

RECEIVED: 11/16/2018	REVIEWER: <i>[Signature]</i>	TYPE: PL	APP NO: DYMAM1832.3 54452
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: Devon Energy Production Co., LP **OGRID Number:** 6137
Well Name: Lusitano 27 Fed Com 235H, 336H, 528H, 536H, 626H, & 718H **API:** SEE ATTACHED
Pool: Brinninstool; Bone Spring **Pool Code:** 7230

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) 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

11/16/18

Date

405-552-7970

Phone Number

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@devon.com

November 16, 2018

New Mexico Oil Conservation Division
Oil Conservation Division
ATTN: Michael McMillan
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: Central Tank Battery\Pool Commingle
Lusitano 27-34nFed Com 235H, 336H, 528H, 536H, 626H, & 718H
Sec., T, R: Sec. 27 & 34 T25S, R31E
Lease: NMNM16348, NMNM125635, NMNM128360
API: 30-015-44424, 30-015-44425, 30-015-44426, 30-015-44427, 30-015-44428, & 30-015-44429
Pool: Jennings; Bone Spring, West & Purple Sage; WC
County: Lea Co., New Mexico

Dear Mr. McMillan:

Please find attached the OCD Form C-107 Notice of Intent for a Central Tank Battery\Pool Commingle for the aforementioned wells.

The working interest, royalty interest and overriding royalty interest owners are identical; no notification is necessary. Devon is the only working interest owner involved in these wells.

Subsequently drilled wells that produce from the subject pools 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.

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

APPLICATION FOR Central Tank Battery\Pool Commingle

Proposal for Lusitano 27 CTB 6

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

Federal Lease: NMNM16348, NMNM125635, & NMNM128360 (12.5%) CA for BS Submitted to the BLM 10/18/2017 (Pending)

Well Name	Location	API #	Pool 97860	BOPD	OG	MCFPD	BTU
Lusitano 27-34 Fed Com 235H	NENE, Sec 27, T25S, R31E	30-015-44424	Jennings; BS, W	143	44	678	1266 *
Lusitano 27-34 Fed Com 336H	NENE, Sec 27, T25S, R31E	30-015-44425	Jennings; BS, W	54	44	151	1270 *
Lusitano 27-34 Fed Com 528H	NENE, Sec 27, T25S, R31E	30-015-44426	Jennings; BS, W	14	47	350	1181 * **
Lusitano 27-34 Fed Com 536H	NENE, Sec 27, T25S, R31E	30-015-44427	Jennings; BS, W	25	47	159	1142 *

Federal Lease: NMNM16348, NMNM125635, & NMNM128360 (12.5%) CA for Wolfcamp Submitted to the BLM 10/18/2017 (Pending)

Well Name	Location	API #	Pool 98220	BOPD	OG	MCFPD	BTU
Lusitano 27-34 Fed Com 626H	NENE, Sec 27, T25S, R31E	30-015-44428	Purple Sage; WC	117	52	609	1284 *
Lusitano 27-34 Fed Com 718H	NENE, Sec 27, T25S, R31E	30-015-44429	Purple Sage; WC	117	52	609	1284 *

*These are proposed numbers from offset wells, actual production will be provided upon receipt.

**We do not currently have offset data for the Leonard B formation. However, based on the similarities between available data for the Leonard A and Leonard C formations, it is reasonable to assume that the Leonard B could be represented by either.

Attached is a map that displays the federal leases and wells located in Section 27 & 34, T25S, R31E

The BLM's interest in all six wells is 12.5%

CA's have been submitted, waiting on approval from the BLM.

Oil & Gas Metering:

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)**.

The Lusitano 27-34 Fed Com 336H well will have its own dedicated three phase test separator. After gas is separated, it will be routed to the gas test meter # **(will be made available upon receipt)**, into a common header with gas from

the other wells and the VRU, through a 2-phase separator, and then flow to the **Devon Federal Measurement Point # (will be made available upon receipt)**. After separation, the produced oil will be metered with a Micro Motion Coriolis Meter # **(will be made available upon receipt)**, combine with the oil production of the other wells, flow into the production heater/treater, and then flow to one of the 1000 bbl. oil tanks. The water will be metered on a per well basis using a mag meter, combine with the water production from the other wells and water from the heater treaters, and flow to one of the 750 bbl. produced water tanks.

