

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTCarlsbad Field Office
OCD ArtesiaFORM 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.5. Lease Serial No.
NMNM81953

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM1225968. Well Name and No.
Multiple--See Attached9. API Well No.
Multiple--See Attached10. Field and Pool or Exploratory Area
LOS MEDANOS
LOS MEDANOS-DELAWARE

11. County or Parish, State

EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Contact: ERIN WORKMAN

DEVON ENERGY PRODUCTION COMPANY Mail: Erin.workman@dvn.com

3a. Address

333 WEST SHERIDAN AVENUE
OKLAHOMA, OK 73102

3b. Phone No. (include area code)

Ph: 405-552-7970

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Multiple--See Attached

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<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 recomplete 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 recompletion 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 Company, LP respectfully requests approval for a Central Tank Battery/Off Lease Measurement Sales, & Storage for the following wells.

North Pure Gold 4 Fed 3
NWNW Sec. 4, T23S, R31E
30-015-35702
Los Medanos; Delaware
NMNM081953 (12.5%)

North Pure Gold 4 Fed 4H
NENW Sec. 4, T23S, R31E
30-015-35664

Accepted for record - NMOCD
4-18-18

NM OIL CONSERVATION
ARTESIA DISTRICT

APR 18 2018

RECEIVED

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #411293 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COMPANY LP, sent to the Carlsbad Committed to AFMSS for processing by DUNCAN WHITLOCK on 04/11/2018 (18DW0135SE)	
Name (Printed/Typed) ERIN WORKMAN	Title REGULATORY COMPLIANCE PROF.
Signature (Electronic Submission)	Date 04/11/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>J.D. Whitlock</u>	Title <u>TL PET</u>	Date <u>4/12/2018</u>
Conditions of approval, if any, are attached. 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 #411293 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM81953	NMNM81953	NORTH PURE GOLD 4 FEDERAL	30-015-35702-00-S1	Sec 4 T23S R31E NWNW 180FNL 660FWL
NMNM81953	NMNM81953	NORTH PURE GOLD 4 FEDERAL	30-015-35664-00-S1	Sec 4 T23S R31E NENW 150FNL 1980FWL
NMNM81953	NMNM81953	NORTH PURE GOLD 5 FEDERAL	30-015-35761-00-S1	Sec 5 T23S R31E NENE 150FNL 660FEL
NMNM81953	NMNM81953	NORTH PURE GOLD 5 FEDERAL	30-015-35850-00-S1	Sec 5 T23S R31E NWNE 150FNL 1980FEL
NMNM122596	NMNM81953	NORTH PURE GOLD 5 FEDERAL	30-015-35892-00-S1	Sec 5 T23S R31E NWNE 150FNL 2630FEL

32. Additional remarks, continued

Los Medanos; Delaware
NMNM081953 (12.5%)

North Pure Gold 5 Fed 1H
NENE Sec. 5, T23S, R31E
30-015-35761
Los Medanos; Delaware
NMNM081953 (12.5%)

North Pure Gold 5 Fed 2H
NWNE Sec. 5, T23S, R31E
30-015-35850
Los Medanos; Delaware
NMNM081953 (12.5%)

North Pure Gold 5 Fed 3H
NENW Sec. 5, T23S, R31E
30-015-35892
Los Medanos; Delaware
NMNM0281482A (12.5%), NMNM81953 (12.5%), NMNM122596 (12.5%)

The central tank battery is located at the North Pure Gold 4 Fed 3 well, in NW/4 NW/4 of Sec. 4 T23S R31E in Eddy County, New Mexico. Dedicated flowlines from each connected well (North Pure Gold 4 Fed 3, North Pure Gold 4 Fed 4H, North Pure Gold 5 Fed 1H, North Pure Gold 5 Fed 2H, and North Pure Gold 5 Fed Com 3H) connect into a common production header. From this point, one well will be on test and its production routed through the Test train. The other wells are commingled into the Production train. For the well on Test, gas test is measured using a 2" orifice meter with EFM #390-49-078, oil production is determined by tank strapping, and produced water by turbine meter. Total gas production is measured by 3" orifice meter with Devon's Federal Measurement Point #390-33-077 EFM, total oil production by tank strapping, and total water production by either turbine or mag meter dependent on if it is truck hauled or routed to an SWD. VRU production will be allocated back to each well based on monthly oil production.

