approval by Duncan Whitlock 01.07.14, Devon Energy Production Company, LP respectfully requests for a Central Tank Battery, Off-Lease Measurement, Sales, & Storage for the following wells:

Rigel 20 Fed Com 1H
Sec. 20, NWNW, T19S, 31E
Hackberry, BS
30-015-39393
NMNM0557729, NMNM63362, NMNM28328, NMNM129458

Rigel 20 Fed Com 5H
Sec. 19, NENE, T19S, 31E

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #287573 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad Committed to AFMSS for processing by DUNCAN WHITLOCK on 01/10/2015 (15DW0080SE)	
Name (Printed/Typed) ERIN WORKMAN	Title REGULATORY COMPLIANCE PROF.
Signature (Electronic Submission)	Date 01/10/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J. D. R. Little</i>	Title EPS	Date 1/10/15
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 CFO

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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
Hackberry; Bone Spring, North	41/1295.9				
Hackberry; Bone Spring, NW	37/1212.6				

- (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

(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
(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: 04.22.15

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

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

APPLICATION FOR A CENTRAL TANK BATTERY

Proposal for the Rigel 20 Fed Com 1H & 5H

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

Federal Lease: NMNM0557729 (12.5%) NMNM63362 (Schedule B) NMNM28328 (12.5%) NMNM129458 (CA)

Well Name	Location	API #	Pool 29345	BOPD	Oil		MCFPD	BTU
					Grav.			
Rigel 20 Fed Com 1H	NWNW Sec 20, T19S, 31E	30-015-39393	Hackberry; BS, N	64	37		100	1212.6
Rigel 20 Fed Com 5H	NENE Sec. 19, T19S, 31E	30-015-41514	Hackberry; BS, N	95	41		570	1295.9

Attached is a map displays the federal leases and well locations in Section 19, T19S, R31E, & Sec. 20, T19S, R31E.

Communization Agreement has been approved for the Rigel 20 Fed Com 1H & 5H (NMNM129458)

The BLM's interest these wells are identical.

Oil & Gas metering:

The central tank battery is located at the Rigel 20 Fed Com 1H battery in Sec. 20, T19S, R31E, in Eddy County, New Mexico. The Rigel 20 Fed Com 1H production will flow through their own three phase separator with a micro motion coriolis meter to meter the oil, flow meter to meter the water, and gas allocation meter to meter the gas. The Rigel 20 Fed Com 5H will flow through a two phase separator, then through a three phase separator with a micro motion coriolis meter to meter the oil and then to the heater/treater with another micro motion coriolis meter to meter the oil, 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 Rigel 20 Fed Com 1H battery will have 3 oil tanks that both wells will utilize. The Rigel 20 Fed 1H gas production will flow to the DCP CDP #926982-00 which is on location at the Rigel 20 Fed Com 1H battery in Sec. 20, T19S, R31E, on the east side of the facility. The Rigel 20 Fed 5H gas production will flow to Enterprise CDP # 6883001 in Sec. 18, SWSE, T19S, R31E. Oil, gas, and water volumes from both wells producing to this battery will be determined by using a test separator/heater treater at the proposed facility. Oil sold through a common LACT meter using meter #P655654331.

The Rigel 20 Fed Com 1H flows into a three phase separator, after separation, the gas flows to the gas allocation meter #677-49-158 then to the DCP CDP #926982-00. The produced oil is metered with a Micro Motion Coriolis Meter (number provided upon receipt), combines with the oil from the 5H, flows into the heater/treater, is measured with the Micro Motion Coriolis Meter #14454799, and then flows to one of the 500 bbl. oil tanks. The produced water is metered utilizing a mag meter, it then flows into the FWKO, and into the 500 bbl. produced water tank.