The Lusitano 27-34 Fed Com 718H well will have its own dedicated three phase test separator. After gas is separated, it will be routed to the gas test meter # **(will be made available upon receipt)**, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flow to the **Federal Measurement Point # (will be made available upon receipt)**. After separation, the produced oil will be metered with a **Micro Motion Coriolis Meter # (will be made available upon receipt)**, combine with the oil production of the other wells, flow into the production heater/treater, and then flow to one of the 1000 bbl. oil tanks. The water will be metered on a per well basis using a mag meter, combine with the water production from the other wells and water from the heater treaters, and flow to one of the 750 bbl. produced water tanks.

The Lusitano 27-34 Fed Com 235H well will have its own dedicated three phase test separator. After gas is separated, it will be routed to the gas test meter # **(will be made available upon receipt)**, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flow to the **Federal Measurement Point # (will be made available upon receipt)**. After separation, the produced oil will be metered with a Micro Motion Coriolis Meter # **(will be made available upon receipt)**, combine with the oil production of the other wells, flow into the production heater/treater, and then flow to one of the 1000 bbl. oil tanks. The water will be metered on a per well basis using a mag meter, combine with the water production from the other wells and water from the heater treaters, and flow to one of the 750 bbl. produced water tanks.

The Lusitano 27-34 Fed Com 536H well will have its own dedicated three phase test separator. After gas is separated, it will be routed to the gas test meter # **(will be made available upon receipt)**, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flow to the **Federal Measurement Point # (will be made available upon receipt)**. After separation, the produced oil will be metered with a Micro Motion Coriolis Meter # **(will be made available upon receipt)**, combine with the oil production of the other wells, flow into the production heater/treater, and then flow to one of the 1000 bbl. oil tanks. The water will be metered on a per well basis using a mag meter, combine with the water production from the other wells and water from the heater treaters, and flow to one of the 750 bbl. produced water tanks.

The Lusitano 27-34 Fed Com 528H well will have its own dedicated three phase test separator. After gas is separated, it will be routed to the gas test meter # **(will be made available upon receipt)**, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flow to the **Federal Measurement Point # (will be made available upon receipt)**. After separation, the produced oil will be metered with a Micro Motion Coriolis Meter # **(will be made available upon receipt)**, combine with the oil production of the other wells, flow into the production heater/treater, and then flow to one of the 1000 bbl. oil tanks. The water will be metered on a per well basis using a mag meter, combine with the water production from the other wells and water from the heater treaters, and flow to one of the 750 bbl. produced water tanks.

Production from the Lusitano 27-34 Fed Com 336H, 718H, 626H, 235H, 536H and 528H will be allocated on a daily basis based on the Coriolis Test Meter, Mag Meter & EFM located downstream of the dedicated three phase separator. Devon will operate and maintain the Micro Motion Coriolis meter per the applicable BLM regulations, notwithstanding further guidance from the BLM in regards to proving the Micro Motion Coriolis Meter (**FMP**) to meet applicable BLM guidelines. Gas production from the Lusitano 27-34 Fed Com 336H, 718H, 626H, 235H, 536H and 528H wells will be allocated on a daily basis using the gas allocation meter. The gas production from the production equipment & gas meters from the Lusitano 27-34 Fed Com 336H, 718H, 626H, 235H, 536H and 528H will commingle into a common header, and flow into Federal Measurement Point Meter # **(will be made available upon receipt)**.

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, 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 reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

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

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.



Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102

Tim Prout, Landman
405 552 6113 Phone
www.devonenergy.com

October 30, 2017

New Mexico Oil Conservation Division
Attn: Mike McMillan
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504

Re: Lusitano 27-34 Fed Com 235H, 336H, 528H, 536H, 626H and 718H
Sections 27 & 34-T25S-R31E
Eddy County, New Mexico

Dear Mr. McMillan:

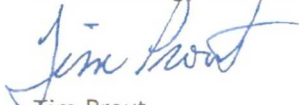
Devon Energy Production Company, L.P. ("Devon") desires to pool commingle the wells listed below in the Jennings; Bone Spring, West (Pool Code: 97860) and the Purple Sage; Wolfcamp (Pool Code: 98220). Upon review of the title information and Devon's records, please be advised that all of the ownership is identical in these wells.