Equipment at the North Pure Gold 4 Fed 3 battery includes two inlet 2-phase Separators, two Heater Treaters, one Free Water Knockout, four 500 BBL oil tanks, two 500 BBL water tanks, a 2-phase separator used as a gas scrubber, a flare, & VRU.

Working, royalty, and overriding interest owners are not identical and have been notified of this proposal via certified mail (see attached).

Attachments: Deliverables

APPLICATION FOR A CENTRAL TANK BATTERY/OFF LEASE MEASUREMENT, SALES, & STORAGE

Proposal for a Lease Commingle/Off-Lease Measurement

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

Federal Lease: NMNM81953 (12.5%)

Well Name	Location	API	Pool 40297	BOPD	OG	MCFPD	BTU
North Pure Gold 4 Fed 3	NWNW Sec. 4, T23S, R31E	30-015-35702	Los Medanos; Delaware	13	44.8	59	1298.3
North Pure Gold 4 Fed 4H	NENW Sec. 4, T23S, R31E	30-015-35664	Los Medanos; Delaware	17	43.2	120	1276.7
North Pure Gold 5 Fed 1H	NENE Sec. 5, T23S, R31E	30-015-35761	Los Medanos; Delaware	16	44.1	38	1293.0
North Pure Gold 5 Fed 2H	NWNE Sec. 5, T23S, R31E	30-015-35850	Los Medanos; Delaware	12	44.4	22	1196.7

Federal Leases: NMNM0281482A (12.5%) and NMNM81953 (12.5%) - CA # NMNM122596 (12.5%)

Well Name	Location	API	Pool 40297	BOPD	OG	MCFPD	BTU
North Pure Gold 5 Fed Com 3H	NENW Sec. 5, T23S, R31E	30-015-35892	Los Medanos; Delaware	10	45.1	40	1278.2

Attached is a map of Sections 4-T23S-31E and 5-T23S-31E, displaying the Federal leases and well locations for the wells listed above.

The BLM's interest is identical in all wells listed above.

Oil & Gas metering:

The central tank battery is located at the North Pure Gold 4 Fed 3 well, in NWNW of Sec. 4 T23S R31E in Eddy County, New Mexico. Dedicated flowlines from each connected well (North Pure Gold 4 Fed 3, North Pure Gold 4 Fed 4H, North Pure Gold 5 Fed 1H, North Pure Gold 5 Fed 2H, & North Pure Gold 5 Fed Com 3H) connect into a common production header. From this point, one well will be on test and its production routed through the test train. Each well be tested one time a month for a period of 3-4 days. The other wells are commingled into the Production train. For the well on Test, gas test is measured using a 2" orifice meter with EFM #390-49-078, oil allocation is determined by Micro Motion Coriolis Meter #14738892, and produced water by mag meter. Total gas production is measured by 3" orifice meter with EFM, total oil production by tank strapping, and total water production by either turbine or mag meter dependent on if it is truck hauled or routed to an SWD. VRU production will be allocated back to each well based on monthly oil production.

Equipment utilized at the North Pure Gold 4 Fed 3 battery includes two inlet 2-phase Separators, two Heater Treaters, one Free Water Knockout, four 500 BBL oil tanks, two 500 BBL water tanks, a 2-phase separator used as a flare/gas scrubber, a flare, & VRU.

The well which is on Test production flows into a two-phase Test Separator vessel. Gas exiting the Test Separator vessel is measured for allocation using a 2" orifice meter with EFM #390-49-078. Test gas combine with the production separator gas then combines with the VRU gas, and is measured utilizing a 3" orifice Devon Federal Measurement Meter #390-33-077. Liquids from the Production Separator enter a Heater/Treater. Oil exiting the HT flows into a Micro Motion Coriolis Meter #14738892 and is then combined with oil from the production H/T and flows to one of the 500 BBL oil storage tanks. Water from the Test HT is measured using a mag meter, combines with water from the production train, and is sent the two 500 BBL water tanks.

