EW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

COMMINGLING ORDER PLC - 113

Devon Energy Corporation 20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260

Attention: Mr. Gerald T. (Tom) Pepper

The above-named company is hereby authorized to commingle Sand Dunes Cherry Canyon (53810) Pool and Ingle Wells Delaware (33745) Pool gas production from the following leases:

Lease: Todd 23 (NM04050444) Sand Dunes (Cherry Canyon)

Description: W/2 SE/4 of Section 23, and;

Lease: Todd 26 (NM04050444-A) Sand Dunes (Cherry Canyon)

Description: N/2 NE/4, W/2 SE/4 of Section 26, and;

Lease: Todd 26 (NM04050444-A) Ingle Wells (Delaware)

Description: E/2, E/2 SW/4, SW/4 SW/4 of Section 26;

all in Township 23 South, Range 31 East, Eddy County, New Mexico.

Gas production shall be allocated to each well by:

- 1) metering total Sand Dunes Cherry Canyon Pool production from the Todd 23 (NM04050444) lease and allocating production to individual wells based on well tests data, and;
- 2) metering total commingled production from the Todd 23 lease and Sand Dunes Cherry Canyon Pool production from the Todd 26 (NM04050444-A) lease and determine the Todd 26 lease production by the subtraction method. Sand Dunes Cherry Canyon Pool production shall then be allocated to individual wells in the Todd 26 lease based on well test data, and:
- 3) metering total commingled production from all the leases and determining the Ingle Wells Delaware Pool production from the Todd 26 (NM04050444-A) lease by the subtraction method. Ingle Wells Delaware Pool production shall then be allocated to individual wells in the Todd 26 lease based on well test data.
 - 4) All liquid production shall be metered and stored separately.

FURTHER: The operator shall notify the Artesia District Office of the Division upon implementation of the commingling process.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

NOTE: <u>Validation of this authority shall be accomplished by like approval by the U.S. Bureau of Land Management</u>.

DONE at Santa Fe, New Mexico, on this 3rd day of November, 1995.

WILLIAM J. LEMAY,

Division Director

WJL/BES

cc: Oil Conservation Division - Artesia

US Bureau of Land Management - Carlsbad