<u>Well Name</u>	<u>Location</u>	<u>API</u>	<u>Pool</u>
Lusitano 27-34 Fed Com 235H	NENE Sec. 27-25S-31E	30-015-44424	97860 Jennings; Bone Spring, West
Lusitano 27-34 Fed Com 336H	NENE Sec. 27-25S-31E	30-015-44425	97860 Jennings; Bone Spring, West
Lusitano 27-34 Fed Com 528H	NENE Sec. 27-25S-31E	30-015-44426	97860 Jennings; Bone Spring, West
Lusitano 27-34 Fed Com 536H	NENE Sec. 27-25S-31E	30-015-44427	97860 Jennings; Bone Spring, West
Lusitano 27-34 Fed com 626H	NENE Sec. 27-25S-31E	30-015-44428	98220 Purple Sage; Wolfcamp
Lusitano 27-34 Fed Com 718H	NENE Sec. 27-25S-31E	30-015-44429	98220 Purple Sage; Wolfcamp

Should you have any questions or wish to discuss further, please contact the undersigned by email at tim.prout@devon.com or by phone at (405) 552-6113.

Sincerely,

Devon Energy Production Company, L.P.


Tim Prout
Landman

V-101 thru V-106
HORIZ. 3PH SEPARATOR
72" X 15'-0"
250 PSIG @200°F

F-201
Heater Treater
8'-0" OD X 20'-0" S-S
75 PSIG @200°F

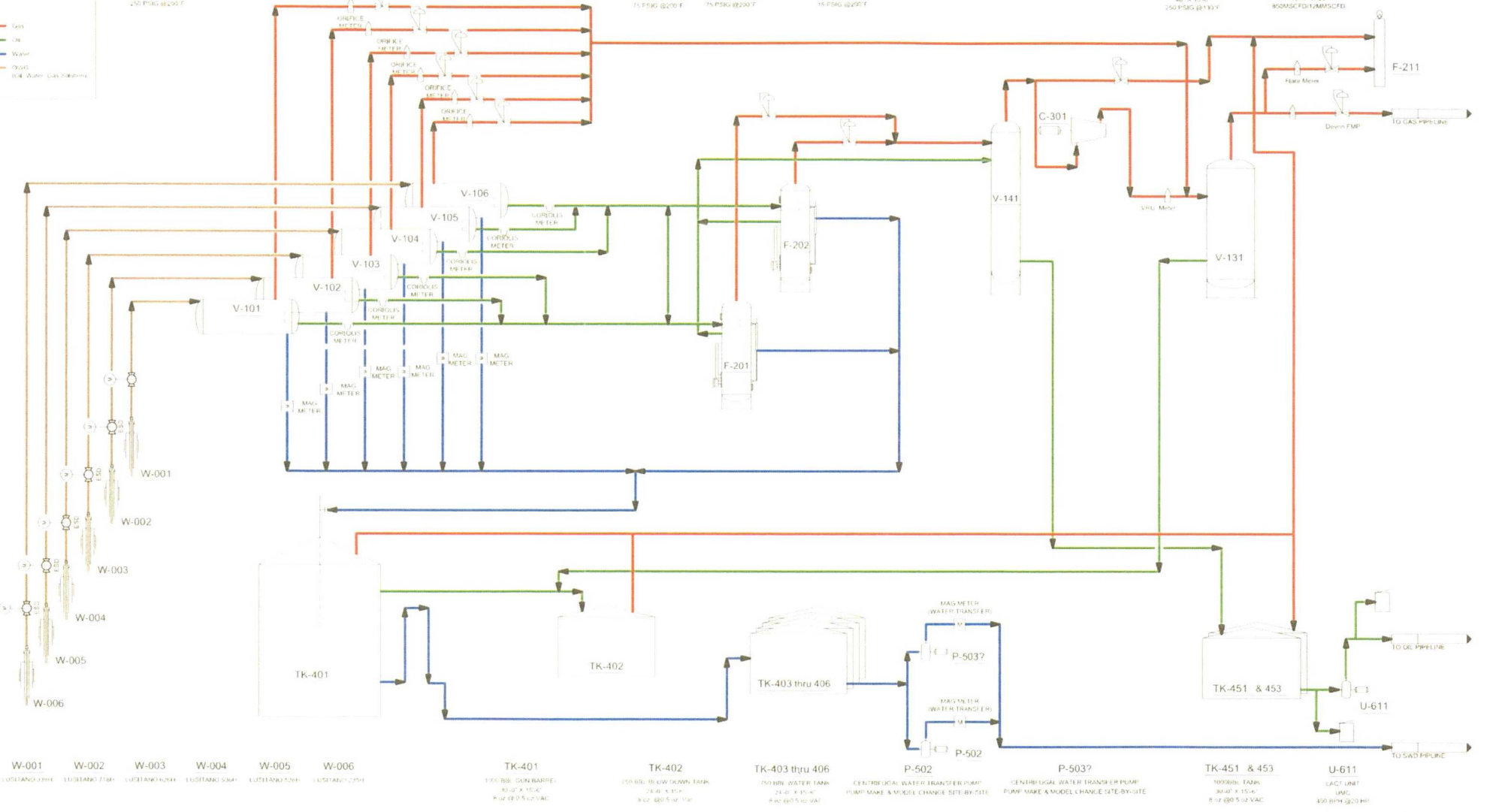
F-202
Heater Treater
8'-0" OD X 20'-0" S-S
75 PSIG @200°F