The Rigel 20 Fed Com 5H flows into a two phase separator, where after separation gas combines with the gas from the 3 phase separator and is routed to the gas allocation meter #67749123, then to the Enterprise CDP # 6883001 in Sec. 18, SWSE, T19S, R31E. The produced water and oil then flows into a three phase separator and after separation, the produced oil is metered with a Micro Motion Coriolis Meter #14417581 combines with the oil from the 1H, flows into the heater/treater, is measured with the Micro Motion Coriolis Meter #14454799, and then flows to one of the 500 bbl. oil tanks. The water is metered utilizing a mag meter, then flows into the FWKO, and into the 500 bbl. produced water tank.

Oil production will be allocated on a daily basis based on the Micro Motion Coriolis allocation meters for each well. This meter will be proven, as per API, NMOCD, and BLM specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes. Gas production for these wells will be allocated on a daily basis using the gas allocation meters for each well. The gas production from the Rigel 20 Fed 1H and VRU gas allocation meters will flow to the Duke Energy CDP #926982-00. The gas production from the Rigel 20 Fed 5H gas allocation meter will flow to the Enterprise CDP # 6883001 in Sec. 18, SWSE, T19S, R31E. These meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and 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, communization 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 not adversely affect federal royalty income, production accountability, or the distribution of royalty.

Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. ROW NM-130245 has been granted.

Working, royalty, and overriding interest owners are not identical and have been notified of this proposal via certified mail (see attached).

Signed:

Printed Name:  Erin Workman

Title: Regulatory Compliance Professional

Date: 04.21.15

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 IV

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

RECEIVED

NOV 20 2012

NMOC ARTESIA

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 30-015-39393		² Pool Code 97020		³ Pool Name HACKBERRY; BONE SPRING, NW	
⁴ Property Code 38797		⁵ Property Name RIGEL "20" FEDERAL COM			⁶ Well Number 1H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3418.0

" 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	20	19 S	31 E		425	NORTH	330	WEST	EDDY

" 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	20	19 S	31 E		400	NORTH	330	EAST	EDDY

¹⁰ Dedicated Acres 160	¹¹ Joint or Infill	¹² Consolidation Code	¹³ 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>RIGEL "20" FEDERAL COM #1H ELEV. = 3418.0' LAT. = 32.6519959°N (NAD83) LONG. = 103.8989484°W NMSP EAST (FT) N = 601184.15 E = 675027.79</p>		<p>BOTTOM OF HOLE LAT. = 32.6520823°N LONG. = 103.8839474°W NMSP EAST (FT) N = 601234.81 E = 679645.79</p>		<p>NE CORNER SEC. 20 LAT. = 32°39'11.46"N LONG. = 103°52'58.32"W NMSP EAST (FT) N = 601636.62 E = 679972.34</p>	
<p>SW CORNER SEC. 20 LAT. = 32°38'19.12"N LONG. = 103°53'59.90"W NMSP EAST (FT) N = 596324.81 E = 674732.70</p>				<p>SE CORNER SEC. 20 LAT. = 32°38'19.22"N LONG. = 103°52'58.15"W NMSP EAST (FT) N = 596356.60 E = 680013.34</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 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 heretofore entered by the division.

Signature: *Judy A. Barnett* Date: 7/19/12
Printed Name: Judy A. Barnett, Regulatory Specialist

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.

NOVEMBER 2012
Date of Survey: 7/19/12
Signature and Seal of Professional Surveyor: *[Signature]*
Certificate Number: 12797
SURVY NO 308

NM OIL CONSERVATION ARTESIA DISTRICT

District I
(625 N. French Dr., Hobbs, NM 88240)
Phone: (505) 293-6161 Fax: (505) 293-0720
District II
511 S. First St., Artesia, NM 88210
Phone: (505) 748-1233 Fax: (505) 748-0720
District III
1001 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

As Drilled

¹ API Number 30-015-41514	² Pool Code 97056	³ Pool Name Hackberry North; Bone Spring
⁴ Property Code 38797	⁵ Property Name RIGEL 20 FED COM	
⁶ OGRID No. 6137	⁷ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	
		⁸ Well Number 5H
		⁹ Elevation 3417.2

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
A	19	19 S	31 E		480	NORTH	190	EAST	EDDY

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	20	19 S	31 E		595	NORTH	342	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consultation Code	¹⁵ Order 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.

