

## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

ADMINISTRATIVE ORDER OLS-194

Devon Energy Production Company, L.P. 20 North Broadway Oklahoma City, Oklahoma 73102-8260

Attention: Ms. Norvella Adams

As an exception to the requirements of Rule 19.15.5.303.A(2) of the Division Rules and Regulations, and pursuant to the provisions of Rule 19.15.5.303.D, the above-named company is hereby authorized off-lease storage and measurement for Undesignated Antelope Ridge-Bone Spring (Oil - 2200) Pool production from the following lease:

Lease:

Red Bull "31" State Lease (State Lease No. VA-2510)

Description:

SE/4 NW/4 of Section 31, Township 23 South, Range 35 East,

NMPM, Lea County, New Mexico;

Well:

Red Bull "31" State Well No. 3 (API No. 30-025-37620)

1980' FNL & 1980' FWL (Unit F) of Section 31

The production from the Red Bull "31" State Well No. 3 is to be transported, prior to measurement and storage, to its own storage facilities on the Red Bull "31" Lease (State Lease No. VA-2488) located in the SE/4 SW/4 of Section 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico. The Red Bull "31" State Wells No. 1 (API No. 30-025-36798) and 2 (API No. 30-025-37069) located respectively in Units N and P of Section 31 are currently producing into the subject tank battery. The Red Bull "31" State Well No. 1 is currently producing from the Antelope Ridge-Bone Spring and Cinta Rojo-Delaware Pools, and the Red Bull "31" State Well No. 2 is currently producing from the Cinta Rojo-Delaware and West Cinta Rojo-Morrow Pools.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and there shall be no intercommunication of the handling, separating, treating or storage facilities from the Red Bull "31" State Well No. 3 and the Red Bull "31" State Wells No. 1 and 2.

DONE at Santa Fe, New Mexico, on this 12th day of February, 2007.

MARK E. FESMIRE, Division Director

MEF/dre

cc:

Oil Conservation Division – Hobbs State Land Office-Oil & Gas Division