



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

COMMINGLING ORDER PLC-186-A

Devon Energy Corporation
P.O. Box 250
Artesia, New Mexico 88210

Attention: Ms. Rusty Klein

The above named company is hereby authorized to commingle gas production from the Indian Basin-Upper Pennsylvanian Associated (Associated – 33685) and Indian Basin-Morrow (Gas - 78960) Pools from the following leases:

Lease: Martha Creek Gas Com (Federal Leases No. NM-029301 & NM-025235-A)

Description: All of Section 30, Township 21 South, Range 24 East, NMPM;

Lease: Winston Gas Com (Federal Leases No. NM-LC-063246, NM-LC-063246-D and NM-LC-063246-B)

Description: All of Section 31, Township 21 South, Range 24 East, NMPM;

Lease: Indian Basin "F25" Federal Lease (Federal Lease No. NMNM070522A)

Description: S/2 of Section 25, Township 21 South, Range 23 East, NMPM;

All in Eddy County, New Mexico.

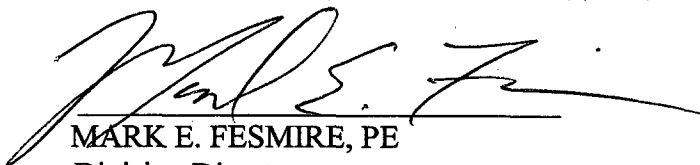
Production shall be allocated by metering the production from each of the wells on the Martha Creek Gas Com, Winston Gas Com and Indian Basin "F25" Leases utilizing allocation meters. Gas production shall then be commingled and transported to gas sales meters. Production shall be allocated back to each well utilizing allocation and sales meter volume data.

No liquids shall be commingled.

NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations governing surface commingling. It is the responsibility of the producer to notify the transporter of this commingling authority.

Devon Energy Corporation
Commingling Order PLC-186-A
October 18, 2004
Page 2

FURTHER: The operator shall notify the Artesia district office of the Division upon commencement of commingling operations.


MARK E. FESMIRE, PE
Division Director

MEF/drc

cc: Oil Conservation Division – Artesia
Bureau of Land Management-Carlsbad

ABOVE THIS LINE FOR DIVISION USE ONLY

Amended

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**
- [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.

 Print or Type Name

 Signature

 Title

 Date

 e-mail Address



ENERGY CORPORATION

2401 Pecos, PO Box 250
Artesia, New Mexico 88210

Telephone 505/748-3371
FAX 505/746-9072

September 10, 2004

RECEIVED

SEP 16 2004

OIL CONSERVATION
DIVISION

Mr. David Catanach
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Amend Order No. PLC-186

Dear David,

Devon Energy Production Company respectfully requests administrative approval to amend the captioned order by adding the "Indian Basin F25 Federal #1" well to this approval.

The captioned order was originally for the Martha Creek & Winston Gas Com wells, located in Sections 30 & 31 of Township 21 South, Range 24 East. The Indian Basin F25 Federal #1 well is located in Section 25-T21S-R23E.

This surface commingling, lease commingling, pool commingling and off-lease measurement is for gas production only. No liquids are to be commingled. This commingling is in the best interest of conservation and waste and will result in the most effective, efficient means of producing the reserves from the leases. The commingling will reduce the visual impact of the oil and gas operations in the area by reducing the number of compressors needed at each wellsite. This commingling will not result in reduced royalty or improper measurement of the production from any of the leases.

Each of the wells has it's own on-lease allocation meter. These check meters will be used to allocate the production back to each well from the common off-leases sales points.

Amend Order No. PLC-186

Page 2:

Please see the following attachments:

Attachment A: A lease map showing the location of all wells

**A listing of all wells involved (Lease No., API No., producing
Formation, S-T-R)**

Attachment B: Facility Diagram of Martha Creek & Winston Gas Com

Attachment C: Notification of Working Interest Owner

Attachment D: Notification of Bureau of Land Management

**If you should have any questions regarding this proposal, please do not hesitate to
contact me at 505-748-0167 (direct line) or Joe Huber at 505-748-0163.**

Thank you.