<p>MY CORNER SEC. 19 LAT. = 32.8530875°N LONG. = 103.9159439°W NMSP EAST (FT) N = 601575.46 E = 669450.43</p>		<p>H Q CORNER SEC. 19 LAT. = 32.8531159°N LONG. = 103.9085861°W NMSP EAST (FT) N = 601595.36 E = 673059.65</p>		<p>SECTION CORNER LAT. = 32.8531485°N LONG. = 103.9000209°W NMSP EAST (FT) N = 601517.77 E = 674898.81</p>		<p>H Q CORNER SEC. 20 LAT. = 32.8531577°N LONG. = 103.8914473°W NMSP EAST (FT) N = 601532.72 E = 677337.52</p>		<p>NE CORNER SEC. 20 LAT. = 32.8531671°N LONG. = 103.8828777°W NMSP EAST (FT) N = 601647.20 E = 679975.01</p>	
<p>RIGEL "20" FED COM #5H ELEV. = 3417.2 LAT. = 32.8518251°N (NAD83) LONG. = 103.9006338°W NMSP EAST (FT) N = 601136.21 E = 674512.14</p>		<p>190' SURFACE LOCATION</p>		<p>BOTTOM OF HOLE LAT. = 32.8516545°N LONG. = 103.8839746°W NMSP EAST (FT) N = 601095.48 E = 670810.75</p>		<p>342' BOTTOM OF HOLE</p>			
<p>W Q CORNER SEC. 19 COMPUTED.</p>		<p>SEC. 19.</p>		<p>QUARTER CORNER LAT. = 32.8458859°N LONG. = 103.8999987°W NMSP EAST (FT) N = 599576.32 E = 674717.05</p>		<p>SEC. 20.</p>		<p>E Q CORNER SEC. 20 LAT. = 32.8459142°N LONG. = 103.8828415°W NMSP EAST (FT) N = 599008.56 E = 675997.37</p>	
<p>SW CORNER SEC. 19 LAT. = 32.8385790°N LONG. = 103.9159510°W NMSP EAST (FT) N = 596296.75 E = 669505.87</p>		<p>S Q CORNER SEC. 19 LAT. = 32.8386043°N LONG. = 103.9085573°W NMSP EAST (FT) N = 596315.35 E = 672092.70</p>		<p>SECTION CORNER LAT. = 32.8386302°N LONG. = 103.8999686°W NMSP EAST (FT) N = 596338.45 E = 674738.47</p>		<p>S Q CORNER SEC. 20 LAT. = 32.8386419°N LONG. = 103.8913925°W NMSP EAST (FT) N = 598351.78 E = 677376.33</p>		<p>SE CORNER SEC. 20 LAT. = 32.8386573°N LONG. = 103.8828175°W NMSP EAST (FT) N = 598362.47 E = 680015.94</p>	

" OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of our 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 as a voluntary pooling agreement or a reassignment; pending order hereinafter entered by the division

Tami Laird 8/14/14
Signature Date

Tami Laird, Regulatory Analyst
Printed Name

tami.laird@dmn.com
E-mail Address

" 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.

FEBRUARY 2, 2014

Date of Survey

Alfonso E. Jaramila
Signature and Seal of Professional Surveyor

Certificate Number: 44180N E. JARAMILA O. PLS 12797
SURVEY NO. 1597A

pp: 48' FWL & 532' FNL
20-19S-31E

Producing Area:
Project Area:



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

April 21, 2015

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Central Tank Battery
Rigel 20 Fed Com 1H & Rigel 20 Fed Com 5H
Leases: NMNM 0557729, NMNM63362, NMNM28328, & NMNM129458 (CA)
API: 30-015-39393, 30-015-39394, & 30-015-41514
Pool: Hackberry; Bone Spring, N
County: 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 Central Tank Battery for the above mentioned wells.

A copy of our application submitted to the Division, along with the approval from the BLM 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) 552-7970 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". The signature is fluid and cursive, with the first name "Erin" written in a larger, more prominent script than the last name "Workman".