The wells which are not on Test production flow into a common header, and from there into a two-phase Production Separator vessel. Gas exiting the Production Separator vessel enters the common gas line, flows through the VRU, and then into Devon's Federal Measurement Point #390-33-077. Gas recovered by the HT is combined with the test H/T gas, flows through the VRU, is metered utilizing meter #390-00-803, then combines with all other gas production from the battery and is measured using a 3" orifice meter with EFM #390-33-077. Liquids from the Production Separator enter a Heater/Treater. Oil exiting the HT combines with the oil from the test side downstream of the Micro Motion Coriolis Meter, and then flows into one of the oil storage tanks. Produced water is sent from the HT to the storage tanks.

Oil production volumes are determined by isolating, strapping the tank to be measured, then allocating back to each well based on individual testing through the Micro Motion Coriolis Meter #14738892. Devon will continue to operate and maintain the Micro Motion Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regards to proving the Micro Motion Coriolis Meter to meet applicable BLM standards. Gas will be allocated back based on the monthly individual gas

test through the 2" orifice meter with EFM #390-49-078. Gas recovered from the test HT, Production HT, and VRU are metered with 2" orifice meter with EFM, then flows through Devon's Federal Measurement Point #390-33-077.

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. The costs to resolve the commingling issues at the North Pure Gold 4 FED 3 battery is \$90,000. The well that is causing this problem is the North Pure Gold 5 FED 3 which makes 9 BOPD/36 MCFPD/65 BWPD. The economics when burdening the North Pure Gold 5 Fed Com 3 with this \$90,000 investment pays out in 15 months at Devon's current price deck of \$41/BO & \$2/MCF. These economics are somewhat aggressive as they do not take into account down-time. The average down-time within this area ranges from 4-5%. Taking this down-time into the economics, the payout then is pushed to 18 months. Another option would be not to do this work, but to shut-in the North Pure Gold 5 Fed Com 3. However, the net income for this well at the current price deck ranges from \$2200-\$2500/month which would put Devon shutting in a profitable well. Therefore, Devon does not recommend doing either but to respectfully gain approval from the BLM to continue operating in the current conditions of this battery.

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





Date: 04/11/18

North Pure Gold 4 Fed #3
 API 30-015-35702
 S4, T23S, R31E
 180 FNL & 660 FWL
 Eddy, County NM

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 inaccessible.
 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: Sales Line 
 Valve #6: BS&W Load Line 




Buried Lines:

