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|-------------------------|------------------|--------------|----------------------------|
| RECEIVED: 11/04/2017 | REVIEWER: WAM | TYPE: CTB | APP NO: DMM 18309 30958 |
|-------------------------|------------------|--------------|----------------------------|

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: Belgian 15 Fed Com 1H & Shire 22 Fed 1H **API:** 30-015-43187& 30-015-43222
Pool: Paduca; Bone Spring **Pool Code:** 96641

**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.

11/02/2018

Erin Workman

Date

Print or Type
Name

(405) 552-7970

Phone Number

Erin.workman@dmn.com

Signature

e-mail Address

McMillan, Michael, EMNRD

From: Workman, Erin <Erin.Workman@devon.com>
Sent: Friday, November 2, 2018 4:10 PM
To: McMillan, Michael, EMNRD
Subject: [EXT] Commingle Submittals
Attachments: Belgian Shire CTB_Submitted NMOCD_11 02 18.pdf; Seawolf 1-12 CTB 1_PC_11 02 18.pdf

Good evening,

Attached please find the submittals for the following batteries

Belgian Shire BS CTB
Seawolf 1 CTB 1

Thank you,

Erin Workman

Regulatory Compliance Professional
Devon Energy Corporation
Devon Energy Center 30.318
333 W. Sheridan Avenue
OKC, OK 73102
405.552.7970 Direct

*John 13:35, "By this everyone will know that you are my disciples, if you love one another."
(NIV)*

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.



NDV 05 2018 411:25
Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

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

November 2, 2018

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

Re: Central Tank Battery
Belgian 15 Fed Com 1H & Shire 22 Fed 1H
Sec., T, R: Sec 15, T25S, R31E
Lease: NMNM136260 & NMNM016131
API: 30-015-43187 & 30-015-43222
Pool: Paduca; Bone Spring
County: Eddy Co., New Mexico

Dear Mr. McMillian:

Please find attached the OCD Form C-103 Notice of Intent for a Central Tank Battery of the aforementioned wells. This application is necessary due to diverse leases.

A copy of the Approved Bureau of Land Management Application is attached.

The working interest, royalty interest and overriding royalty interest owners are not identical, therefore notifications have been sent.

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

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 |
|--------------------------|--|---|--|---|---------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

(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 ☐ Well 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 (Specify)

(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: Erin Workman TITLE: Regulatory Compliance Analyst DATE: 10/31/2018

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

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

APPLICATION FOR SURFACE COMMINGLING/OFF LEASE MEASUREMENT SALES, & STORAGE

Proposal for Belgian Shire BS Battery

Devon Energy Production Company, LP is requesting approval for Surface Commingling \Off-Lease measurement, sales, and storage for the following wells:

Federal Lease: CA NMNM136260 (12.5%)

| Well Name | Location | API # | Pool 96641 | BOPD | OG | MCFPD | BTU |
|-----------------------|--------------------------|--------------|---------------------|------|----|-------|--------|
| Belgian 15 Fed Com 1H | SWSE, Sec 15, T25S, R31E | 30-015-43187 | Paduca; Bone Spring | 187 | 44 | 447 | 1335.6 |

Federal Lease NMNM016131 (12.5%)

| Well Name | Location | API # | Pool 96641 | BOPD | OG | MCFPD | BTU |
|-----------------|--------------------------|--------------|---------------------|------|----|-------|--------|
| Shire 22 Fed 1H | SWSE, Sec 15, T25S, R31E | 30-015-43222 | Paduca; Bone Spring | 121 | 42 | 824 | 1311.7 |

Attached is a map that displays the federal leases, battery and well locations in Section 15 T25S, R31E.

The BLM's interest in both wells is 12.5%

Oil & Gas metering:

The Belgian Shire BS CTB is located in Sec. 22, T25S, R31E, Eddy County, New Mexico. The Shire 22 Fed 1H and Belgian 15 Fed Com 1H are measured continuously through three phase separators with 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 Belgian Shire BS CTB contains 6 oil tanks. Oil from each well commingles downstream of the heater treaters and then flows into the tanks. They will share a common Devon Point of Royalty Measurement #390-33-696 on location at the Belgian Shire BS CTB is located in Sec. 22, T25S, R31E. They will also share a common LACT Smith Meter #1523E10082.