Erin Workman
Regulatory Compliance Professional

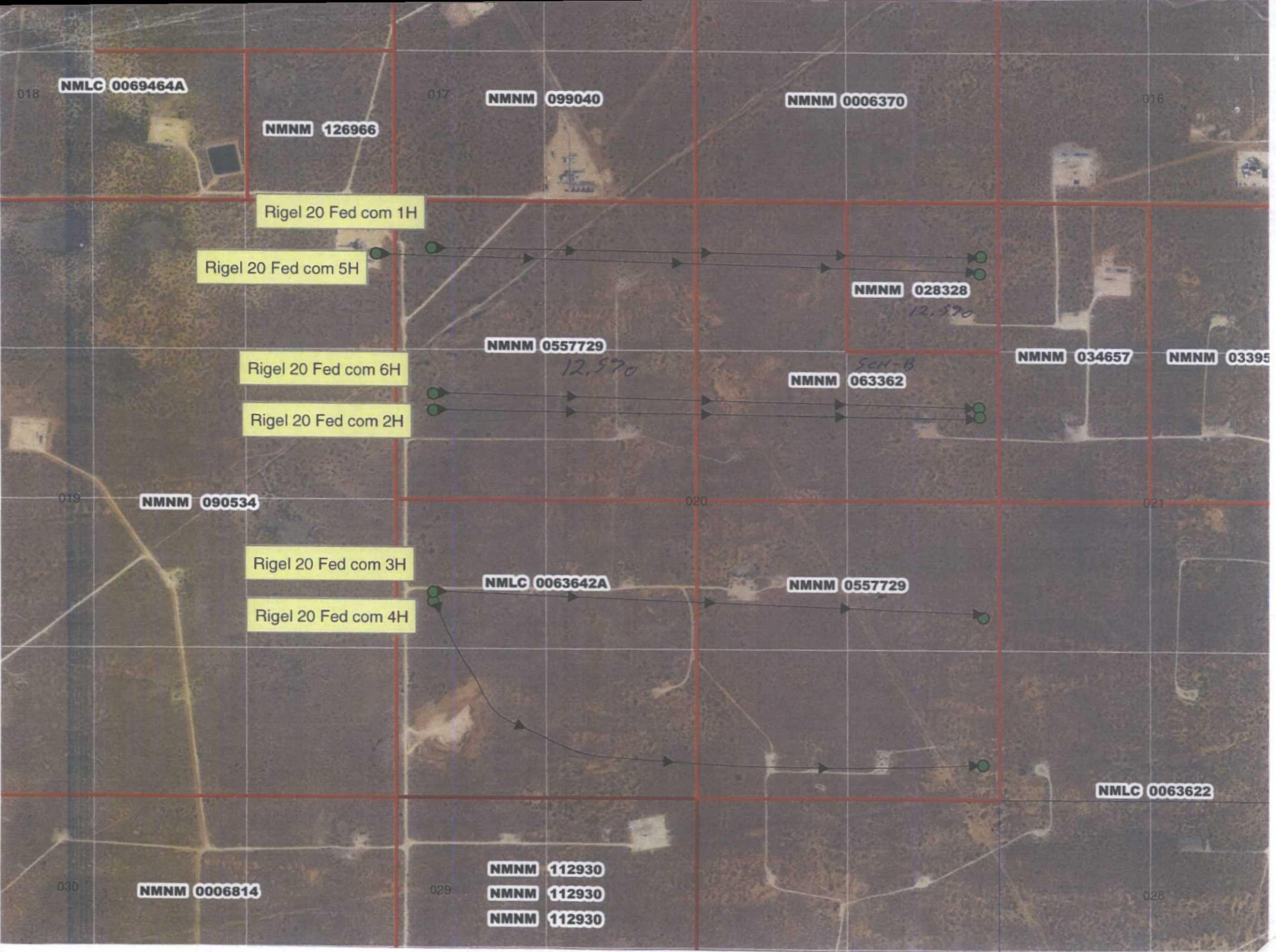
Enclosure

E-CERTIFIED MAILING LISTMailing Reference: **Rigel 10 Fed Com 1H**

<u>Repondent Name/Address:</u>	<u>E-Certified Mailing Number:</u>
Hanson McBride Petroleum Company P.O. Box 1515 Roswell, New Mexico 88202-1515	9171999991703448455134
McBride Oil & Gas Corporation P.O. Box 1515 Roswell, New Mexico 88202-1515	9171999991703448455141
Endurance Properties, Inc.. 15455 Dallas Parkway, Suite 1050 Addison, Texas 75001	9171999991703448455158
Jay Petroleum, LLC 2425 West Loop S. Ste. 810 Houston, TX 77027-4214	9171999991703448455165
Ray Westall Operating, Inc. P.O. Box 4 Loco Hills, New Mexico 88255-0004	9171999991703448455172
Dorchester Minerals Operating 3838 Oak Lawn Avenue, Suite 300 Dallas, Texas 75219-4541	9171999991703448455189
Sue Hanson McBride P.O. Box 1515 Roswell, New Mexico 88202-1515	9171999991703448455196
Julie Scott McBride P.O. Box 1515 Roswell, New Mexico 88202-1515	9171999991703448455202
Parker F. English 441 W. Silver Meadow Drive Midwest City, Oklahoma 73110	9171999991703448455219
L. Wynelle E. Crow 2802 W. 25th Roswell, New Mexico 88201	9171999991703448455226