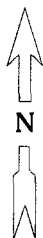
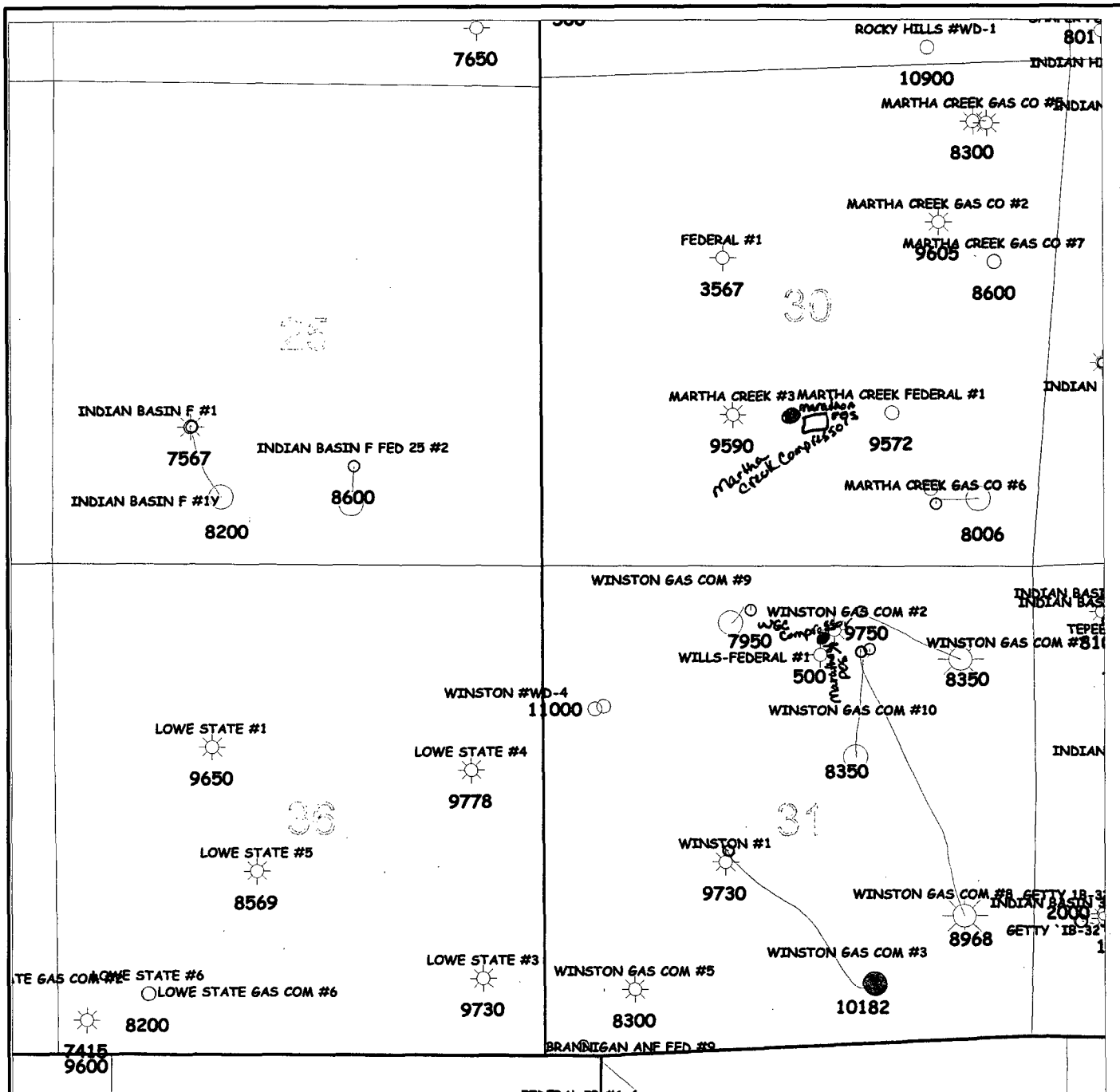
Sincerely,

A handwritten signature in black ink, appearing to read "Rusty Klein". The signature is fluid and cursive, with the first name "Rusty" and last name "Klein" clearly distinguishable.

