

Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-44424
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY, LP.		6. State Oil & Gas Lease No.
3. Address of Operator 333 WEST SHERIDAN AVENUE, OKC, OK 73102		7. Lease Name or Unit Agreement Name Lusitano 27-34 Fed Com
4. Well Location Unit Letter <u>435</u> feet from the <u>NORTH</u> line and <u>295</u> feet from the <u>EAST</u> line Section <u>27</u> Township <u>25S</u> Range <u>31E</u> NMPM Lea, County New Mexico		8. Well Number 235H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3336.0		9. OGRID Number 6137
		10. Pool name or Wildcat Jennings; BS, West

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: CTB\Pool Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: PC-1344 ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Company, LP Respectfully requests approval of a CTB\ Pool Commingle at the Lusitano 27 CTB 6 Battery:

The LUSITANO 27 CTB 6 is located in Sec. 27, NENE, T25S, R31E, Eddy County, New Mexico. It is Devon's intent to commingle oil, gas and water production from multiple target formations into a single production facility. This strategy is advantageous to maximizing royalty value when compared to the option of producing these formations in separate production facilities. The anticipated formations are listed below with their expected API gravity and Btu content as well as a representative production from the past six months. This data originates from nearby offset wells. Actual gas and oil qualities as well as the rates of the proposed wells can be made available after commencing production.

The Lusitano 27-34 Fed Com 336H, 718H, 626H, 235H, 536H, and 528H will be measured continuously through three phase separators using a Micro Motion Coriolis to meter the oil, mag meter to meter the water, and an orifice meter to meter the gas. VRU gas is measured with an orifice meter and is allocated back to each well utilizing a percentage of each wells monthly oil production.

The LUSITANO 27 CTB 6 contains two oil tanks. Oil from each well commingles downstream of the 3-phase vessels and then eventually flows into the tanks. They will share a common **Devon Federal Measurement Point # (will be made available upon receipt)** on location at the LUSITANO 27 CTB 6 is located in Sec. 27, T25S, R31E. They will also share a common **LACT Smith Meter # (will be made available upon receipt)**.

See attached narrative for well list.

The working interest, royalty interest and overriding royalty interest owners are identical; notification No further Notification necessary.

Recommend Signature by Director Subject Like Approval Bly
I hereby certify that the information above is true and complete to the best of my knowledge and belief. Man

SIGNATURE Erin Workman TITLE Regulatory Compliance Analyst DATE 11.16.18

Type or print name Erin Workman E-mail address: Erin.workman@dmr.com PHONE: (405)552-7970

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APPROVED BY: Walter Riley TITLE Director DATE 11/20/18
Conditions of Approval (if any):