The Shire 22 Fed 1H well has its own dedicated three phase test separator. After the gas is separated, it is routed to the gas test meter #390-49-676, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flows to the Devon Point of Royalty Measurement #390-33-696. After separation, the produced oil is then metered with a Micro Motion Coriolis Meter #14509476, combines with the Belgian 15 Fed Com 1H, flows into the production heater/treater, and then flows to one of the 500 bbl. oil tanks. The water is metered utilizing a turbine meter, combines with the water from the Belgian 15 Fed Com 1H and water from the heater treaters, and flows to one of the 500 bbl. produced water tanks.

The Belgian 15 Fed Com 1H well has its own dedicated three phase test separator. After the gas is separated, it is routed to the gas test meter #390-49-677, into a common header with gas from the other wells and the VRU, through a 2-phase separator, and then flows to the Devon Point of Royalty Measurement #390-33-696. After separation, the produced oil is then metered with a Micro Motion Coriolis Meter #14512771, combines with the Shire 22 Fed 1H, flows into the production heater/treater, and then flows to one of the 500 bbl. oil tanks. The water is metered utilizing a turbine meter, combines with the water from the Shire 22 Fed 1H and water from the heater treaters, and flows to one of the 500 bbl. produced water tanks.

Production from the Shire 22 Fed 1H & Belgian 15 Fed Com 1H will be allocated on a daily basis based on the Coriolis Test Meter, Turbine Meter, & EFM located downstream of the dedicated three phase separator. The Coriolis meter will be proven, as per API, NMOC, 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 from the Shire 22 Fed 1H & Belgian 15 Fed Com 1H wells will be allocated on a daily basis using the gas allocation meter. The gas production from the production equipment & gas meters from the Shire 22 Fed 1H & Belgian 15 Fed Com 1H will commingle into a common header, and flow into Devon's Point of Royalty Measurement Meter #390-33-696. These meters will be calibrated on a regular basis per API, NMOC 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.

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 Numbers: NMNM135184, NMNM135424 have been approved.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

NM OIL CONSERVATION

ARTESIA DISTRICT

State of New Mexico

JUL 25 2016

Form C-102

Energy, Minerals & Natural Resources Department

Revised August 1, 2011

OIL CONSERVATION DIVISION

RECEIVED

Submit one copy to appropriate

District Office

1220 South St. Francis Dr.

Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|--|--|
| ¹ API Number 30-015-43187 | ² Pool Code 96641 | ³ Pool Name Paduca; Bone Spring |
| ⁴ Property Code 314983 | ⁵ Property Name BELGIAN 15 FED COM | |
| ⁶ OGRID No. 6137 | ⁷ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | ⁸ Well Number 1H |
| | | ⁹ Elevation 3362.9 |

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 |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| O | 15 | 25 S | 31 E | | 14 | SOUTH | 1610 | 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 |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| B | 15 | 25 S | 31 E | | 268 | NORTH | 2000 | EAST | EDDY |

| ¹² Dedicated Acres | ¹³ Joint or Infill | ¹⁴ Consolidation 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>N89°42'57"E 2652.44 FT</p> <p>NW CORNER SEC. 15 LAT. = 32.1376857°N LONG. = 103.7743767°W NMSP EAST (FT) N = 414274.67 E = 714349.16</p> | | <p>N89°37'34"E 2664.18 FT</p> <p>N/4 CORNER SEC. 15 LAT. = 32.1376837°N LONG. = 103.7658094°W NMSP EAST (FT) N = 414287.82 E = 717000.99</p> | |
| <p>2000'</p> <p>NE CORNER SEC. 15 LAT. = 32.1376926°N LONG. = 103.7572043°W NMSP EAST (FT) N = 414305.21 E = 719664.53</p> | | <p>2000'</p> <p>E/4 CORNER SEC. 15 LAT. = 32.1304013°N LONG. = 103.7572709°W NMSP EAST (FT) N = 411652.64 E = 719658.11</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 GRID (NAD83), BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.</p> | | | |
| <p>W/4 CORNER SEC. 15 SCALED</p> | | <p>SE CORNER SEC. 15 LAT. = 32.1231179°N LONG. = 103.7573247°W NMSP EAST (FT) N = 409002.97 E = 719655.63</p> | |
| <p>SW CORNER SEC. 15 SCALED</p> | | <p>S/4 CORNER SEC. 15 LAT. = 32.123087°N LONG. = 103.765930°W NMSP EAST (FT) N = 408977.73 E = 716991.53</p> | |
| <p>BELGIAN 15 FED COM 1H ELEV. = 3362.9' LAT. = 32.1231380°N (NAD83) LONG. = 103.7652524°W NMSP EAST (FT) N = 409001.70 E = 718045.94</p> | | | |
| <p>SURFACE LOCATION 1610'</p> | | | |

