

State of New Mexico
Energy, Minerals and Natural Resources Department

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Governor

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Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-873

November 9, 2018

Devon Energy Production Company, LP
Attention: Ms. Erin Workman

Devon Energy Production Company, LP (OGRID 6137) is hereby authorized to surface commingle oil and gas production and off-lease measure oil and gas production from the Brinninstool; Bone Spring Pool (Pool code 7320) from the following diversely owned state leases located in Township 22 South, Range 33 East, and Township 23 South, Range 33 East, Lea County, New Mexico:

Lease:	Proposed North Thistle 3 34 State Com Well No. 1H Communitization Agreement	
Description:	W/2 of Section 34, Township 22 South, Range 33 East, and Lot 3/ Unit C, Lot 4/ Unit D, S/2 NW/4, and SW/4 (W/2 Equivalent) of Section 3, Township 23 South, Range 33 East	
Wells:	North Thistle 3 34 State Com Well No. 1H	API 30-025-45070
	North Thistle 3 34 State Com Well No. 2H	API 30-025-45071
	North Thistle 3 34 State Com Well No. 3H	API 30-025-45072
Lease:	Proposed North Thistle 3 34 State Com Well No. 5H Communitization Agreement	
Description:	E/2 of Section 34, Township 22 South, Range 33 East, and Lot 1/ Unit A, Lot 2/ Unit B, S/2 NE/4, and SE/4 (E/2 Equivalent) of Section 3, Township 23 South, Range 33 East	
Wells:	North Thistle 3 34 State Com Well No. 5H	API 30-025-45074
	North Thistle 3 34 State Com Well No. 4H	API 30-025-45073
	North Thistle 3 34 State Com Well No. 6H	API 30-025-45075

The commingled oil and gas production from the wells detailed above shall be measured and sold at the North Thistle 3 Central Tank Battery (CTB), located in Unit P, Section 3, Township 23 South, Range 33 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 diversely-owned leases shall be measured with allocation meters.

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

Your application has been duly filed under the provisions of Division Rules 19.15.12.10.C NMAC and 19.15.4.12.A (8) NMAC.

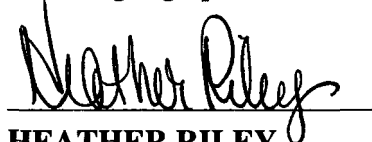
It is also understood that you have given due notice of this application to all owners in the mineral interest estate ("affected parties") as defined in Rule 19.15.12.10.C (4) NMAC.

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

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This administrative order is subject to like approval from the New Mexico State Land Office.

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



HEATHER RILEY
Director

HR/mam

cc: Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals