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PT6W

8.9.10

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



~~1022149346~~  
 1022149346  
 DRUON (6137)  
 GauchaFed # 1 1/2 # 4

**ADMINISTRATIVE APPLICATION CHECKLIST**

30-025-34266  
 30-025-33930

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

**Application Acronyms:**

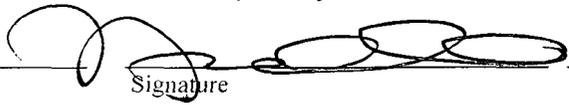
- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify Surface Commingling
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Norvella Adams  Sr. Staff Engineering Technician 6/28/2010

Print or Type Name Signature Title Date

Norvella.adams@dvn.com  
 e-mail Address

CTB 619

BLM

~~PLC 533~~



June 28, 2010

New Mexico Oil Conservation Division  
1220 S St. Francis Drive  
Santa Fe, New Mexico 87505

Attn: William Jones

Re: Application for Pool and Lease Commingling (Form C-107-B)  
Gaucho 21 Federal 1 and Gaucho Unit 4  
Sec 21 T22S R34E and Sec 20 T22S R34E  
API # 30-025-34266 and API # 30-025-33930  
Pool 96665 Ojo Chiso; Morrow, West (Gas)  
Lea County, New Mexico

RECEIVED OCD  
2010 JUN 31 P 2:18

Mr. Jones:

Devon Energy Production Company, LP requests approval for pool and lease commingling of hydrocarbon production from the Gaucho 21 Federal 1 (API # 30-025-34266) pool code 96665 Ojo Chiso; Morrow (gas); Federal Oil & Gas Lease USA NMNM-43564 covering all of Section 21-T22S-R34E with the Gaucho Unit 4 (API # 30-025-33930) pool code 96665 Ojo. Chiso; Morrow, West (gas); Federal Oil & Gas Leases USA NMNM-98247 covering the NE/4 of Section 20, Communitization Agreement USA NMNM-094543 covering the N/2 of Section 20 and Federal Unit USA NMNM-94480X.

The Gaucho 21 Federal 1 and the Gaucho Unit 4 each had their own compressor at a cost of \$2,297/month each or \$4,594/month combined. By commingling the production, one of the rental compressors could be removed saving well expense through shared rental compressor costs. The new single compressor split was \$1,746/month each or \$3,492/month combined. This would afford a savings in lease expense of \$551/month at each well or \$1,102/month combined.

Exhibit I and Exhibit IA are schematics, which show the equipment that will be utilized to determine well production. A map (Exhibit II) is enclosed that shows the location of the well, battery, and the boundaries of both leases. A gas analysis for each well is attached.

Please contact me at (405) 552-8150 should you have any questions.

Sincerely,

Devon Energy Production Company, LP

  
Ron Hays  
Operations Engineer

Enclosure

RECEIVED OCD  
2010 JUL -1 P 2:25

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 Company, L.P.  
OPERATOR ADDRESS: 20 North Broadway, Oklahoma City, Oklahoma 73102-8260  
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
Ojo Chiso; Morrow, West (Gas) 96665	40 / 1030	40 / 1037	0.2 BO 215 Mcf	0 BO 29 Mcf
Ojo Chiso; Morrow, West (Gas) 96665	40 / 1038	40 / 1037	0.2 BO 215 Mcf	0.2 BO 186 Mcf

- (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  Other (Specify)  
(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.

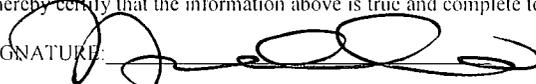
**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

- (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:  TITLE: Sr. Staff Engineering Technician DATE: June 28, 2010  
TYPE OR PRINT NAME Norvella Adams TELEPHONE NO.: (405) 55-8198  
E-MAIL ADDRESS: norvella.adams@dmn.com

Gauchos 21 Federal Com #1  
 Section 21, T22S, R34E  
 1980FSL&660FWL  
 Lea County, N.M  
 API# 30-025-34266