" 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.

Linda Good 7/22/2016
Signature Date

Linda Good
Printed Name

linda.good@dvn.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.

AUGUST 24, 2016
Date of Survey

[Signature]
Signature and Seal of Professional Surveyor

Certificate Number: 12797
SURVEY NO. 3183

PP: 57' FSL & 1901' FEL, Sec. 15-T25S-R31E

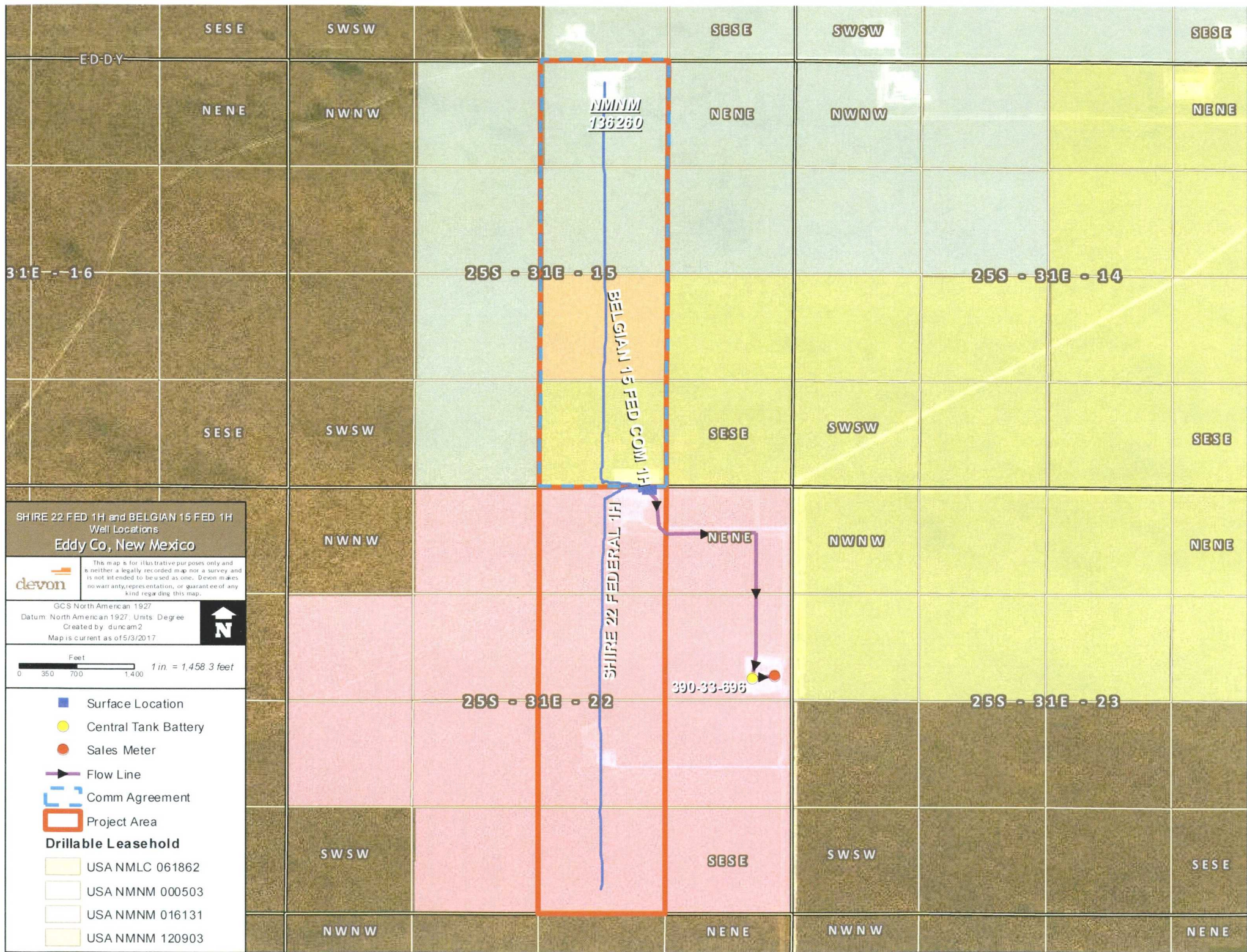
Project Area: [REDACTED]