**Rusty Klein
Field Tech I**

rk

Enclosures



Attachment A

WELLS TO BE SURFACE COMMINGLED:

Martha Creek Gas Com #1
1650' FSL & 1650' FEL of
Section 30-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: NM-029301
API No.: 30-015-30245

Martha Creek Gas Com #2
1700' FNL & 1350' FEL of
Section 30-T21S-R24E
Eddy Co., NM
Indian Basin Morrow
Lease No.: NM-029301
API No.: 30-015-25174

Martha Creek Gas Com #3
1650' FSL & 2075' FWL of
Section 30-T21S-R24E
Eddy Co., NM
Indian Basin Morrow
Lease No.: NM-025235-A
API No.: 30-015-29002

Martha Creek Gas Com #5
660' FNL & 859' FEL of
Section 30-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: NM-029301
API No.: 30-015-30245

Martha Creek Gas Com #6
680' FSL & 1100' FEL (Lot 20)
Section 30-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: NM-029301
API No.: 30-015-32165

Martha Creek Gas Com #7
2180' FNL & 660' FEL
Section 30-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: NM-029301
API No.: 30-015-32646

Winston Gas Com #1
2080' FSL & 1980' FWL of
Section 31-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: LC-063246
API No.: 30-015-10363

Winston Gas Com #2
697' FNL & 2146' FEL of
Section 31-T21S-R24E
Eddy Co., NM
Indian Basin Morrow
Lease No.: LC-063246
API No.: 30-015-28633

Winston Gas Com #3
2167' FSL & 1998' FWL of
Section 31-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: LC-063246D
API No.: 30-015-30359

Winston Gas Com #5
856' FSL & 900' FWL of
Section 31-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: LC-063246B
API No.: 30-015-30478

Winston Gas Com #6
1650' FNL & 710' FWL of
Section 31-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: LC-063246
API No.: 30-015-32116

Winston Gas Com #7
497' FNL & 1863' FEL of
Section 31-T21S-R24E
Eddy Co., NM
Lease No.: LC-063246
API No.: 30-015-30872

Attachment A

WELLS TO BE SURFACE COMMINGLED CONTINUED:

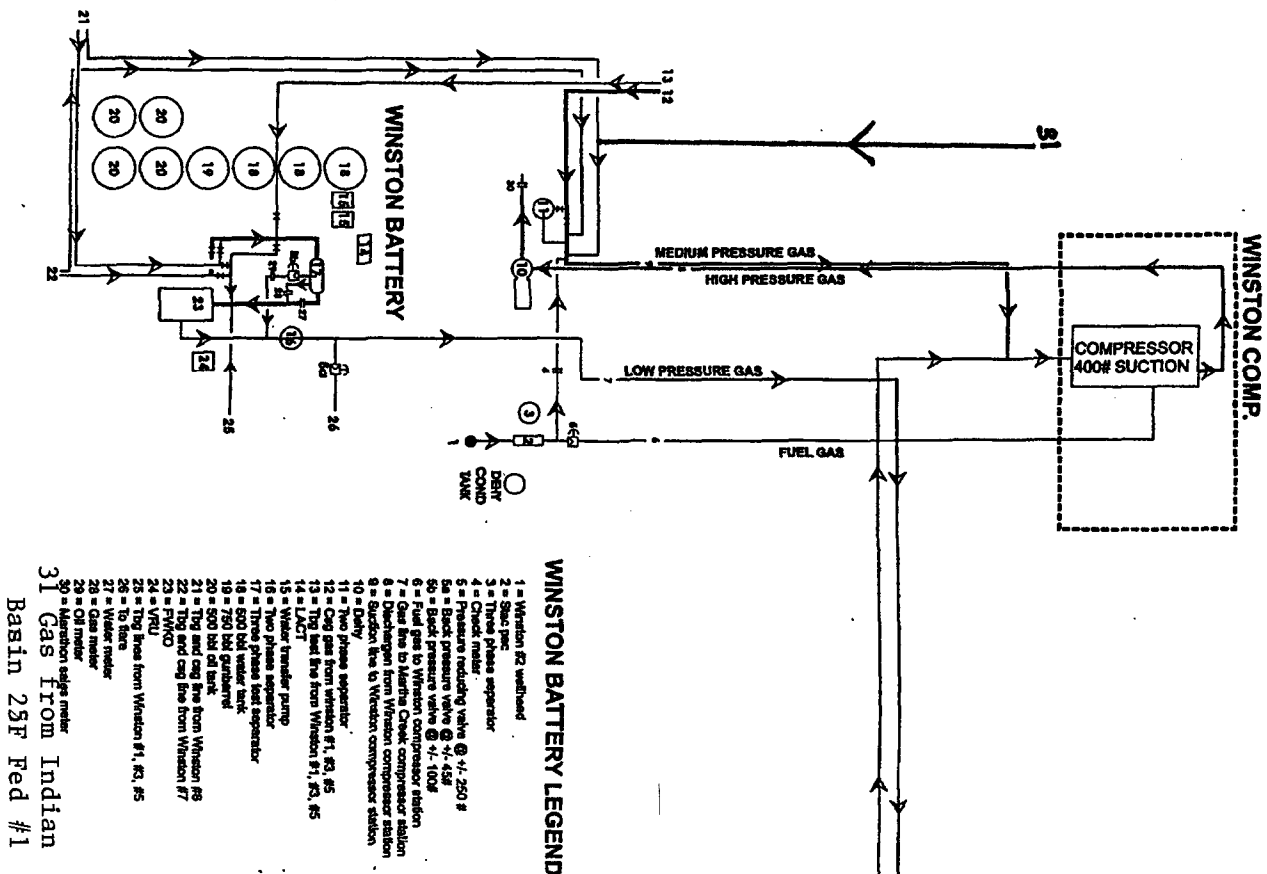
Winston Gas Com #8
938' FNL & 1873' FEL of
Section 31-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: LC-063246
API No.: 30-015-30873