LA Gene E. Verhines 511 S. Fir Avenue Roswell, New Mexico 88203	9171999991703448455233

E-CERTIFIED MAILING LISTMailing Reference: **Rigel 10 Fed Com 1H**

<u>Repondent Name/Address:</u>	<u>E-Certified Mailing Number:</u>
Joyco Investments, LLC P.O. Box 2104 Roswell, New Mexico 88202-2104	9171999991703448455240
Back Nine Oil & Gas LTD P.O. Box 162810 Austin, Texas 78176-2810	9171999991703448455257
Spraberry Oil & Gas LP P.O. Box 2788 Midland, Texas 79702	9171999991703448455264
Babe Development Co., Inc. P.O. Box 758 Roswell, New Mexico 88202	9171999991703448455271
Douglas Ladson McBride III P.O. Box 1515 Roswell, New Mexico 88202	9171999991703448455288



NMLC 0069464A

NMNM 126966

NMNM 099040

NMNM 0006370

Rigel 20 Fed com 1H

Rigel 20 Fed com 5H

NMNM 028328

12,570

NMNM 0557729

12,570

Rigel 20 Fed com 6H

NMNM 063362

SEN-B

NMNM 034657

NMNM 03395

Rigel 20 Fed com 2H

019

NMNM 090534

020

021

Rigel 20 Fed com 3H

NMLC 0063642A

NMNM 0557729

Rigel 20 Fed com 4H

NMLC 0063622

030

NMNM 0006814

029

NMNM 112930

NMNM 112930

NMNM 112930

028

Rigel 20 Fed Com #1H
 Sec.20, T19S, R31E
 425'FSL 330'FWL
 Eddy County, NM
 API 30-015-39393