Producing Area: [REDACTED]

E-CERTIFIED MAILING LIST

Commingle Mailing Reference: **Belgian 15 Fed Com 1H CTB**

| <u>Reponent Name/Address:</u> | <u>E-Certified Mailing Number:</u> |
|--|---|
| MADISON M HINKLE P O BOX 2292 ROSWELL, NM 88202-2281 | 9414 8149 0152 7181 2634 20 |
| CHEVRON USA INC P O BOX 730436 DALLAS, TX 75373-0080 | 9414 8149 0152 7181 2634 82 |
| WILLIAM J MCCAOW PARTNER MCCAOW PROPERTIES LLC ARTESIA, NM 88211-0121 | 9414 8149 0152 7181 2634 37 |
| LIME ROCK RESOURCES A LP 1111 BAGBY ST HOUSTON, TX 77002-2589 | 9414 8149 0152 7181 2634 99 |
| LEO A RILEY TTEE CATRON TRUST 141 S. CENTER ST STE 200 CASPER, WY 82601-2519 | 9414 8149 0152 7181 2635 05 |
| FOERTSCH OIL & GAS LP P O BOX 25292 MIDLAND, TX 79702-0561 | 9414 8149 0152 7181 2635 67 |



Belgin Shire BS CTB
SE/4 NE/4 S22 T25S R31E
2316' FNL 225' FEL
Eddy, New Mexico
NMNM136260 NMNM16131

Production System: Open

1) Oil sales by tank gauge to tank truck.

2) Seal requirements:

A. Production Phase: On all Tanks.

(1) All valves 5 sealed closed.

Sales Phase: On Tank being hauled.


(1) Valve 1 sealed closed. 

(2) Valve 3 sealed closed. 

(3) Valve 4 sealed closed. 

(4) Valve 5 sealed closed. 

(5) Misc. Valves: Plugged or otherwise unaccessible.


NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed. 

Ledger for Site Diagram

Valve #1: Production Line 

Valve #2: Test or Roll line 

Valve #3: Equalizer Line 

Valve #4: Circ./Drain Line 

Valve #5: Sles Line 

Valve #6: BS&W Load Line 

Buried Lines: 

Firewall: 