V-141
ULTRA LOW PRESSURE SEP
48" X 45'-0"
15 PSIG @200°F

C-301
VAPOR RECOVERY UNIT

V-131
SALES GAS SEP
48" X 10'-0"
250 PSIG @110°F

F-211
1" HP EMERGENCY FLARE
40FT TALL
150MSCFD/1MMSCFD



NOTES

- 1) DEVON ENERGY SITE SECURITY PLANS LOCATED IN AUSTIN MAIN OFFICE
- 2) ALL METER NUMBERS WILL BE SUPPLIED UPON RECEIPT
- 3) ALL VALVES WILL BE SEALED WITHIN 72 HOURS PRIOR TO START

DRAWING STATUS			DRAWN BY		DATE
DESIGNED BY	DATE	BY	CRH		11/30/2017
DESIGNED BY	DATE	BY	J. LEONARD		11/30/2017
DESIGNED BY	DATE	BY	J. LEONARD		11/30/2017
CONFIDENTIAL			PROJECT NO.		1047
This drawing is the property of Devon Energy. It is to be used only for the project and site for which it was prepared. It is not to be reproduced, copied, or used for any other purpose without the written consent of Devon Energy Corporation.			DRAWING NO.		120-01

Devon Energy Corporation
333 West Sheridan Avenue, Oklahoma City, OK 73102-5015

LUSITANO 27 CTB 6
PROCESS FLOW DIAGRAM

FILE NAME:
1047-120-01

REV
A



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Grande Blvd., 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

1 API Number 30-015-44425		2 Pool Code 97860		3 Pool Name Jennings; Bone Spring, West	
4 Property Code 319562		5 Property Name LUSITANO 27-34 FED COM			6 Well Number 336H
7 OGRID No. 6137		8 Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			9 Elevation 3336.2

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	27	25 S	31 E		235	NORTH	325	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
P	34	25 S	31 E		330	SOUTH	330	EAST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

