

State of New Mexico
Energy, Minerals and Natural Resources Department

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Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-777
Administrative Application Reference No. pLEL1533458686

December 22, 2015

DEVON ENERGY PRODUCTION COMPANY, L.P.
Attention: Ms. Erin Workman

Devon Energy Production Company, L.P. (OGRID 6137) is hereby authorized to surface commingle oil and gas production from WC-025 G-06 S223421L; Bone Spring Pool (pool code 97922) from the following federal leases and wells in Lea County, New Mexico:

Lease: Federal Lease NMNM 94480X
Description: E/2 and W/2 W/2 of Section 17, E/2 of Section 19, and E/2 and W/2 W2 of Section 20, Township 22 South, Range 34 East, NMPM
Well: Gaucho Unit Well No. 10 H
Gaucho Unit Well No. 11 H
Gaucho Unit Well No. 12 H
Gaucho Unit Well No. 13 H
Gaucho Unit Well No. 14 H
Gaucho Unit Well No. 15 H
Gaucho Unit Well No. 16 H
Gaucho Unit Well No. 17 H

The combined project area for these wells include the E/2 and W/2 W/2 of Section 17, E/2 of Section 19, and E/2 and W/2 W2 of Section 20, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Gaucho Unit Central Tank Battery (CTB), located in Unit K, Section 20, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the subject wells shall be separately metered using allocation meters. Production from each well shall be determined by allocation using the total sales volumes and allocation meter volumes.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2).

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

Done at Santa Fe, New Mexico, on December 22, 2015.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Hobbs
Bureau of Land Management – Carlsbad