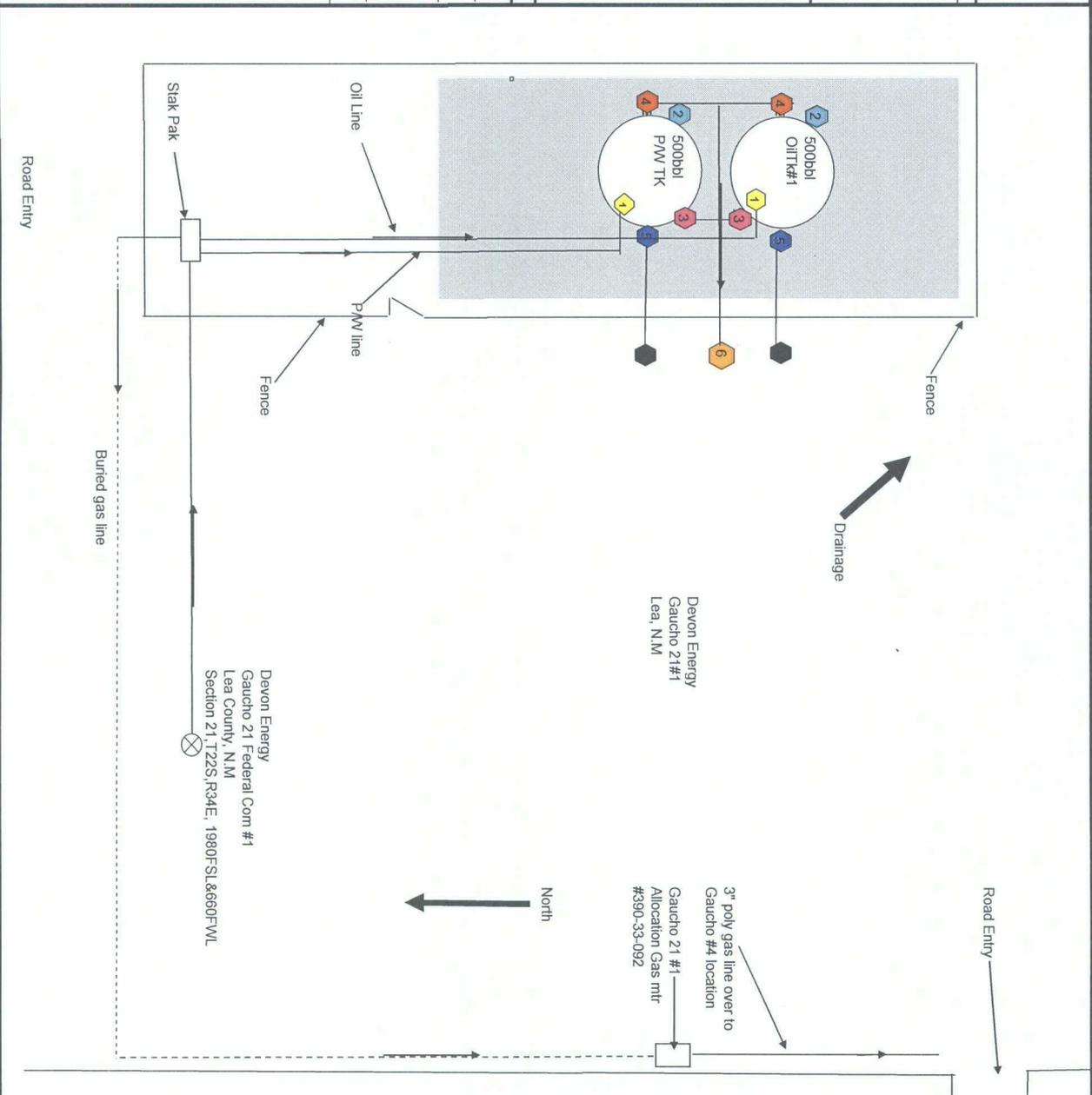
Production System: Open  
 1) Oil sales by tank gauge to tank truck.  
 2) Seal requirements:  
 A. Production Phase: On all Tanks.  
 (1) All valves 5 sealed closed.