Winston Gas Com #9
480' FNL & 2260' FWL of
Section 31-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: LC-063246
API No.: 30-015-32577

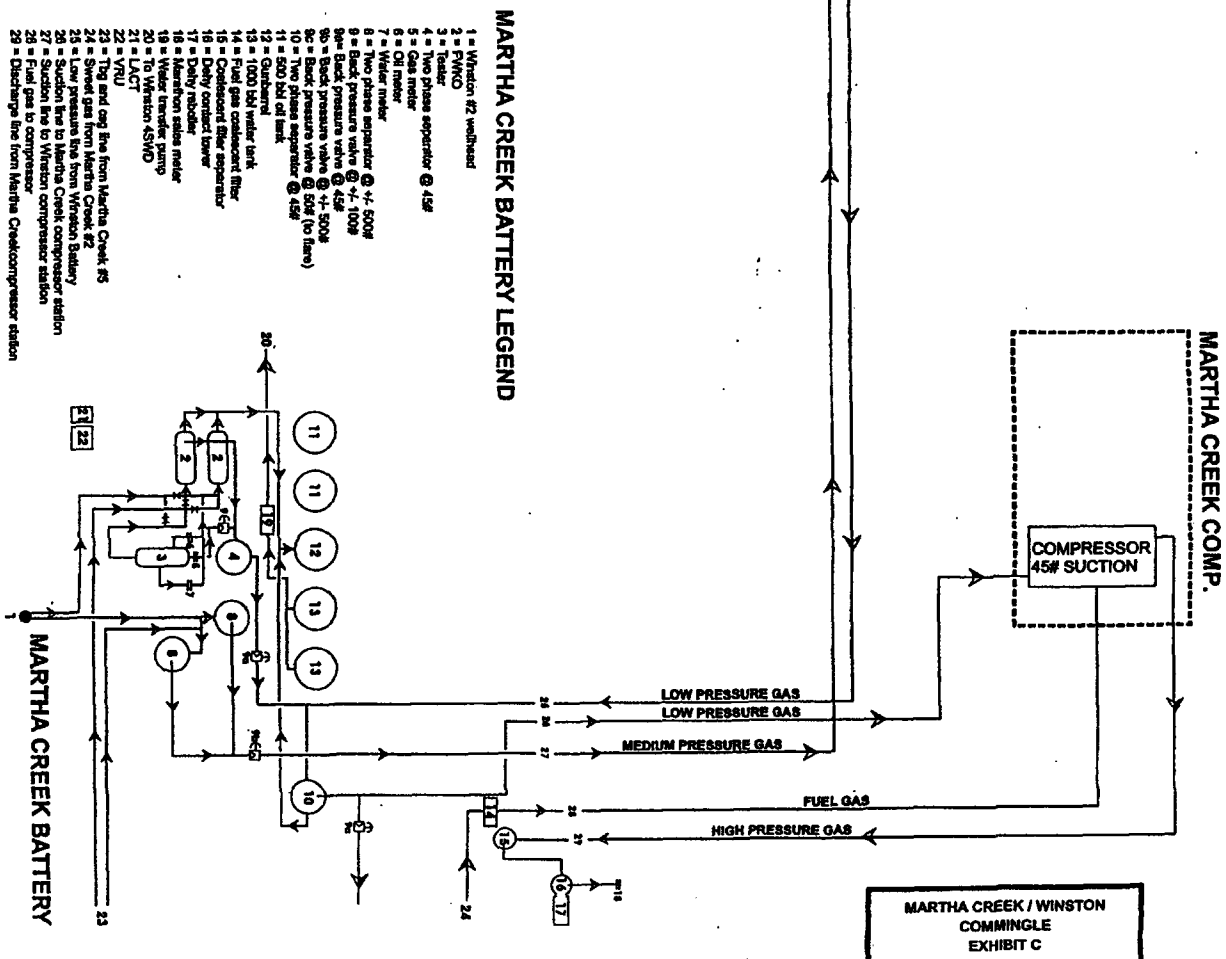
Winston Gas Com #10
905' FNL & 1780' FEL
Section 31-T21S-R24E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: LC-063246
API No.: 30-015-32576

