

0027550577

AMEND PLC  
151

9/20/00



ENERGY CORPORATION

20 North Broadway, Suite 1500  
Oklahoma City, Oklahoma 73102-8260

Telephone 405/235-3611  
FAX 405/552-4550

August 24, 2000

Certified Mail No. P 216 556 091

STATE OF NEW MEXICO  
Energy, Minerals and Natural Resources Dept.  
Oil Conservation Division, District II  
2040 South Pacheco  
Santa Fe, NM 87505

RE: Authorization to Commingle at Surface the  
Wiser St #1, Wiser St #2 and Oxy St #1  
with the already commingled  
Devon Federal #3, Cactus "9B" Federal #2  
and Western Reserves Fed. #2  
Sec 9 & Sec 4-21S-26E  
Eddy County, New Mexico

Gentlemen:

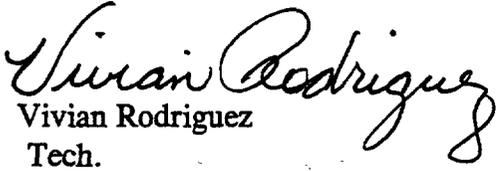
This is our application for administrative approval to surface commingle gas production from the referenced leases. This production will be commingled at the surface in order to more economically produce and market gas from the wells.

These are federal leases and like application has been made to Bureau of Land Management. A copy of that application is attached. No liquids will be commingled. A schematic of the proposed operation, a plat showing all wells to be commingled and the pool from which each well produces are all included in the BLM filing.

Please direct inquiries concerning this matter to Wally Frank at (405) 552-4595.

Yours truly,

DEVON ENERGY PRODUCTION COMPANY, LP

  
Vivian Rodriguez  
Tech.

/vr  
Enclosures

copy: NMOCD in Artesia, DEC Field Office, WF, files

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**OPERATOR'S COPY** **FORM APPROVED**  
Budget Bureau No. 1004-0135  
Expires March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. 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, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**Section 9-T21S-R26E**  
**Section 4-T21S-R26E (please see attached)**

5. Lease Designation and Serial No.  
(please see attached)

6. If Indian, Allottee or Tribe Name  
N/A

7. If Unit or CA, Agreement Designation  
N/A

8. Well Name and No.  
(Please see attached)

9. API Well No.  
(please see attached)

10. Field and Pool, or Exploratory Area  
(please see attached)

11. County or Parish, State  
Eddy Cnty, NM

**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"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other <u>Commingling at surface</u> <input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Devon Energy Production Company, LP is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following wells.

Please see attached

RECEIVED  
 SEP 15 2000  
 10:03 AM  
 BLM

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

Signed *Vivian Rodriguez* Title Tech. Date 8/21/00

(This space for Federal or State office use)

Approved by *David A. Glass* Title PETROLEUM ENGINEER Date SEP 15 2000

Conditions of approval, if any:

**SEE ATTACHED FOR CONDITIONS OF APPROVAL**

I willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction.

PLC-15)

Devon Federal #3  
2310' FNL & 2160' FEL  
Unit G, Section 9-T21S-R26E  
Eddy Cnty, NM  
E. Catclaw Draw (Delaware)  
NM0400877

(30-015-26589)

Western Reserves Federal #1  
2929' FNL & 1980' FWL  
Unit K, Section 4-T21S-R26E  
Eddy Cnty, NM  
Avalon (Morrow)  
NM0514349-A

(30-015-21183)

Wiser State #1  
2268' FNL & 2097' FWL  
Unit F, Section 9-T21S-R26E  
Eddy Cnty, NM  
E. Catclaw Draw (Delaware)  
K-5261

(30-015-26462)

Oxy state #1  
1890' FWL & 1980' FSL  
Unit K, Section 9-T21S-R26E  
Eddy Cnty, NM  
E. Catclaw Draw (Delaware)  
L-7010

(30-015-26384)

PLC-15)

Cactus "9B" Federal #2  
990' FNL & 2310' FEL  
Unit B, Section 9-T21S-R26E  
Eddy Cnty, NM  
E. Catclaw Draw (Delaware)  
NM0400877

(30-015-28721)

PLC-15)

Western Reserves Federal #2  
2923' FNL & 1980' FEL  
Unit J, Section 4-T21S-R26E  
Eddy Cnty, NM  
Avalon (Canyon)  
NM051349-A

(30-015-21417)

Wiser State #2  
330' FSL & 1890' FWL  
Unit N, Section 9-T21S-R26E  
Eddy Cnty, NM  
E. Catclaw Draw (Delaware)  
K-5261

(30-015-26461)

Bureau of Land Management  
Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201  
(505) 627-0272

**Off-Lease Measurement, Storage, and Surface Commingling  
Conditions Of Approval**

1. This agency be notified of any change is your sales method or location of the sales meter.
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 is subject to like approval by the New Mexico Oil Conservation Division.
5. Additional wells and/or leases require additional commingling approvals.
6. 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 to this office for wells in Chaves or Roosevelt County or the BLM Carlsbad Field office at 620 East Greene Street, Carlsbad, New Mexico 88220-6292 for wells in Eddy or Lea County if you have not already done so.

**devon**

ENERGY CORPORATION

20 North Broadway, Suite 1500  
Oklahoma City, Oklahoma 73102-8260

Telephone 405/235-3611  
FAX 405/552-4550

August 21, 2000

US DEPT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
Post Office Box 1778  
Carlsbad, New Mexico 88221-1778

RE: **Authorization to Commingle at Surface the  
Wiser St #1, Wiser St #2 and Oxy St #1  
with the already commingled  
Devon Federal #3, Cactus "9B" Federal #2 and  
Western Reserves Fed. #2  
Section 9 & Section 4-21S-26E  
Eddy County, New Mexico**

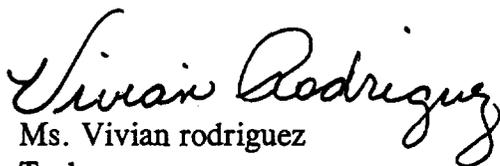
Gentlemen:

Concerning the referenced, enclosed please find original and five copies, with attachments, of Form 3160-5 Sundry Notice of Intent for commingling at surface.

Inquiries concerning this matter may be directed to Wally Frank at (405) 235-3611, X4595.

Yours truly,

DEVON ENERGY PRODUCTION COMPANY, LP

  
Ms. Vivian rodriguez  
Tech.

/vr

Enclosures

copy: NMOCD (Santa Fe & Artesia), WIO's, Engr, Foreman, file

APPLICATION FOR SURFACE COMMINGLING,  
OFF LEASE STORAGE AND MEASUREMENT APPROVAL

To: Bureau of Land Management  
P.O. Box 1778  
Carlsbad, New Mexico 88221-1778

Devon Energy Production Company, LP is requesting approval for surface commingling and off-lease measurement of Natural Gas hydrocarbon production only from the following formation and wells of State lease No. K5261 & L7010; Lease Name: Wiser State #1, Wiser State #2 & Oxy State #1

Well No.	Loc.	Sec.	Twp.	Rng.	Formation
1	SE/NW	9	21S	26E	Delaware
2	SE/SW	9	21S	26E	Delaware
1	NE/SW	9	21S	26E	Delaware

with Natural Gas hydrocarbon production only from the following formation and wells already approved for surface commingling and off-lease measurement on Federal lease No. NM0400877 and NM051349-A Lease Name; Cactus "9B" Federal #2, Devon Federal #3 & Western Reserves Federal #2.

Well No.	Loc.	Sec.	Twp.	Rng.	Formation
2	NW/NE	9	21S	26E	Delaware
3	SW/NE	9	21S	26E	Delaware
2	SW/NE	4	21S	26E	Canyon

The Natural Gas hydrocarbon production from the wells involved is as follows:

Well Name and No.	BOPD	Oil Gravity	MCFPD
Devon Federal #3	36	41.5° @ 68°F	169
Cactus "9B" Federal #2	4	40.5° @ 60°F	53
Western Reserves Fed. #2	0.5	52.0° @ 68°F	125
Wiser State #1	6	40.9° @ 84° F	23
Wiser State #2	14	40.9° @ 84° F	52
Oxy State #1	4	40.9° @ 84° F	15

The proposed operation is described in detail on the attached diagrams.

A map is enclosed (Attachment B) showing the lease numbers and locations of all leases within the affected area. The Federal leases cover Section #4 & #9 where the wells are located. The off lease measurement site is located NE/NW of Section 16, T21S, R26E on State lease No. L-6705 (Attachment B). Neither the Delaware nor Canyon producing zone is unitized or communitized.

Application for Surface Commingling, Off Lease Measurement Approval

August 21, 2000

Page Two

A schematic diagram (Attachment C) is also attached which clearly identifies all equipment that is being utilized.

The off lease measuring facility is located in the NE/NW of Section 16, T21S, R26E on State lease No. L-6705, Eddy County, New Mexico. The BLM will be notified if there is any future change in the facility location.

Details of the method for allocating production to contributing sources are as follows:

The natural gas from the Western Reserves Federal #2, Devon Federal #3, Cactus "9B" Federal #2, Wiser State #1 & #2, and the Oxy State #1 is the only hydrocarbon being commingled, measured, and sold off-lease. Each of the wells has it's own orifice check meter. These check meters will be used to allocate production back to each well from the common, off-lease, sales point.

The working interest owners have been notified of this proposal.

The commingling of production is in the interest of conservation and waste and will result in the most effective, economic means of producing the reserves in place from the proposed wells and will not result in reduced royalty or improper measurement of production from the wells proposed.

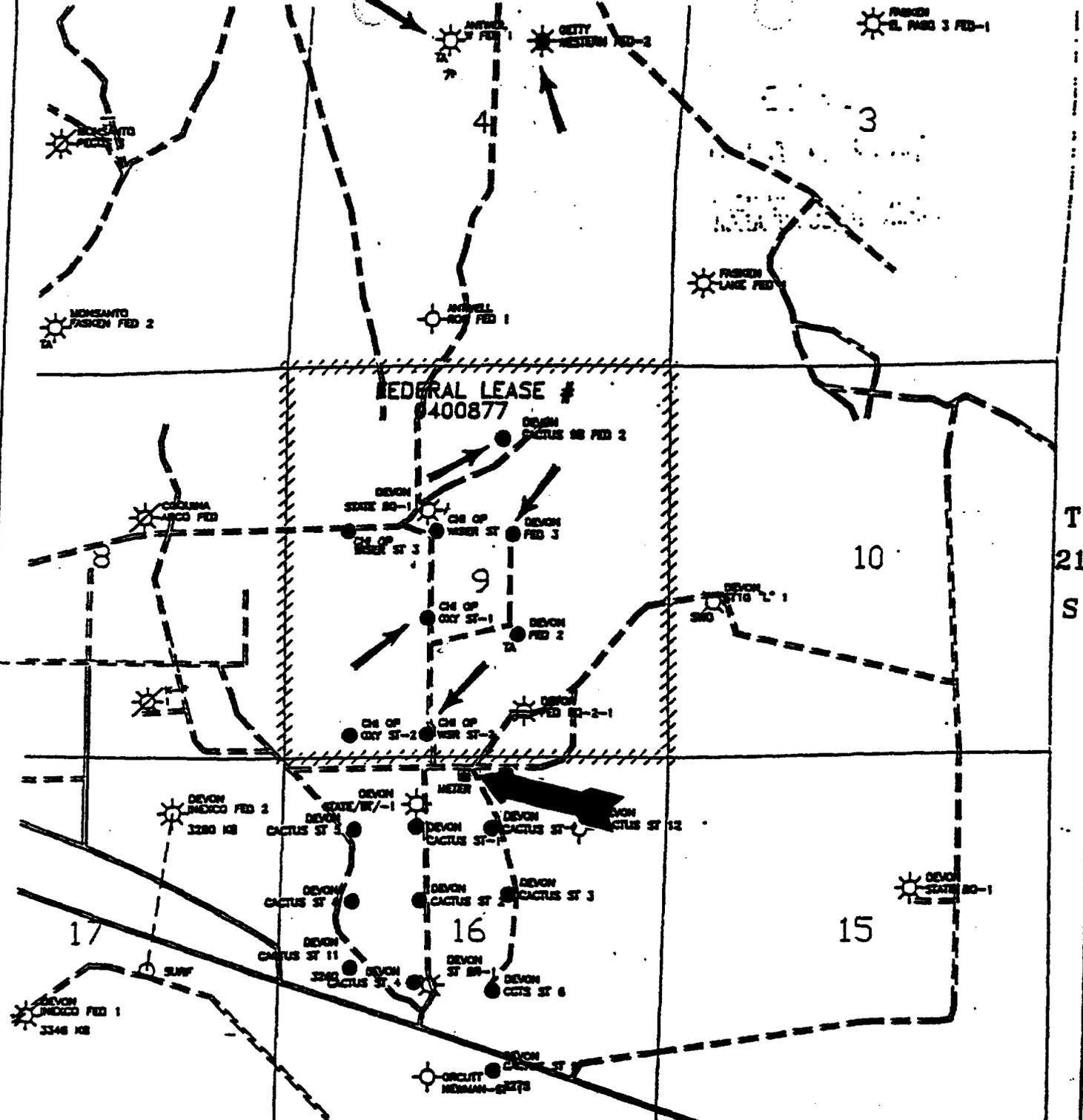
Devon Energy Production Company, LP understands that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, Devon Energy Production Company, LP will submit within 30 days an application for right-of-way approval to the BLM's realty section in your office if we have not already done so.

Additional wells require additional commingling approvals.

Devon Energy Production Company LP  
20 North Broadway, Suite 1500  
Oklahoma City, Oklahoma 73102-8260  
(405) 235-3611 X4595

Signature: *Vivian Rodriguez*  
Name: Vivian Rodriguez  
Title: Tech  
Date: 8/21/2000

R 26 E



**devon**

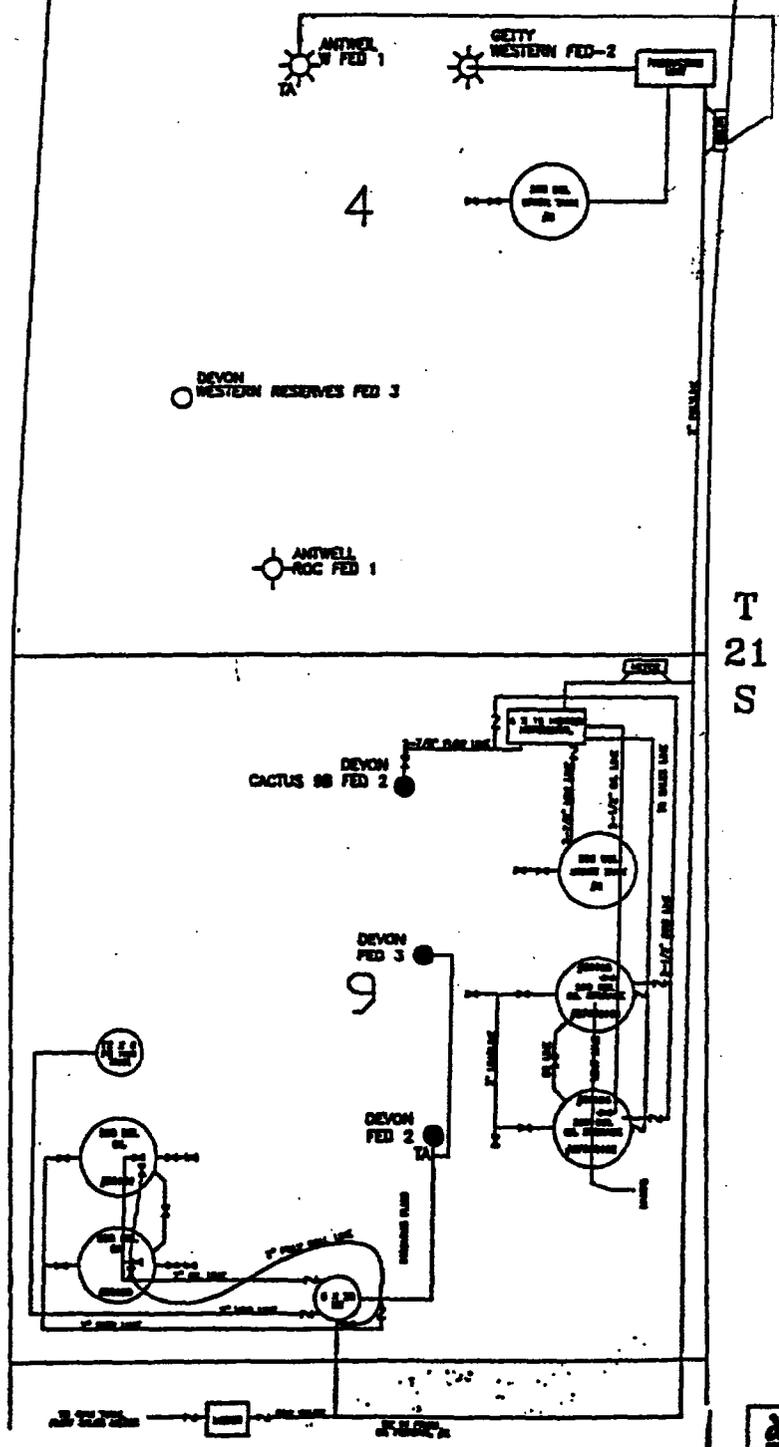
**CATCLAW AREA**  
 Eddy County, New Mexico

Scale in Feet  
 0 1000 2000 3000 4000

PLS. 8076D-2A  
 6/77

R 26 E

ATTACHMENT # C



T  
21  
S

16

2 10KV LINE  
2 15KV LINE

**CATCLAW-DRAY AREA**  
DEVON COUNTY, NEW MEXICO

**88 FED. 88 & DEVON FED. BATT**  
BY LINEAL INTERESTORS

August 21, 2000

Working Interest Owners

Re: Intent to Commingle Gas Production  
Delaware Pool  
Oxy State #1  
Wiser State #1  
Wiser State #2  
With the already commingled  
Avalon (Canyon)  
Western Reserves Fed. #2  
Delaware Pool  
Devon Federal #3 and  
Cactus "9B" Federal #2  
Eddy County, New Mexico

Gentlemen:

This is to inform you, per BLM regulations, of our intention to surface commingle gas production from the referenced pool. We have attached a copy of our application to the BLM and wish to call your attention to a few items. First, please note that the legal locations of all wells included in this commingling are itemized. Second, please note the planned method of allocating gas production from each of the wells. We have also notified the NMOCD of our intentions in this matter.

We anticipate commingled gas sales of about 430 MCFD. If you need additional information, please advise.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, LP

*Walter M. Frank by V. Rodriguez*  
Walter M. Frank  
District Engineer

Intent to Commingle Gas Production  
Delaware Pool wells  
Sec. 9- & Sec 4-T21S-R26E  
Eddy County, New Mexico  
August 21, 2000  
Page 2

**WIO Address List**

	<b>Certified Mail No.</b>
BONNEVILLE FUELS CORP (PARTICIPATE) ATTN DAVE SPELMAN 1550 LINCOLN SUITE 1800 DENVER CO 80264	<b>P 216 556 080</b>
OXY USA INC ATTN ERMA GALINDO PO BOX 50250 MIDLAND TX 79710	<b>P 216 556 081</b>
DAVID FARMER PO BOX 1173 MIDLAND TX 79702	<b>P 216 556 082</b>
TOM E JOHNSON PO BOX 1707 MIDLAND TX 79702	<b>P 216 556 083</b>
RIVERHILL ENERGY CORP C/O COASTAL MANAGEMENT PO BOX 970412 DALLAS TX 75397-0412	<b>P 216 556 084</b>
ST MARY LAND & EXPL CO 1776 LINCOLN STREET SUITE 1100 DANVER CO 80203	<b>P 216 556 085</b>
SANTA FE ENERGY OPERATING PARTNERS 550 WEST TEXAS SUITE 1330 MIDLAND TX 79701	<b>P 216 556 086</b>
E & S LLC 545 CANYON SPRINGS DRIVE EL PASO, TX 79912-3445	<b>P 216 556 087</b>

Intent to Commingle Gas Production  
Delaware Pool wells  
Sec. 9- & Sec 4-T21S-R26E  
Eddy County, New Mexico  
August 21, 2000  
Page 3

NM & T RESOURCES LLC  
P O BOX 10523  
MIDLAND, TX 79702

**P 216 556 088**

CHEMILY MANAGEMENT COMPANY  
P O BOX 4346 DEPT 630  
HOUSTON, TX 77210-4346

**P 216 556 089**

**COMMISSIONER'S OFFICE**

Phone (505) 827-5760  
Fax (505) 827-5766

**ADMINISTRATION**

Phone (505) 827-5700  
Fax (505) 827-5853

**GENERAL COUNSEL**

Phone (505) 827-5713  
Fax (505) 827-4262

**PUBLIC AFFAIRS**

Phone (505) 827-1245  
Fax (505) 827-5766



**COMMERCIAL RESOURCES**

Phone (505) 827-5724  
Fax (505) 827-6157

**MINERAL RESOURCES**

Phone (505) 827-5744  
Fax (505) 827-4739

**ROYALTY MANAGEMENT**

Phone (505) 827-5772  
Fax (505) 827-4739

**SURFACE RESOURCES**

Phone (505) 827-5793  
Fax (505) 827-5711

**New Mexico State Land Office  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.**

October 31, 2000

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

Attn: Ms. Vivian Rodriguez

Re: Application for Surface Commingling  
Western Reserve Federal Lease  
SW/4NE/4, Section 4-21S-26E  
NE/4SW/4, Section 4-21S-26E  
Cactus '9B' Federal and Devon Federal Leases  
W/2NE/4, Section 9-21S-26E  
Wiser State Lease K-5261  
SE/4NW/4 and SE/4SW/4, Section 9-21S26E  
Oxy State Lease L-7010  
NE/4SW/4, Section 9-21S-26  
East Catclaw-Draw, Avalon-Upper Pennsylvania Gas and Avalon-Morrow Pools  
Eddy County, New Mexico

Dear Ms. Rodriguez:

We have received a copy of the New Mexico Oil Conservation Division's Order No. PLC-151, 1<sup>st</sup> Amendment which notifies this office of your application to surface commingle the production from the above-captioned well.

Pursuant to State Land Office Rule Nos. 1.053, 1.054 and 1.055, please submit a copy of your commingling request to this office. Enclosed is a copy of or commingling rules and regulations. The filing fee for a commingling application is thirty (\$30.00) dollars.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:

  
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm

COMMISSIONER'S OFFICE

Phone (505) 827-5760  
Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700  
Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713  
Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245  
Fax (505) 827-5766



PLC-151

COMMERCIAL RESOURCES

Phone (505) 827-5724  
Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744  
Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772  
Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793  
Fax (505) 827-5711

**New Mexico State Land Office  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.**

January 3, 2001

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

Attention: Ms. Vivian Rodriguez

Re: **Surface Commingling Application**  
Wiser St. #1, Wiser St. #2 and Oxy St. #1  
With the already commingled  
Devon Federal #3, Cactus "9B" Federal #2  
And Western Reserves Fed. #2  
Sec. 9 & Sec. 4-21S-26E  
Eddy County, New Mexico

Dear Ms. Rodriguez:

We are in receipt of your letter of August 24, 2000 requesting our approval for surface commingling, off-lease storage and measurement of hydrocarbon production from the above captioned wells.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

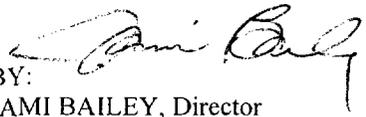
Your \$30.00 filing fee has been received.

Please contact Ms. Debbie Padilla at 505/827-5729 regarding a possible right-of-way through the N/2NW/4, NW/4NE/4 of Section 16-21S-26E.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

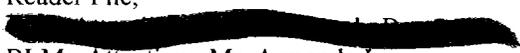
Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/pm

pc: Reader File,  
  
BLM: Attention: Mr. Armando Lopez  
Debbie Padilla – Right of Way Section