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

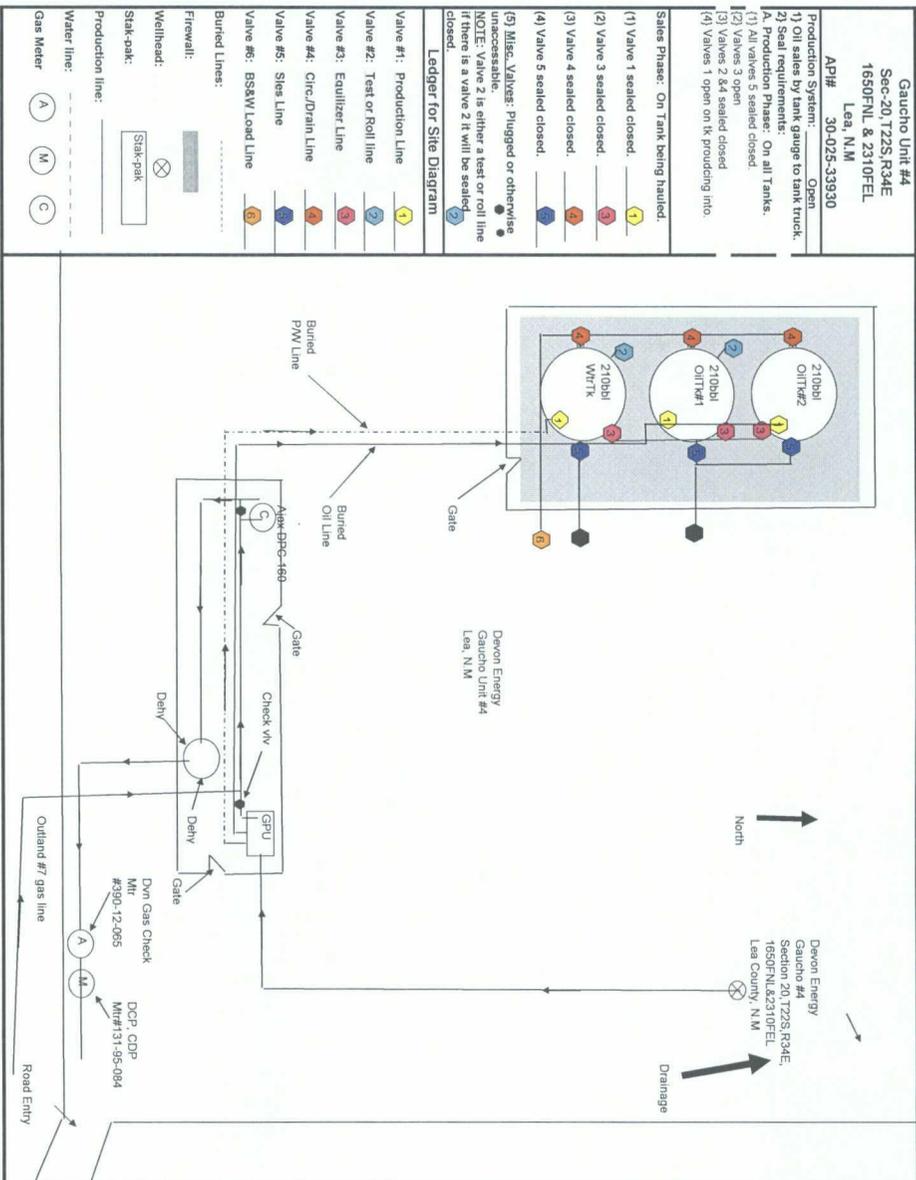
- Valve #1: Production Line
- Valve #2: Test or Roll line
- Valve #3: Equilizer Line
- Valve #4: Circ./Drain Line
- Valve #5: Sles Line
- Valve #6: BS&W Load Line
- Buried Lines:
- Firewall:
- Wellhead:
- Stak-pak:
- Production line:
- Water line:
- Gas Meter

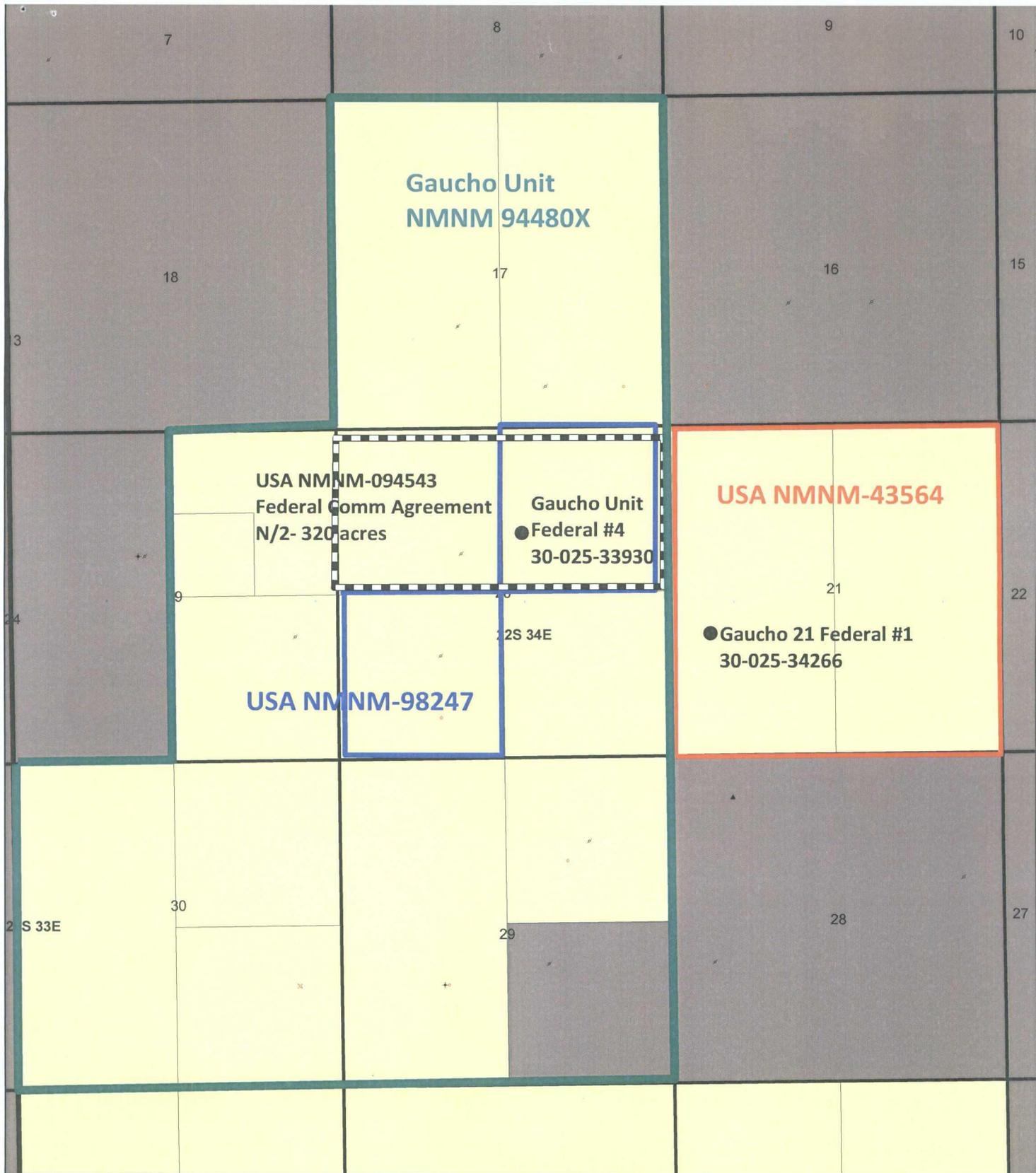


Devon Energy  
 Gauchos 21 Federal Com #1  
 Lea County, N.M  
 Section 21, T22S, R34E, 1980FSL&660FWL

Devon Energy  
 Gauchos 21#1  
 Lea, N.M

3" poly gas line over to  
 Gauchos #4 location  
 Gauchos 21 #1  
 Allocation Gas mtr  
 #390-33-092





0 2,400 4,800 Feet



**Gaucho Commingle**  
**Sections 17, 19, 20, 21, 29, 30-T22S - R34E**  
**Lea County, New Mexico**

*Exhibit #*



# Laboratory Services, Inc.

2609 West Marland  
Hobbs, New Mexico 88240

Telephone: (575) 397-3713

H

FOR: Devon Energy  
P.O. Box 250  
Artesia, New Mexico 88211-0250

SAMPLE: Sta. # 390-12-065  
IDENTIFICATION Gaucho #4  
COMPANY: Devon Energy  
LEASE:  
PLANT:

SAMPLE DATA: DATE SAMPLED: 11/10/09 9:00 am  
ANALYSIS DATE: 12/22/09  
PRESSURE - PSIG 85  
SAMPLE TEMP. °F 69  
ATMOS. TEMP. °F 86

GAS (XX) LIQUID ( )  
SAMPLED BY: Paul B.  
ANALYSIS BY: Vickie Sullivan

REMARKS:

## COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	1.695	
Carbon Dioxide (CO2)	0.461	
Methane (C1)	94.602	
Ethane (C2)	2.198	0.586
Propane (C3)	0.512	0.141
I-Butane (IC4)	0.085	0.028
N-Butane (NC4)	0.117	0.037
I-Pentane (IC5)	0.071	0.026
N-Pentane (NC5)	0.045	0.016
Hexane Plus (C6+)	0.214	0.093
	100.000	0.927
BTU/CU.FT. - DRY	1029	MOLECULAR WT. 17.1376
AT 14.650 DRY	1025	
AT 14.650 WET	1008	
AT 14.73 DRY	1031	
AT 14.73 WET	1013	
SPECIFIC GRAVITY -		
CALCULATED	0.591	
MEASURED		



# Laboratory Services, Inc.

2609 West Marland  
Hobbs, New Mexico 88240

Telephone: (575) 397-3713

H

FOR: Devon Energy  
P. O. Box 250  
Artesia, New Mexico 88211-0250

SAMPLE: Separator gas  
IDENTIFICATION: Gaucho 21 #1  
COMPANY: Devon Energy  
LEASE:  
PLANT:

SAMPLE DATA: DATE SAMPLED: 7/15/09 9:00 am  
ANALYSIS DATE: 7/16/09  
PRESSURE - PSIG 40  
SAMPLE TEMP. °F  
ATMOS. TEMP. °F

GAS (XX) LIQUID ( )  
SAMPLED BY: Rick Campos  
ANALYSIS BY: Vickie Sullivan

REMARKS:

## COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	1.305	
Carbon Dioxide (CO2)	0.482	
Methane (C1)	95.078	
Ethane (C2)	2.157	0.575
Propane (C3)	0.518	0.142
I-Butane (IC4)	0.080	0.026
N-Butane (NC4)	0.114	0.036
I-Pentane (IC5)	0.043	0.016
N-Pentane (NC5)	0.030	0.011
Hexane Plus (C6+)	<u>0.193</u>	<u>0.084</u>
	100.000	0.890
BTU/CU.FT. - DRY	1030	MOLECULAR WT. 17.0491
AT 14.650 DRY	1027	
AT 14.650 WET	1009	
AT 14.73 DRY	1032	
AT 14.73 WET	1014	
SPECIFIC GRAVITY - CALCULATED	0.588	
MEASURED		



June 28, 2010

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Interest Owners

Re: Request for Pool and Lease Commingling  
Gaucho 21 Federal 1 and Gaucho Unit 4  
Sec 21 T22S R34E and Sec 20 T22S R34E  
API # 30-025-34266 and API # 30-025-33930  
Pool 96665 Ojo Chiso; Morrow, West (Gas)  
Lea County, New Mexico

Gentlemen:

This is to advise you that Devon Energy Production Company, LP, is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval to permit pool and lease commingling of production from the following lease and pool.

The Gaucho 21 Federal 1 (API # 30-025-34266) pool code 96665 Ojo Chiso; Morrow (gas); Federal Oil & Gas Lease USA NMNM-43564 covering all of Section 21-T22S-R34E with the Gaucho Unit 4 (API # 30-025-33930) pool code 96665 Ojo Chiso; Morrow, West (gas); Federal Oil & Gas Leases USA NMNM-98247 covering the NE/4 of Section 20, Communitization Agreement USA NMNM-094543 covering the N/2 of Section 20 and Federal Unit USA NMNM-94480X.

A copy of our application submitted to the Division is attached.

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.

Please contact the undersigned at (405) 552-8150 should you have any questions or need anything further.

Sincerely,

Devon Energy Production Company, L.P.

Ron Hays  
Operations Engineer

Enclosure

Chris M. Morpew  
4912 N Midkiff Rd  
Midland TX 79705

Robert E Landreth  
110 W Louisiana Ste 404  
Midland TX 79701

Alan Jochimsen  
4209 Cardinal Ln  
Midland TX 79707

BTA Oil Producers  
Attn: Melody O Brain  
104 S Pecos  
Midland TX 79701

Axis Energy Corporation  
PO Box 2107  
Roswell NM 88202

Minerals Management Service  
Royalty Management Program  
PO Box 5810  
Denver CO 80217