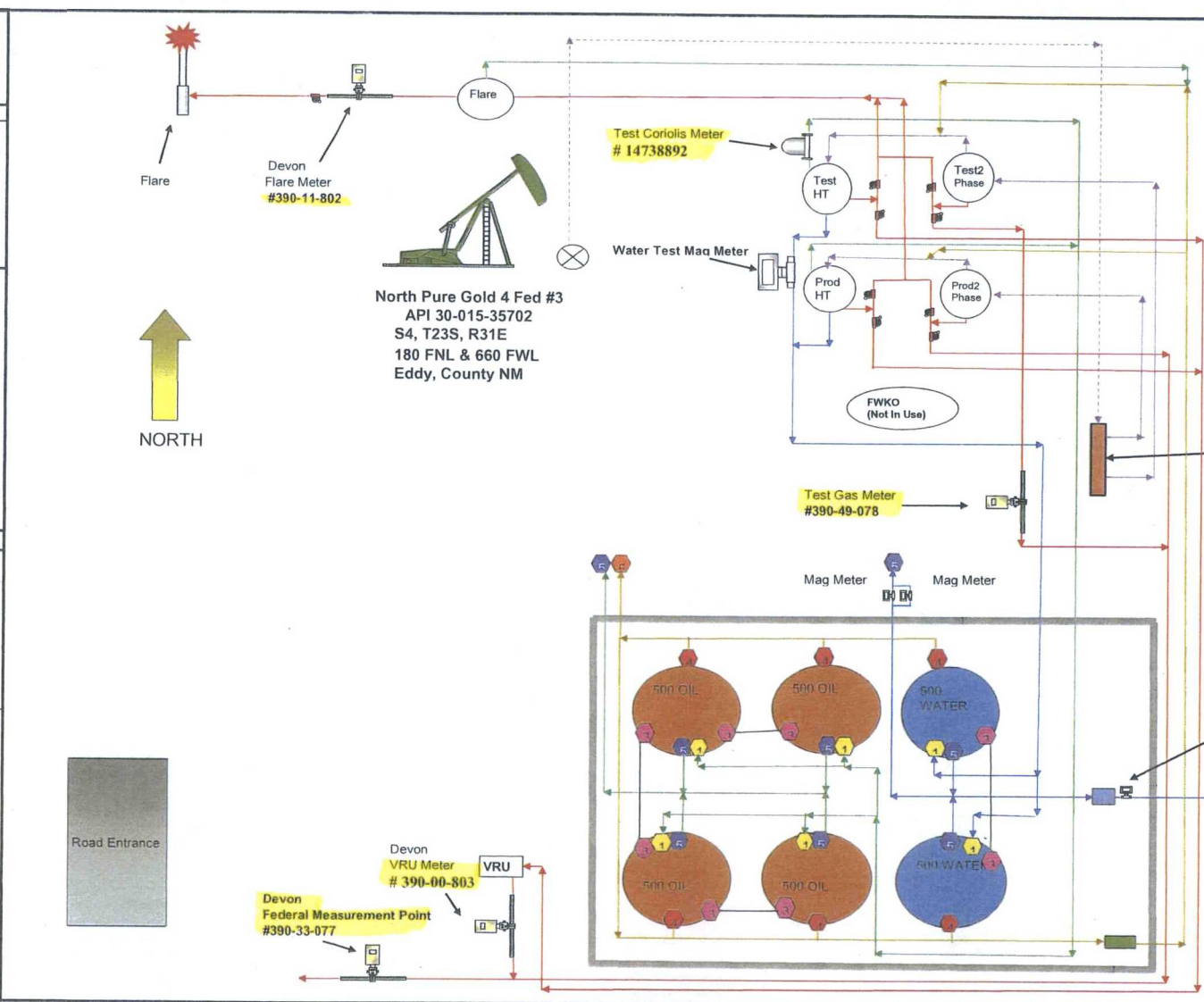
Firewall:

Wellhead: 
 Stak-pak: 

Production line:

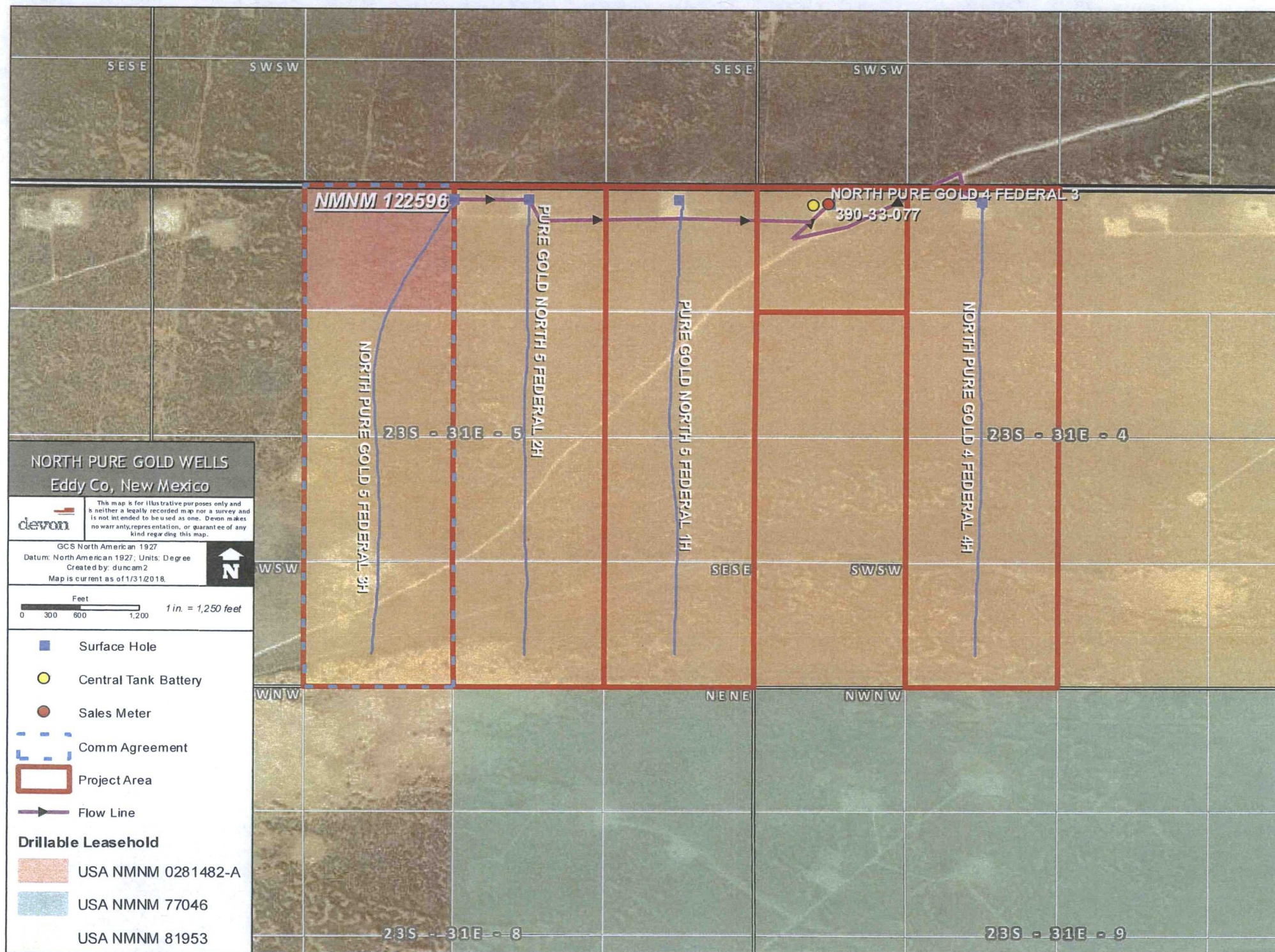
Water line:

Gas Meter   



Header
 North Pure Gold 4 Fed 4H API# 30015356640000
 North Pure Gold 5 Fed 1H API# 30015357610000
 North Pure Gold 5 Fed 2H API# 30015358500000
 North Pure Gold 5 Fed 3H API# 30015358920000

Turbine Meter
 Transfer pump to NPG 8-11 SWD
 Water Transf. to NPG 8-11 SWD
 Circulating pump



Economic Justification Report

North Pure Gold 4 Fed 3 Battery

Value (bbl): \$43.73

Value (mcf): \$3.00

Well Name & Number	Type	Fed Lease 1	Royalty Rate	Fed Lease 2 (if applicable)	Royalty Rate	CA	Royalty Rate	BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
North Pure Gold 4 Fed 3	Sweet	NMNM081953	12.50%					13	44.8	59	1298.3
North Pure Gold 4 Fed 4H	Sweet	NMNM081953	12.50%					17	43.2	120	1276.7
North Pure Gold 5 Fed 1H	Sweet	NMNM081953	12.50%					16	44.1	38	1293
North Pure Gold 5 Fed Com 3H	Sweet	NMNM081953	12.50%	NMNM0281482-A	12.50%	NMNM122596		10	45.1	40	1278.2
North Pure Gold 5 fed 2H	Sweet	NMNM081953	12.50%					12	44.4	22	1196.7

* Will provide upon receipt

Signed: Erin Workman

Date: 4/2/2018

Printed Name: Erin Workman

Title: Regulatory Analyst

Economic Combined Production

BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
68.0	44.2	279.0	1277.4

All production producing from the same formation with similar BTU's and gravities, so commingling the production should have no impact on royalty value.

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 01:50 PM

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Run Date: 06/20/2016

01 12-22-1987;101STAT1330;30USC181 ET SE
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED

Total Acres
1,716.940

Serial Number
NMNM-- - 081953

Serial Number: NMNM-- - 081953

Name & Address			Int Rel	% Interest
CAMTERRA RES PTNRS	2615 E END BLVD S	MARSHALL TX 75670	LESSEE	6.250000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	LESSEE	43.750000000
YATES PETRO CORP	105 S 4TH ST	ARTESIA NM 88210	LESSEE	50.000000000

Serial Number: NMNM-- - 081953

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0230S	0310E	003	ALIQ	S2N2,S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	003	LOTS	1-4;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	004	ALIQ	S2N2,S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	004	LOTS	1-4;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	005	ALIQ	01 S2NE,SENW,E2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	005	ALIQ	02 SE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	005	LOTS	1,2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 081953

Act Date	Code	Action	Action Remark	Pending Office
06/20/1989	387	CASE ESTABLISHED	PARCEL #266	
06/21/1989	191	SALE HELD		
06/21/1989	267	BID RECEIVED	\$3434.00;	
06/21/1989	392	MONIES RECEIVED	\$3434.00;	
06/22/1989	111	RENTAL RECEIVED	\$2575.50;1YR/89-90	
08/30/1989	237	LEASE ISSUED		
08/30/1989	974	AUTOMATED RECORD VERIF	SSP/TJM	
09/01/1989	496	FUND CODE	05;145003	
09/01/1989	530	RLTY RATE - 12 1/2%		
09/01/1989	868	EFFECTIVE DATE		
09/22/1989	111	RENTAL RECEIVED	\$2575.50;21/923370663	
10/23/1989	140	ASGN FILED	YATES/SF ENE OPER	
11/17/1989	139	ASGN APPROVED	EFF 11/01/89;	
11/17/1989	974	AUTOMATED RECORD VERIF	MCS/MIG	
03/22/1990	600	RECORDS NOTED		
06/08/1990	140	ASGN FILED	SANTA FE ENE/MITCHELL	
07/18/1990	111	RENTAL RECEIVED	\$2575.50;21/26472	
07/20/1990	575	APD FILED	SANTA FE ENERGY CE	
07/31/1990	139	ASGN APPROVED	EFF 07/01/90;	
07/31/1990	974	AUTOMATED RECORD VERIF	MRR/ML	
10/15/1990	576	APD APPROVED	P.G. 4 FED NO 1	
05/13/1991	650	HELD BY PROD - ACTUAL	/1/	
05/13/1991	658	MEMO OF 1ST PROD-ACTUAL	/1/PURE GOLD 4FED 1;	
07/15/1991	111	RENTAL RECEIVED	\$2575.50;21/33012	
08/30/1991	909	BOND ACCEPTED	EFF 08/30/91;UT0855	
04/19/1993	575	APD FILED	YATES PETRO	
04/20/1993	575	APD FILED	YATES PETRO	
04/26/1993	575	APD FILED	YATES PETROLEUM CORP	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 04/12/18 08:16 AM

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01 02-25-1920;041STAT0437;30USC181

Total Acres
159.920

Serial Number
NMNM-- - 122596

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 122596

Name & Address	Int Rel	%Interest
BLM CARLSBAD FO	CARLSBAD NM 88220	OFFICE OF RECORD
DEVON ENERGY CORP (NV)	OKLAHOMA CITY OK 73102	OPERATOR
620 E GREENE ST		0.000000000
20 N BROADWAY #1500		100.000000000

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0230S	0310E	005	ALIQ	E2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	005	ALIQ	SENW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	005	LOTS	3;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 122596

Act Date	Code	Action	Action Remarks	Pending Office
02/15/2008	868	EFFECTIVE DATE		
04/20/2009	387	CASE ESTABLISHED		
04/20/2009	516	FORMATION	DELAWARE	
04/20/2009	526	ACRES-FED INT 100%	159.92; 100.0000%	
04/20/2009	654	AGRMT PRODUCING	3H-NORTH PURE GOLD 5	
02/03/2010	334	AGRMT APPROVED	CA-NM122596	

Serial Number: NMNM-- - 122596

Line Nr	Remarks
0001	/A/RECAPITULATION EFFECTIVE 4/20/2009
0002	TR# LEASE SERIAL NO AC COMMITTED % INTEREST
0003	1 NMNM 81953 120.00 75.0000 12.590 R.R.
0004	2 NMNM 0281482A 39.92 25.0000 12.590 R.R.
0005	TOTAL 159.92 100.0000
0006	03/01/2017 PER LETTER THIS DATE, CA NM122596 HAS
0007	BEEN CORRECTED FROM 199.80 ACRES TO 159.92. INTEREST
0008	%S CHANGED FROM 80% AND 20% TO 75% AND 25%
0009	RESPECTIVELY; ACREAGE IN TR# 1 FROM 159.88 TO 120.00
0010	PLEASE SEE LETTER AND CA FOR REFERENCE.