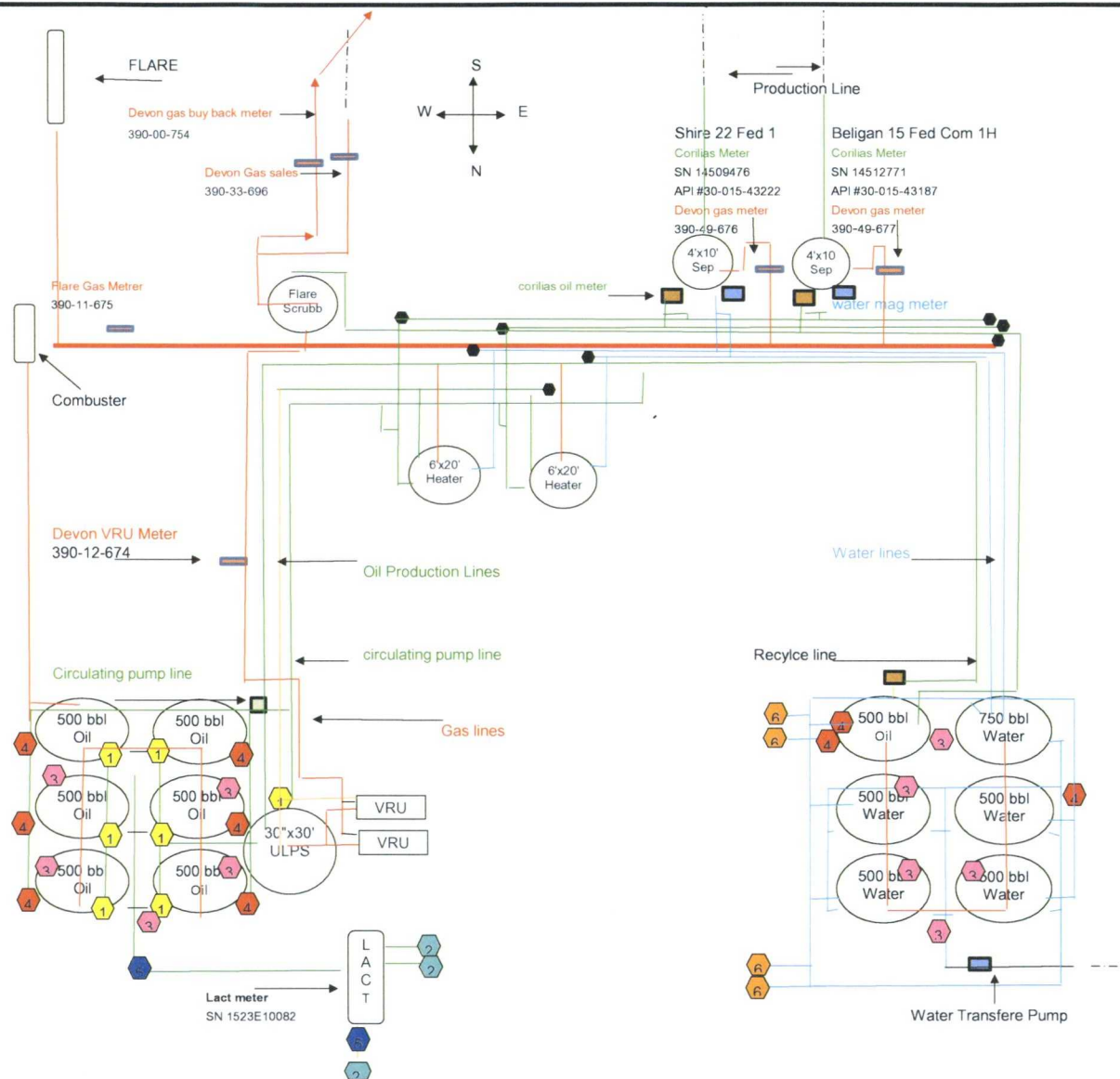
Wellhead: 

Stak-pak: 

Production line: 

Water line: 

Gas Meter   



NM OIL CONSERVATION

ARTESIA DISTRICT

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 392-6161 Fax: (575) 393-0720
District II
511 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-0720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6175 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

JUL 25 2016

RECEIVED

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 30-015-43222 | ² Pool Code 96641 | ³ Pool Name Paduca; Bone Spring |
| ⁴ Property Code 315034 | ⁵ Property Name SHIRE 22 FED | |
| ⁶ OGRID No. 6137 | ⁷ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | ⁸ Well Number 1H |
| | | ⁹ Elevation 3362.5 |

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 |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| O | 15 | 25 S | 31 E | | 14 | SOUTH | 1670 | 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 |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| O | 22 | 25 S | 31 E | | 302 | SOUTH | 1992 | EAST | EDDY |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160 | 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.

| | | | |
|--|--|--|--|
| <p>NW CORNER SEC. 15 LAT. = 32.1378837°N LONG. = 103.7743767°W NMSP EAST (FT) N = 414274.67 E = 714349.16</p> <p>N/4 CORNER SEC. 15 SCALED</p> <p>SECTION CORNER LAT. = 32.1230977°N LONG. = 103.7744128°W NMSP EAST (FT) N = 408967.74 E = 714365.52</p> <p>W/4 CORNER SEC. 22 LAT. = 32.1158222°N LONG. = 103.7744447°W NMSP EAST (FT) N = 406321.16 E = 714369.37</p> <p>SW CORNER SEC. 22 LAT. = 32.1085472°N LONG. = 103.7744766°W NMSP EAST (FT) N = 403674.44 E = 714373.22</p> | <p>N/4 CORNER SEC. 15 LAT. = 32.1378837°N LONG. = 103.7658094°W NMSP EAST (FT) N = 414287.82 E = 714000.99</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 GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.</p> <p>SEC. 15</p> <p>SHIRE 22 FED 1H ELEV. = 3362.5' LAT. = 32.1231375°N (NAD83) LONG. = 103.7628855°W NMSP EAST (FT) N = 409001.25 E = 717995.97</p> <p>SURFACE LOCATION</p> <p>QUARTER CORNER LAT. = 32.1230874°N LONG. = 103.7659304°W NMSP EAST (FT) N = 408977.73 E = 718991.83</p> <p>SEC. 22</p> <p>BOTTOM OF HOLE LAT. = 32.1094616°N LONG. = 103.7637387°W NMSP EAST (FT) N = 404824.40 E = 717896.2</p> <p>S/4 CORNER SEC. 22 LAT. = 32.1085528°N LONG. = 103.7659126°W NMSP EAST (FT) N = 403690.32 E = 717024.86</p> | <p>NE CORNER SEC. 15 LAT. = 32.1376926°N LONG. = 103.7572043°W NMSP EAST (FT) N = 414305.21 E = 719664.53</p> <p>E/4 CORNER SEC. 15 LAT. = 32.1304013°N LONG. = 103.7572709°W NMSP EAST (FT) N = 411852.84 E = 719658.11</p> <p>SECTION CORNER LAT. = 32.1231179°N LONG. = 103.7573247°W NMSP EAST (FT) N = 409002.97 E = 719655.63</p> <p>E/4 CORNER SEC. 22 LAT. = 32.1158546°N LONG. = 103.7573421°W NMSP EAST (FT) N = 406360.67 E = 719664.36</p> <p>SE CORNER SEC. 22 LAT. = 32.1085397°N LONG. = 103.7573438°W NMSP EAST (FT) N = 403708.91 E = 719678.01</p> | <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 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.</p> <p><i>Linda Good</i> 7/22/2016 Signature Date</p> <p>Linda Good Printed Name</p> <p>linda.good@dmv.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>AUGUST 20, 2016 Date of Survey</p> <p><i>[Signature]</i> (12797) Signature and Seal of Professional Surveyor</p> <p>Certificate Number FILED IN BARRAMILLO, PLS 12797 SURVEY NO. 3193</p> |
|--|--|--|--|

PP: 127' FNL & 1927' FEL, Sec. 22-T25S-R31E

Project Area: XXXXXXXXXX

Producing Area: XXXXXXXXXX



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

405 235 3611 Phone
www.devonenergy.com

November 2, 2018

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Central Tank Battery
Belgian 15 Fed Com 1H & Shire 22 Fed 1H
Sec., T, R: Sec 15, T25S, R31E
Lease: NMNM136260 & NMNM016131
API: 30-015-43187 & 30-015-43222
Pool: Paduca; Bone Spring
County: Eddy Co., New Mexico

Gentlemen:

The 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 aforementioned wells.

A copy of our application submitted to the Division is attached, along with a copy of the BLM approval.

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.

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.

Please contact the undersigned at (405) 552-7970, should you have any questions or need further information.

Sincerely,

A handwritten signature in black ink that reads "Erin Workman". The signature is written in a cursive, flowing style.

Erin Workman,
Regulatory Compliance Professional

E-CERTIFIED MAILING LIST

Commingle Mailing Reference: **Belgian 15 Fed Com 1H CTB**

| <u>Repondent Name/Address:</u> | <u>E-Certified Mailing Number:</u> |
|--|------------------------------------|
| XTO ENERGY INC JP MORGAN CHASE DALLAS PO BOX 730586 | 9414 8149 0152 7181 2633 14 |
| MICHAEL LEE PRUDE 1401 W WAHSINGTON AVE ARTESIA NM 88210-1724 | 9414 8149 0152 7181 2633 21 |
| BALLARD E SPENCER TRUST INC P O BOX 6 ARTESIA, NM 88211-0001 | 9414 8149 0152 7181 2633 38 |
| JANICE MENDOZA BRYAN 9102 WOODPARK LN APPT C KNOXVILLE, TN 37923-2959 | 9414 8149 0152 7181 2633 45 |
| BRYCE EGUENE BRYAN P O BOX 207 VIDA, OR 97488-0001 | 9414 8149 0152 7181 2633 52 |
| BRYAN LEE BRYAN 900 W 14TH ST APT 7 SAN PEDRO, CA 90731-3938 | 9414 8149 0152 7181 2633 69 |
| JANICE MENDOZA BRYAN 31 MEYERS CT GREENVILLE, SC 29609-4810 | 9414 8149 0152 7181 2633 76 |
| MORRIS E SCHERTIZ P O BOX 2588 ROSWELL, NM 88202-2521 | 9414 8149 0152 7181 2633 83 |
| BETTY JO BRYAN BRADSHAW P O BOX 761 PLACITAS, NM 87043-0751 | 9414 8149 0152 7181 2633 90 |
| ROLLA R HINKLE III P O BOX 25292 ROSWELL, NM 88202-2281 | 9414 8149 0152 7181 2634 06 |
| ROUALTY MANAGEMENT PROGRAM ONRR P O BOX 25627 DENVER, CO 80225-0565 | 9414 8149 0152 7181 2634 13 |

| Well ID | WC Name | Well API | Date | Year | Month | Oil Prod | Gas Prod | Wtr Prod |
|-----------------|-----------------------|--------------|-----------|------|-------|----------|----------|-----------|
| 000000000039013 | BELGIAN 15 FED COM 1H | 300154318700 | 1/31/2018 | 2018 | 01 | 2,807.42 | 8,934 | 7,435.76 |
| 000000000039060 | SHIRE 22 FED 1H | 300154322200 | 1/31/2018 | 2018 | 01 | 2,489.32 | 9,036 | 7,920.66 |
| 000000000039013 | BELGIAN 15 FED COM 1H | 300154318700 | 2/28/2018 | 2018 | 02 | 2,606.74 | 7,017 | 7,726.10 |
| 000000000039060 | SHIRE 22 FED 1H | 300154322200 | 2/28/2018 | 2018 | 02 | 2,515.71 | 9,334 | 10,922.49 |
| 000000000039013 | BELGIAN 15 FED COM 1H | 300154318700 | 3/31/2018 | 2018 | 03 | 2,769.49 | 7,025 | 11,480.91 |
| 000000000039060 | SHIRE 22 FED 1H | 300154322200 | 3/31/2018 | 2018 | 03 | 2,807.87 | 12,144 | 9,324.30 |
| 000000000039013 | BELGIAN 15 FED COM 1H | 300154318700 | 4/30/2018 | 2018 | 04 | 2,740.65 | 7,412 | 10,667.72 |
| 000000000039060 | SHIRE 22 FED 1H | 300154322200 | 4/30/2018 | 2018 | 04 | 2,490.66 | 10,956 | 10,705.38 |
| 000000000039013 | BELGIAN 15 FED COM 1H | 300154318700 | 5/31/2018 | 2018 | 05 | 2,684.73 | 10,227 | 10,973.24 |
| 000000000039060 | SHIRE 22 FED 1H | 300154322200 | 5/31/2018 | 2018 | 05 | 2,538.79 | 9,247 | 10,973.24 |
| 000000000039013 | BELGIAN 15 FED COM 1H | 300154318700 | 6/30/2018 | 2018 | 06 | 2,423.98 | 9,311 | 10,597.95 |
| 000000000039060 | SHIRE 22 FED 1H | 300154322200 | 6/30/2018 | 2018 | 06 | 2,367.63 | 9,437 | 9,673.29 |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