Monty D McLane  
PO Box 9451  
Midland TX 79708

Fred Jones  
64 East Canyon View  
Lake Ransom CYN TX 79366

Michael R Abbott  
PO Box 3876  
Lubbock TX 79452

Cinco Oil Company  
7822 Orlando  
Lubbock TX 79423

Anthony Moiso  
PO Box 9  
SJ Capistrano CA 92693

Mary Beth Whitaker Trustee  
FBO Wildcat Energy LLC  
PO Box 1700  
Kilgore TX 75663

Larry T Long  
PO Box 1777  
Kilgore TX 75663

Panther City Exploration Comp  
777 Main St # 3100  
Ft Worth TX 76102

Joe Jack Reynolds &  
Reynolds Associates LTD  
4010 82<sup>nd</sup> St Ste 260  
Lubbock TX 79423-1933

Scott W Tanberg  
PO Box 7662  
Midland TX 79708

James G Morris  
1500 Broadway Suite 1101  
Lubbock TX 79401

David H Pace  
PO Box 4546  
Midland TX 79704

Marcheta Jochimsen  
4209 Cardinal Lane  
Midland TX 79707

Michael J Norton III  
60 Beach Ave  
South Darmouth MA 02748-1543

Deborah Fedric  
PO Box 1837  
Roswell NM 88202

Margaret Hunker TSUI  
3200 N Tacoma St  
Arlington VA 22213

George H Hunker  
PO Box 524  
Lander WY 82520

Gerald J Brockman  
15071 Golf Dr  
Whitney TX 76692

Sammy L Morrison  
4617 Breezeway Ct  
Midland TX 79707

Misty Morning Partnership  
1645 Fox Lane  
Burleson TX 76028

Douglas Investments Inc  
PO Box 79148  
Saginaw TX 76179

Giles M Forbess  
PO Box 31  
Lubbock TX 79408

ConocoPhilips Company  
Attn: J. Robert Helton, Jr.  
PO Box 4289  
Farmington, NM 87499-4289

Morris E. Schertz  
PO Box 2588  
Roswell NM 88202

Fasken Foundation  
PO Box 2024  
Midland TX 79702-2024

Rolla R Hinkle III  
PO Box 2292  
Roswell NM 88202

Madison M. Hinkle  
PO Box 2292  
Roswell NM 88202

Southwest Petroleum Company  
PO Box 702377  
Dallas TX 75370-2377

Serena B Kundysek  
PO Box 3788  
Arlington TX 76007-3788

Fred L Engle  
PO Box 1166  
Sioux Falls SD 57101-1166

Phyllis White Hennessee  
452 Jennifer Lane  
Driftwood TX 78619

Elwyn Ward White  
c/o Union Planters Bank  
Act #54 214 010  
PO Box 959  
Greenville MS 38702

Susan White  
PO Box 1628  
Whitney TX 76692

Karen White Lehman  
PO Box 982  
Meridian TX 76665

Sharon Lee White  
7018 William Wallace Way  
Austin TX 78751

Jon Marc Howell  
9209 Hunters Terrace  
Austin TX 78758

Margaret M White  
c/o Phyllis White Hennessee  
as Guardian & AIF  
452 Jennifer Lane  
Driftwood TX 78619

James G White Jr  
1447 Galaxy Drive  
Newport Beach CA 92660

Metcalf Minerals LP  
PO Box 670069  
Dallas TX 75367-0069

Manor Park Inc  
Endowment Fund c/o Chase Bank  
NA Agt Acc# 5116400  
PO Box 5383  
Denver CO 80217

JV Royalty Group  
PO Box 2035  
Roswell NM 88202-2035

Mary Anderson  
2732 Scruggs Park Drive  
Fort Worth TX 76118

Michael McEntire  
5613 Glenview Dr  
Fort Worth TX 76116

Leigh Oatman  
PO Box 1445  
Terrell TX 75160

Mark Childress  
141 Austen Dr  
Hudson Oaks TX 76087

Rebecca L Engle Children's  
Irrevocable Trust of 2003  
Fred L Engle Trustee  
PO Box 1166  
Sioux Falls SD 57101-1166

Mallard Royalty Partners  
Robert W Floyd President  
PO Box 52267  
Midland TX 79710