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 04/12/18 08:18 AM

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01 02-25-1920;041STAT0437;30USC226

Total Acres
359.920

Serial Number
NMNM-- 0 281482A

Case Type 311111: O&G LSE NONCOMP PUB LAND

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris:

Serial Number: NMNM-- 0 281482A

Name & Address			Int Rel	%Interest
CANTERRA RESOURCES PRNERS LTD	PO BOX 2069	MARSHALL TX 756712069	OPERATING RIGHTS	0.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.000000000
DMS OIL CO	3000 WILCREST DR	HOUSTON TX 77042	OPERATING RIGHTS	0.000000000
EOG Y RESOURCES INC	105 S 4TH ST	ARTESIA NM 882102177	OPERATING RIGHTS	0.000000000
HUNT CIMARRON LP	PO BOX 1592	ROSWELL NM 882021592	OPERATING RIGHTS	0.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
PXP PRODUCING CO LLC	717 TEXAS ST STE 2100	HOUSTON TX 770022753	OPERATING RIGHTS	0.000000000
XTO HOLDINGS LLC	810 HOUSTON ST	FORT WORTH TX 761026203	LESSEE	100.000000000

Serial Number: NMNM-- 0 281482A

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0230S	0310E	005	LOTS	3;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	029	ALIQ	E2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 281482A

Act Date	Code	Action	Action Remarks	Pending Office
09/30/1962	124	APLN RECD		
10/01/1962	496	FUND CODE	05;145003	
10/01/1962	530	RLTY RATE - 12 1/2%		
10/01/1962	868	EFFECTIVE DATE		
11/01/1962	553	CASE CREATED BY ASGN	OUT OF NMNM0281482;	
07/27/1966	940	NAME CHANGE RECOGNIZED	SOCONY MOBIL/MOBIL OI	
09/21/1972	238	LEASE MODIFIED-AMENDED	POTASH STIPS	
11/24/1972	235	EXTENDED	THRU 09/30/74;	
02/21/1973	650	HELD BY PROD - ACTUAL		
04/05/1973	102	NOTICE SENT-PROD STATUS		
07/24/1978	909	BOND ACCEPTED	EFF 07/24/78;WY0405	
10/25/1984	932	TRF OPER RGTS FILED		
08/26/1985	940	NAME CHANGE RECOGNIZED	EL PASO EXPL/MERIDIAN	
07/28/1986	933	TRF OPER RGTS APPROVED	EFF 11/01/84;	
07/31/1986	963	CASE MICROFILMED/SCANNED	CNUM 104,344 AD	
05/13/1988	974	AUTOMATED RECORD VERIF	MLO/VG	
10/26/1990	932	TRF OPER RGTS FILED	MERIDIAN OIL/DMS OIL	
12/20/1990	933	TRF OPER RGTS APPROVED	EFF 11/01/90;	
12/20/1990	974	AUTOMATED RECORD VERIF	RAO/MT	
12/31/1990	932	TRF OPER RGTS FILED	DMS OIL/POGO PROD CO	
01/25/1991	933	TRF OPER RGTS APPROVED	EFF 01/01/91;	
01/25/1991	974	AUTOMATED RECORD VERIF	RAO/MT	
09/30/1991	575	APD FILED	(1)POGO PRODUCING CE	
09/30/1991	575	APD FILED	POGO PRODUCING CE	
06/16/1992	974	AUTOMATED RECORD VERIF	AT/KRP	

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM



Devon Energy Production Company
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102
Phone: (405)-552-7970
Erin.Workman@dvn.com

June 22, 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Central Tank Battery\Off Lease Measurement, Sales, & Storage
North Pure Gold 4 Fed 3, Fed 4H, North Pure Gold 5 Fed 1H, 2H,
& North Pure Gold 5 Fed Com3H
API: 30-015-35702, 30-015-35664, 30-015-35761, 30-015-35850, & 30-015-35892
Pool: 40297 Los Medanos; Delaware
Lease: NMNM081953, NMNM0281482-A, & NMNM122596
County: Eddy Co., NM

To whom it may concern:

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 for a Central Tank Battery\Off Lease Measurement, Sales, & Storage of the above mentioned wells.