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>NE CORNER SEC. 27 LAT. = 32.1085472N LONG. = 103.7744788W NWSP EAST (FT) N = 403674.44 E = 714373.22</p> <p>W Q CORNER SEC. 27 LAT. = 32.1012701N LONG. = 103.7745461W NWSP EAST (FT) N = 401027.04 E = 714365.41</p> <p>SW CORNER SEC. 27 LAT. = 32.0938075N LONG. = 103.7746005W NWSP EAST (FT) N = 398377.70 E = 714362.31</p> <p>W Q CORNER SEC. 34 LAT. = 32.0867157N LONG. = 103.7748027W NWSP EAST (FT) N = 395732.35 E = 714375.33</p> <p>SW CORNER SEC. 34 LAT. = 32.0794256N LONG. = 103.7748047W NWSP EAST (FT) N = 393080.31 E = 714368.48</p>		<p>NE CORNER SEC. 27 LAT. = 32.1085472N LONG. = 103.7744788W NWSP EAST (FT) N = 403674.44 E = 714373.22</p> <p>W Q CORNER SEC. 27 LAT. = 32.1012701N LONG. = 103.7745461W NWSP EAST (FT) N = 401027.04 E = 714365.41</p> <p>SW CORNER SEC. 27 LAT. = 32.0938075N LONG. = 103.7746005W NWSP EAST (FT) N = 398377.70 E = 714362.31</p> <p>W Q CORNER SEC. 34 LAT. = 32.0867157N LONG. = 103.7748027W NWSP EAST (FT) N = 395732.35 E = 714375.33</p> <p>SW CORNER SEC. 34 LAT. = 32.0794256N LONG. = 103.7748047W NWSP EAST (FT) N = 393080.31 E = 714368.48</p>		<p>NE CORNER SEC. 27 LAT. = 32.1085472N LONG. = 103.7744788W NWSP EAST (FT) N = 403674.44 E = 714373.22</p> <p>W Q CORNER SEC. 27 LAT. = 32.1012701N LONG. = 103.7745461W NWSP EAST (FT) N = 401027.04 E = 714365.41</p> <p>SW CORNER SEC. 27 LAT. = 32.0938075N LONG. = 103.7746005W NWSP EAST (FT) N = 398377.70 E = 714362.31</p> <p>W Q CORNER SEC. 34 LAT. = 32.0867157N LONG. = 103.7748027W NWSP EAST (FT) N = 395732.35 E = 714375.33</p> <p>SW CORNER SEC. 34 LAT. = 32.0794256N LONG. = 103.7748047W NWSP EAST (FT) N = 393080.31 E = 714368.48</p>		<p>NE CORNER SEC. 27 LAT. = 32.1085472N LONG. = 103.7744788W NWSP EAST (FT) N = 403674.44 E = 714373.22</p> <p>W Q CORNER SEC. 27 LAT. = 32.1012701N LONG. = 103.7745461W NWSP EAST (FT) N = 401027.04 E = 714365.41</p> <p>SW CORNER SEC. 27 LAT. = 32.0938075N LONG. = 103.7746005W NWSP EAST (FT) N = 398377.70 E = 714362.31</p> <p>W Q CORNER SEC. 34 LAT. = 32.0867157N LONG. = 103.7748027W NWSP EAST (FT) N = 395732.35 E = 714375.33</p> <p>SW CORNER SEC. 34 LAT. = 32.0794256N LONG. = 103.7748047W NWSP EAST (FT) N = 393080.31 E = 714368.48</p>	
<p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE USED. (NAD83) VALUES OF BOUNDARY AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES ADJUSTED TO THE SURFACE VERTICAL DATUM 1983.</p>							

16 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 state.

Linda Good 6-26-2017
Signature Date

Linda Good

Printed Name

linda.good@dvn.com

E-mail Address

17 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.

JUNE 1, 2017

Date of Survey

Alfonso F. Jaramila

Surveyor and Seal

Certification Number

NEW MEXICO

PLS 12797

SURVEY NO. 5277

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 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

¹ API Number	² Pool Code 97860	³ Pool Name Jennings, Bone Spring, West
⁴ Property Code	⁵ Property Name LUSITANO 27-34 FED COM	⁶ Well Number 528H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3335.5