| | | |
|--|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM16131 |
| 2. Name of Operator DEVON ENERGY PRODUCTION COMPANY Contact: LINDA GOOD E-Mail: linda.good@dev.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 6488 SEVEN RIVERS HIGHWAY ARTESIA, NM 88211 | 3b. Phone No. (include area code) Ph: 405.552.6558 | 7. If Unit or CA/Agreement, Name and/or No. NMNM136260 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached | | 8. Well Name and No. Multiple--See Attached |
| | | 9. API Well No. Multiple--See Attached |
| | | 10. Field and Pool or Exploratory Area Multiple--See Attached |
| | | 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 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 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 Co., LP respectfully request approval for Surface Commingling/Off Lease measurement, sales, and storage of the following wells:

Federal Lease: CA NMNM136260 (12.5%)

~~Belgian 46 Fed Com 1H~~
SWSE, Sec 15, T25S, R31E
30-015-43187

Paduca; Bone Spring
Federal Lease NMNM016131 (12.5%)

~~Chiro 22 Fed 1H~~
SWSE, Sec 15, T25S, R31E
30-015-43222

| | |
|---|-----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #375873 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COM LP, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 05/15/2017 (17DLM1691SE) | |
| Name (Printed/Typed) LINDA GOOD | Title REGULATORY SPECIALIST |
| Signature (Electronic Submission) | Date 05/11/2017 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------|----------------------|
| Approved By <u>J. D. Whitlock</u> | Title <u>TLPET</u> | Date <u>12/15/17</u> |
| 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 <u>CFO</u> | | |

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 #375873 that would not fit on the form

Wells/Facilities, continued

| Agreement | Lease | Well/Fac Name, Number | API Number | Location |
|------------|-----------|-----------------------|--------------------|-------------------------------------|
| NMNM136280 | NMNM0503 | BELGIAN 15 FED COM 1H | 10-015-43187-00-S1 | Sec 15 T25S R31E SWSE 14FSL 1610FEL |
| NMNM16131 | NMNM16131 | SHIRE 22 FED 1H | 10-015-43222-00-S1 | Sec 15 T25S R31E SWSE 14FSL 1670FEL |

10. Field and Pool, continued

WILDCAT

32. Additional remarks, continued

Paduca; Bone Spring

The Belgian Shire BS CTB is located in Sec. 22, T25S, R31E, Eddy County, New Mexico. The Shire 22 Fed 1H and Belgian 15 Fed Com 1H are measured continuously through three phase separators with 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 Belgian Shire BS CTB contains 6 oil tanks. Oil from each well commingles downstream of the heater treaters and then flows into the tanks. They will share a common Devon Point of Royalty Measurement #390-33-696 on location at the Belgian Shire BS CTB is located in Sec. 22, T25S, R31E. They will also share a common LACT Smith Meter #1523E10082.

The requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. ROW Numbers: NMNM135184, NMNM135424 have been approved.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

Attachments: Deliverables

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

Belgian 15 Fed Com 1H 3001543187, Shire 22 Fed 1H 3001543222

**Devon Energy Production Company
December 15, 2017**

Condition of Approval

Surface Commingling of Lease/CA production and off lease/CA storage, measurement and sales

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.

| | | |
|-------------------------------|---------------------------------|--------------------------------|
| Belgian 15 Fed Com 1H, | 3001543187, Bone Springs | Federal CA-NMNM136260 |
| Shire 22 Fed 1H 5, | 3001543222, Bone Springs | Federal Lease NMNM16131 |

Federal Lease NMNM16131 has a Royalty Rate of 12.5%

CA – NMNM136260 Includes Fed Lease -

NMNM0503 Royalty Rate 12.5% Allocated production to lease-50%

NMLC061862 Royalty Rate 12.5% Allocated production to lease-25%

NMNM120903 Royalty Rate 12.5% Allocated production to lease-25%