A copy of our application submitted to the Division & the Approved BLM application 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) 552-7970 should you have any questions or need anything further.

Sincerely,

Devon Energy Production Company, L.P.

Erin Workman
Regulatory Compliance Professional

Enclosure

North Pure Gold 4 Fed 3 CTB\OLM

Owner	Address	City	State	Zip Code	TRACKING
Yates Petroleum Corporation - Kathy H Porter	105 S. 4th Street	Artesia	NM	88210	9214890152718100150374
Camterra Resources PTNRS LTD ATTN Accounting Dept	2615 E End BLVD S	Marshall	TX	75671	9214890152718100150374
Texas Captial Bank NA Trust Dept. - Jack M Langdon Trust B	P.O. Box 678357	Dallas	TX	75287-8357	9214890152718100150374
Frost National Bank Trust Oil & Gas Dept Clay allsion Langdon Irrev. TR	P.O Box 1600	SAN ANTONIO	TX	78296	9214890152718100150381
Frost National Bank Trust Oil & Gas Dept - Lee Kendall Langdon Irrev TR	P.O Box 1600	SAN ANTONIO	TX	78296	9214890152718100150398
Texas Capital Bank NA Trust Dept - Dora Langdon Article V Trust	P.O Box 678357	DALLAS	TX	75287-8357	9214890152718100150404
JLD Family Partners LTD	1400 W 7th ST Ste 400	FORT WORTH	TX	76102	9214890152718100150466
Teresa Rush Langdon Trust	UNKNOWN	UNKNOWN	OK	UNKNOWN	
Charles Brentwood Langdon	UNKNOWN	UNKNOWN	OK	UNKNOWN	
Holly Langdon Trust	UNKNOWN	UNKNOWN	OK	UNKNOWN	
Teresa Rush Langdon Trust Separate Property	UNKNOWN	UNKNOWN	OK	UNKNOWN	
Charles Brentwood Langdon Separate Property	UNKNOWN	UNKNOWN	OK	UNKNOWN	
Barbara Holly Langdon	UNKNOWN	UNKNOWN	OK	UNKNOWN	
ONRR	P.O. Box 25627	DENVER	CO	80225-0627	9214890152718100150473
XTO Energy Inc Agent for Exxon Mobile	P.O. BOX 730586	DALLAS	TX	75373	9214890152718100150480

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- 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

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 _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners - (Must check if ownership is Diverse)

[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 (Must check if notification sent)
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.

Erin Workman
Print or Type Name

Signature

Regulatory Compliance Prof.
Title

06 20 16
Date

Erin.workman@dvn.com
E-mail Address

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
NEW MEXICO OIL CONSERVATION DISTRICT

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

APR 18 2018
RECEIVED

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 - fill if Pool Commingle

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 ☐ Other (Coriolis 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 (Tank Strapping)

(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 Prof. DATE: 06.20.16

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

E-MAIL ADDRESS: Erin.workman@dmn.com

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

North Pure Gold 4 & 5 wells (see list below)

Devon Energy Production Company

April 12, 2018

**Condition of Approval
Surface Commingling of Lease/CA production**

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.

North Pure Gold 4 Fed 3,	3001535702, Delaware	Lease NMNM81953
North Pure Gold 4 Fed 4H,	3001535664, Delaware	Lease NMNM81953
North Pure Gold 5 Fed 1H,	3001535761, Delaware	Lease NMNM81953
North Pure Gold 5 Fed Com 3H,	3001535892, Delaware	CA NMNM122596

CA – NMNM122596

**NMNM81953 Royalty Rate 12.5% Allocated production to lease-75%
NMNM0281482A Royalty Rate 12.5% Allocated production to lease-25%**