To Enterprise Sales
 CDP # 6883001
 Sec. 18, SWSE, T19S, R31E

EQUIPMENT NOT BEING
 UTILIZED AT THIS TIME

Production system: closed

All valves will be sealed 30
 minutes prior to sales

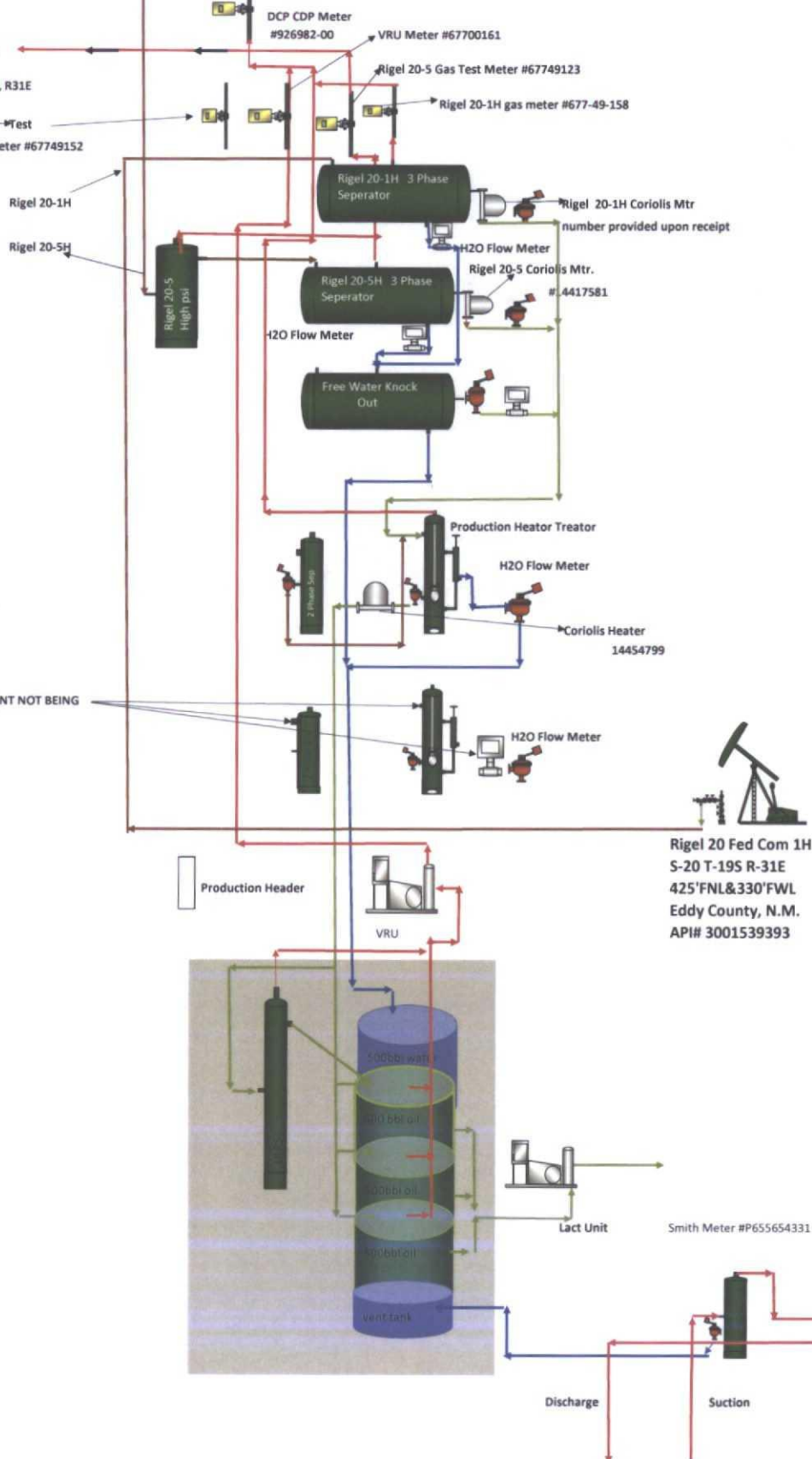
NOTE: ALL METER NUMBERS
 HAVE BEEN ADDED

Note;
 Devon Energy Site Security Plan
 located in the Artesia Main Office



EQUIPMENT NOT BEING
 UTILIZED

PROCESS FLOW DIAGRAM



Rigel 20 Fed Com 1H
 S-20 T-19S R-31E
 425'FNL&330'FWL
 Eddy County, N.M.
 API# 3001539393