Marcie Brooke Howell  
2312 Bahama Rd  
Austin TX 78733

Cindy St Clair Hughes  
PO Box 1542  
Hilsboro TX 76645

Lime Rock Resources A LP  
1111 Bagby St  
Houston TX 77002

David Engle  
38315 Sunset Drive  
Oconomowoc WI 53066

Shirley Hubbard Williams  
1302 E. 56<sup>th</sup>  
Odessa TX 79762

Candy Dolan  
2706 Marquis Circle E  
Arlington TX 76016

Ashley Mullican  
3030 McKinney Ave, Apt. 403  
Dallas TX 75204-7472

Sue Meredith Mason  
25 Holly Lane  
Perkinson MS 39573

Patricia Meredith Greer  
34 East Bend Lane  
Houston TX 77007

Dora Hempling & Lindy Hempling  
906 Kyle St  
Athens TX 75751

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**SUNDRY NOTICES AND REPORTS ON WELLS**

FORM APPROVED  
OMB NO. 1004-0135  
EXPIRES: March 31, 2007

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

1a. Type of Well  Oil Well  Gas Well  Other \_\_\_\_\_

2. Name of Operator  
**DEVON ENERGY PRODUCTION COMPANY, LP**

3. Address and Telephone No.  
20 North Broadway, Oklahoma City, OK 73102-8260 405-552-8198

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
1980' FSL & 660' FWL Unit L Sec 21 T22S R34E

5. Lease Serial No.  
**NM-43564**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Well Name and No.  
**Gaicho 21 Federal 1**

9. API Well No.  
**30-025-34266**

10. Field and Pool, or Exploratory  
**Ojo Chiso Morrow, West (gas)**

11. County or Parish State  
**Lea NM**

**12. CHECK APPROPRIATE BOX(S) 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"/> Fracture Treat	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Commingle and Off Lease
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Measurement and Storage

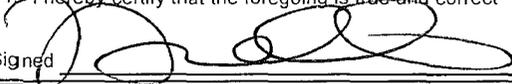
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work and approximate duration thereof. If the proposal deepens directionally or recompletes horizontally, give subsurface location and measured 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirement, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)

**Devon Energy Production Company, LP respectfully requests approval for surface commingle and off lease storage and measurement of hydrocarbon production.**

Devon Energy Production Company, L.P., proposes to surface commingle the Gaicho Unit 21 Federal 1 well with the Gaicho Unit 4 well so that one compressor can be utilized.

An application has been filed with the New Mexico Oil Conservation Division. Attached is a copy of that application along with a lease map and a equipment diagram. All interest owners have been notified of this proposal.

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

Signed  Name Norvella Adams  
Title Sr. Staff Engineering Technician Date 6/28/2010

(This space for Federal or State Office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

Title 16 U.S.C. Section 1601, makes it a crime for any person knowingly and willfully to make any Department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction.

**\*See Instruction on Reverse Side**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**SUNDRY NOTICES AND REPORTS ON WELLS**

FORM APPROVED  
OMB NO. 1004-0135  
EXPIRES: March 31, 2007

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SUBMIT IN TRIPLICATE

1a. Type of Well  Oil Well  Gas Well  Other \_\_\_\_\_

2. Name of Operator  
**DEVON ENERGY PRODUCTION COMPANY, LP**

3. Address and Telephone No.  
20 North Broadway, Oklahoma City, OK 73102-8260 405-552-8198

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
1650' FNL & 2310' FEL Unit G Sec 20 T22S R34E

5. Lease Serial No.  
**NM-98247**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Well Name and No.  
**Gaicho Unit 4**

9. API Well No.  
**30-025-33930**

10. Field and Pool, or Exploratory  
**Ojo Chiso Morrow, West (gas)**

11. County or Parish State  
**Lea NM**

**12. CHECK APPROPRIATE BOX(S) 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"/> Fracture Treat	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Commingle and Off Lease
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Measurement and Storage

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work and approximate duration thereof. If the proposal deepens directionally or recompletes horizontally, give subsurface location 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall 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 respectfully requests approval for surface commingle and off lease storage and measurement of hydrocarbon production.**

Devon Energy Production Company, L.P., proposes to surface commingle the Gaicho Unit 4 well with the Gaicho 21 Federal 1 well so that one compressor can be utilized.

An application has been filed with the New Mexico Oil Conservation Division. Attached is a copy of that application along with a lease map and a equipment diagram. All interest owners have been notified of this proposal.

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

Signed  Name Norvella Adams  
Title Sr. Staff Engineering Technician Date 6/28/2010

(This space for Federal or State Office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any: \_\_\_\_\_

Title to U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction.

**\*See Instruction on Reverse Side**