¹⁰ Surface Location

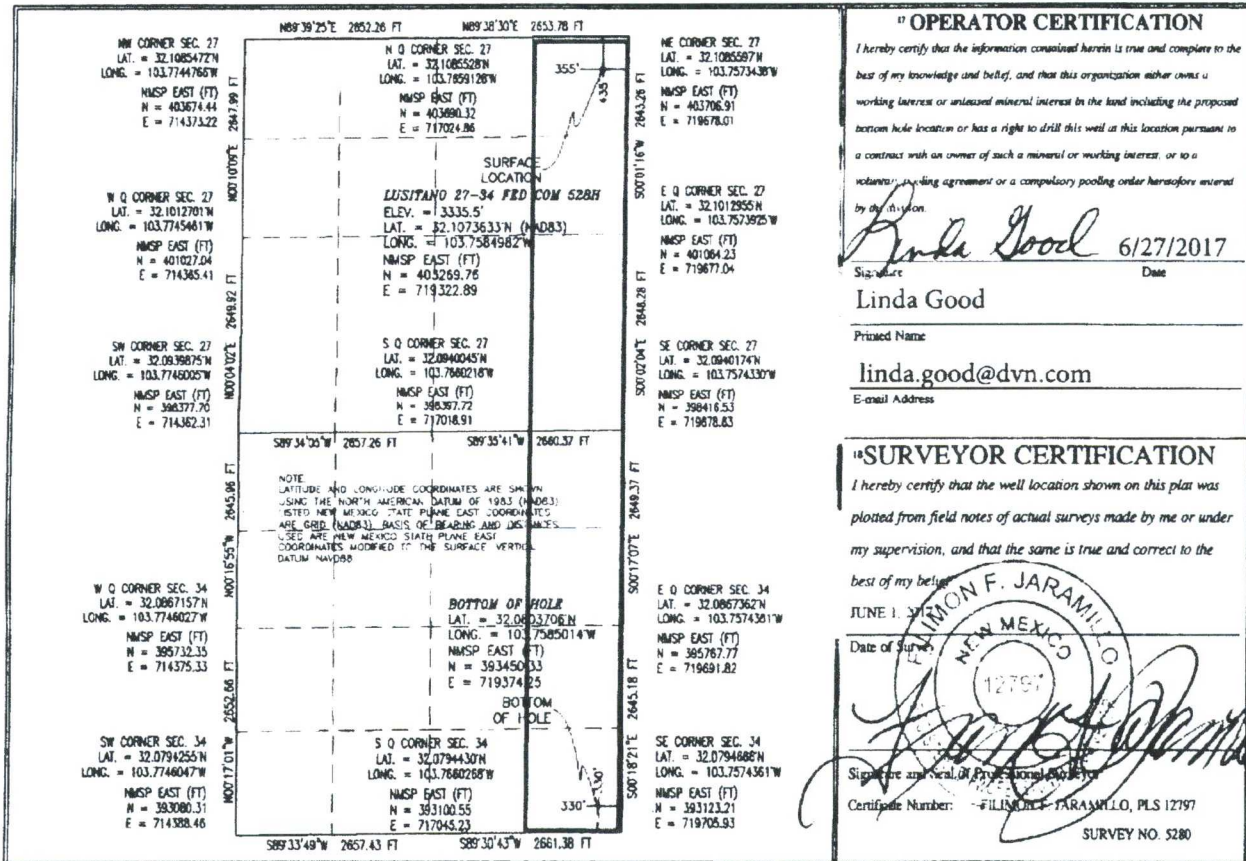
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	25 S	31 E		435	NORTH	355	EAST	EDDY

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
P	34	25 S	31 E		330	SOUTH	330	EAST	EDDY

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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.



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Arroyo, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
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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

¹ API Number 30-015-44427	² Pool Code 97860	³ Pool Name Jennings; Bone Spring, West
⁴ Property Code 319562	⁵ Property Name LUSITANO 27-34 FED COM	
⁶ OGRID No. 6137	⁷ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁸ Well Number 536H
		⁹ Elevation 3335.6

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	27	25 S	31 E		435	NORTH	325	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
P	34	25 S	31 E		330	SOUTH	770	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
320			

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.

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE ONLY APPROXIMATE. INDEED, OF BEARING AND DISTANCES. ALSO ARE NEW MEXICO STATE PLANE EAST COORDINATES ADJUSTED TO THE SURFACE VERTICAL DATUM NAVD83.

SURFACE LOCATION
LUSITANO 27-34 FED COM 536H
ELEV. = 3335.6'
LAT. = 32.1073633°N (NAD83)
LONG. = 103.7587012°W
NWSP EAST (FT) N = 403268.93 E = 719352.94

BOTTOM OF HOLE
LAT. = 32.0903868°N
LONG. = 103.7599281°W
NWSP EAST (FT) N = 393448.56 E = 718932.38

¹⁶ 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 court.

Linda Good 6/27/2017
Signature Date

Linda Good
Printed Name

linda.good@dvn.com
E-mail Address

¹⁷ 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.