WC Name	Well API	Date	Year	Month	State	Wtr Prod	Oil Prod	Gas Prod
RIGEL 20 FED COM 1H	300153939300	6/30/2014	2014	06	NEW MEXICO	1,324.53	1,108.65	2,103
RIGEL 20 FED COM 1H	300153939300	7/31/2014	2014	07	NEW MEXICO	2,394.45	1,000.67	1,580
RIGEL 20 FED COM 1H	300153939300	8/31/2014	2014	08	NEW MEXICO	3,311.67	2,694.68	1,847
RIGEL 20 FED COM 1H	300153939300	9/30/2014	2014	09	NEW MEXICO	3,296.88	1,835.75	3,002
RIGEL 20 FED COM 1H	300153939300	10/31/2014	2014	10	NEW MEXICO	2,197.30	1,855.73	8,869
RIGEL 20 FED COM 1H	300153939300	11/30/2014	2014	11	NEW MEXICO	2,888.24	1,586.92	10,790
RIGEL 20 FED COM 1H	300153939300	12/31/2014	2014	12	NEW MEXICO	2,537.99	1,678.69	12,667
RIGEL 20 FED COM 1H						17,951.06	11,761.09	40,858
RIGEL 20 FED COM 5H	300154151400	6/30/2014	2014	06	NEW MEXICO	20,839.51	3,585.17	7,131
RIGEL 20 FED COM 5H	300154151400	7/31/2014	2014	07	NEW MEXICO	34,637.75	2,370.05	10,838
RIGEL 20 FED COM 5H	300154151400	8/31/2014	2014	08	NEW MEXICO	29,453.97	3,680.41	13,829
RIGEL 20 FED COM 5H	300154151400	9/30/2014	2014	09	NEW MEXICO	19,462.47	3,241.12	21,379
RIGEL 20 FED COM 5H	300154151400	10/31/2014	2014	10	NEW MEXICO	22,287.29	3,233.43	18,232
RIGEL 20 FED COM 5H	300154151400	11/30/2014	2014	11	NEW MEXICO	17,766.68	2,501.60	14,345
RIGEL 20 FED COM 5H	300154151400	12/31/2014	2014	12	NEW MEXICO	11,019.76	2,260.59	13,436
RIGEL 20 FED COM 5H						155,467.43	20,872.37	99,190

Additional data for EC transaction #287573 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM129458	NMNM28328	RIGEL 20 FEDERAL COM 1H	30-015-39393-00-S1	Sec 20 T19S R31E NWNW 425FNL 330FWL
NMNM129458	NMNM28328	RIGEL 20 FED COM 5H	30-015-41514-00-S1	Sec 19 T19S R31E NENE 480FNL 190FEL 32.651825 N Lat, 103.900633 W Lon

32. Additional remarks, continued

Hackberry, BS
30-015-41514
NMNM0557729, NMNM63362, NMNM28328, NMNM129458

The central tank battery is located at the Rigel 20 Fed Com 1H battery in Sec. 20, T19S, R31E, in Eddy County, New Mexico. The Rigel 20 Fed Com 1H production will flow through their own three phase separator with a micro motion coriolis meter to meter the oil, flow meter to meter the water, and gas allocation meter to meter the gas. The Rigel 20 Fed Com 5H will flow through a two phase separator, then through a three phase separator, and to the heater/treater with a micro motion coriolis meter to meter the oil, 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 Rigel 20 Fed Com 1H battery will have 3 oil tanks that both wells will utilize. The Rigel 20 Fed 1H gas production will flow to the DCP CDP #926982-00 which is on location at the Rigel 20 Fed Com 1H battery in Sec. 20, T19S, R31E, on the east side of the facility. The Rigel 20 Fed 5H gas production will flow to Enterprise CDP #6883001 in Sec. 18, SWSE, T19S, R31E. Oil, gas, and water volumes from all three wells producing to this battery will be determined by using a test separator/heater treater at the proposed facility. Oil sold through a common LACT meter using meter #P655654331.

ROW NM-130245 has been granted.

Working, royalty, and overriding interest owners are not identical and have been notified of this proposal via certified mail (see attached)

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Rigel 20 Fed Com 1H and 5H, Leases: NM0557729, NM63362, NM28328 CA-NM129458

Devon Energy Production Co.

January 10, 2015

Condition of Approval

Commingling of lease production, variance to use Coriolis meter for oil measurement

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. Variance to Onshore Order #4 oil measurement to use Coriolis meters is approved with this approval.
12. Need to provide meter numbers upon installation.