JUNE 19, 2017
Date of Survey

William F. Jaramila
Signature

Seal of Surveyor William F. Jaramila, PLS 12797
Certificate Number

SURVEY NO. 5279A

NE CORNER SEC. 27
LAT. = 32.1085472°N
LONG. = 103.7574336°W

NE SP EAST (FT)
N = 40370.91
E = 719678.01

W O CORNER SEC. 27
LAT. = 32.1012707°N
LONG. = 103.7745461°W

NE SP EAST (FT)
N = 401027.04
E = 714365.41

SW CORNER SEC. 27
LAT. = 32.0839875°N
LONG. = 103.7746062°W

NE SP EAST (FT)
N = 398377.70
E = 714362.31

W O CORNER SEC. 34
LAT. = 32.0867157°N
LONG. = 103.7749027°W

NE SP EAST (FT)
N = 395732.35
E = 714375.33

SW CORNER SEC. 34
LAT. = 32.0794251°N
LONG. = 103.7748047°W

NE SP EAST (FT)
N = 383100.55
E = 714388.46

NE CORNER SEC. 27
LAT. = 32.1085472°N
LONG. = 103.7574336°W

NE SP EAST (FT)
N = 40370.91
E = 719678.01

W O CORNER SEC. 27
LAT. = 32.1012707°N
LONG. = 103.7745461°W

NE SP EAST (FT)
N = 401027.04
E = 714365.41

SW CORNER SEC. 27
LAT. = 32.0839875°N
LONG. = 103.7746062°W

NE SP EAST (FT)
N = 398377.72
E = 717018.31

W O CORNER SEC. 34
LAT. = 32.0867157°N
LONG. = 103.7749027°W

NE SP EAST (FT)
N = 395732.35
E = 714375.33

SW CORNER SEC. 34
LAT. = 32.0794251°N
LONG. = 103.7748047°W

NE SP EAST (FT)
N = 383100.55
E = 717045.43

NOTE:
LATITUDE AND LONGITUDE COORDINATES ARE SHOWN
BASED ON THE NORTH AMERICAN DATUM OF 1983 (NAD83).
THE NEW MEXICO STATE PLANE COORDINATES
ARE ALSO SHOWN. THE COORDINATES AND DISTANCES
ARE BASED ON THE NEW MEXICO STATE PLANE EAST
COORDINATE ADDED TO THE SURFACE VERTICAL
DATUM MATHS.

BOTTOM OF HOLE
LAT. = 32.0803588°N
LONG. = 103.7599281°W
N = 393448.56
E = 718932.38

BOTTOM OF HOLE
LAT. = 32.0794430°N
LONG. = 103.7602080°W
N = 383100.55
E = 717045.43

As-Drilled Plat

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 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

¹ API Number 30-015-44428	² Pool Code 98220	³ Pool Name Purple Sage; Wolfcamp
⁴ Property Code 319562	⁵ Property Name LUSITANO 27-34 FED COM	⁶ Well Number 626H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3335.5

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	27	25 S	31 E		235	NORTH	385	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
P	34	25 S	31 E		215	SOUTH	1056	EAST	EDDY

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowance will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983. UNLISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GIVEN (NAD83) BASIS OF FEARING AND DISTANCE USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE VERTICAL DATUM NAVD83.</p>	<h3>¹⁷ OPERATOR CERTIFICATION</h3> <p>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 unleased 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.</p> <p><i>Linda Good</i> 7/24/2018 Signature Date</p> <p>Linda Good Printed Name</p> <p>linda.good@dmv.com E-mail Address</p> <h3>¹⁸ SURVEYOR CERTIFICATION</h3> <p>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.</p> <p>JUNE 1, 2017 Date of Survey</p> <p><i>Edmon F. Jaramillo</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number: EDMON F. JARAMILLO, PLS 12797 SURVEY NO. 5276</p>
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AS-DRILLED PLAT

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 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

¹ API Number 30-015-44429	² Pool Code 98220	³ Pool Name Purple Sage; Wolfcamp
⁴ Property Code 319562	⁵ Property Name LUSITANO 27-34 FED COM	
⁷ OGRID No. 6137	⁶ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁸ Well Number 718H
		⁹ Elevation 3336.1

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	27	25 S	31 E		235	NORTH	355	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
P	34	25 S	31 E		462	SOUTH	385	EAST	EDDY

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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>17 OPERATOR CERTIFICATION</p> <p>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 unleased 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 in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Linda Good</i> 8/1/2018 Signature Date</p> <p>Linda Good Printed Name</p> <p>linda.good@dvn.com E-mail Address</p>		<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JUNE 1, 2017 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number: FJIMON-F-JARAMILLO, PLS 12797 SURVEY NO. 5275</p>	
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PP: 120 FNL, 419 FEL, Sec 27-T25S-R31E

Project Area: _____

Producing Area: _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.*5. Lease Serial No.
NMNM16348

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 28. Well Name and No.
Multiple--See Attached9. API Well No.
Multiple--See Attached10. Field and Pool or Exploratory Area
JENNINGS-BONE SPRING, WEST
PURPLE SAGE-WOLFCAMP (GAS)11. County or Parish, State
EDDY COUNTY, NM**12. CHECK THE 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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Devon Energy Production Company, LP requests approval for a Pool Commingle for the wells listed on the attached document.

Attachment: Deliverables

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #400246 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION COMPAN, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 01/26/2018 (18PP0854SE)

Name (Printed Typed) ERIN WORKMAN

Title REGULATORY COMPLIANCE PROF.

Signature (Electronic Submission)

Date 01/10/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J.D.W. Hittlock</i>	Title <i>TL PET</i>	Date <i>3/5/18</i>
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 <i>CFO</i>

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.

(Instructions on page 2)

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

Additional data for EC transaction #400246 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM16348	NMNM16348	LUSITANO 27-34 FED COM 235H	30-015-44424-00-X1	Sec 27 T25S R31E NENE 435FNL 295FEL 32.107365 N Lat, 103.758301 W Lon
NMNM16348	NMNM16348	LUSITANO 27-34 FED COM 336H	30-015-44425-00-X1	Sec 27 T25S R31E NENE 235FNL 325FEL 32.107914 N Lat, 103.758591 W Lon
NMNM16348	NMNM16348	LUSITANO 27-34 FED COM 528H	30-015-44426-00-X1	Sec 27 T25S R31E NENE 435FNL 355FEL 32.107365 N Lat, 103.758499 W Lon
NMNM16348	NMNM16348	LUSITANO 27-34 FED COM 536H	30-015-44427-00-X1	Sec 27 T25S R31E NENE 435FNL 325FEL 32.107365 N Lat, 103.758400 W Lon
NMNM16348	NMNM16348	LUSITANO 27-34 FED COM 626H	30-015-44428-00-X1	Sec 27 T25S R31E NENE 235FNL 385FEL 32.107914 N Lat, 103.758591 W Lon
NMNM16348	NMNM16348	LUSITANO 27-34 FED COM 718H	30-015-44429-00-X1	Sec 27 T25S R31E NENE 235FNL 355FEL 32.107914 N Lat, 103.758400 W Lon

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

Bureau of
Carlsbad
620 East
Carlsbad

Lusitano 27-34 Fed Com wells (see list below)

**Devon Energy Production Company
March 5, 2018**

**Condition of Approval
Surface Commingling of Lease/CA production**

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 or 43 CFR 3175 and API requirements 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 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33".
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases/CAs require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. Submit updated diagram with meter number upon installation of equipment.

Lusitano 27-34 Fed Com 235H,	3001544424, Bone Springs	Federal CA-NMNM137693
Lusitano 27-34 Fed Com 336H,	3001544425, Bone Springs	
Lusitano 27-34 Fed Com 528H,	3001544426, Bone Springs	
Lusitano 27-34 Fed Com 536H,	3001544427, Bone Springs	

CA – NMNM137693 Includes Fed Lease -

NMNM16348 Royalty Rate 12.5% Allocated production to lease-25%
NMNM125635 Royalty Rate 12.5% Allocated production to lease-68.75%
NMNM128360 Royalty Rate 12.5% Allocated production to lease-6.25%

Lusitano 27-34 Fed Com 626H,
Lusitano 27-34 Fed Com 718H,

3001544428, WolfCamp
3001544429, WolfCamp

Federal CA-NMNM137694

CA – NMNM137694 Includes Fed Lease -

NMNM16348 Royalty Rate 12.5% Allocated production to lease-25%

NMNM125635 Royalty Rate 12.5% Allocated production to lease-68.75%

NMNM128360 Royalty Rate 12.5% Allocated production to lease-6.25%

The approval of this surface pool commingling is as per Category II of IM NMPO-2013-02. These six wells are on the same 3 Leases, NMNM16348, NMNM125635, & NMNM128360. These leases are associated with two different CAs, one for Bone Springs and one for WolfCamp, (NMNM137693 & NMNM137694). These leases all have a fixed Royalty Rate of 12.5%. The operator has provided the economic justification for the commingling of Bone Springs and Wolfcamp formations. The Production value of the gas and oil is similar as per the operator's economic justification; it shows that by combining the production the royalty value will not be decreased. Allocation of production will be done by individual 3 phase metering separator measurement. This does not mean that the allocation of production to each well will be 100% accurate each month. By approving this request, it will only guarantee that the public's interest will not be compromised.