Indian Basin 25F Federal #1
1500' FSL & 1500' FWL
Section 25-T21S-R23E
Eddy Co., NM
Indian Basin Upper Penn, Assoc.
Lease No.: NM-070522A
API No.: 30-015-10710

Attachment A



Fale Net Unit B.



Attachment B

WORKING INTEREST OWNERS

**Marathon Oil Company
P. O. Box 552
Midland, TX 79702**

ATTENTION: Production Department

7001 1940 0006 6415 7816

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only: No Insurance Coverage Provided)	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sept. 14, 2001	
Postmark Here	
Sent To ATTN: Production Department Marathon Oil Company	
Street, Apt. No., or PO Box No. P. O. Box 552	
City, State, ZIP+4 Midland, TX 79702 IBF25#1	
PS Form 3800, January 2001 See Reverse for Instructions	

Attachment C

7001 1940 0006 6415 7793

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$	Sept. 14, 2004 Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To Bureau of Land Management	
Street, Apt. No.; or PO Box No. 2909 W. 2nd Street	
City, State, ZIP+4	Comm - Indian
Roswell, NM 88201	

PS Form 3800, January 2001 See Reverse for Instructions

Attachment D

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-025-10710	'Pool Code 33685	'Pool Name Indian Basin Upper, Penn, Assoc.
'Property Code 30638	'Property Name Indian Basin F25 Federal	'Well Number 1
'OGRID No. 6137	'Operator Name Devon Energy Production Co., L.P.	'Elevation 3801' GR

¹⁰ Surface Location

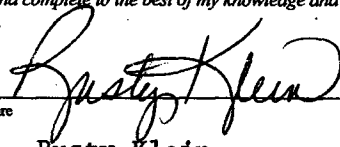
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	25	21S	23E		1500	South	1500	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	21S	23E		728'	South	1818	West	Eddy

"Dedicated Acres 320	"Joint or Infill	"Consolidation Code	"Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Rusty Klein Printed Name Field Tech I rusty.klein@dmn.com Title and E-mail Address September 21, 2004 Date
				¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

1500'

NMN070522A

FEDERAL

1500'

NMN070522A

OVER-RIDING ROYALTY INTEREST OWNERS

FOR

MARTHA CREEK/WINSTON GAS COM &

INDIAN BASIN F25 FEDERAL #1

RECEIVED

SEP 28 2004

**OIL CONSERVATION
DIVISION**

**Wills Royalty, Inc.
P. O. Box 1658
Carlsbad, NM 88221-1658**

**Sabine Royalty Trust
P. O. Box 830650
Dallas, TX 75283-0650**

**Rubie Crosby Bell Family Limited Partnership
1331 Third Street
New Orleans, LA 70130-5743**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Sept. 21, 2004
DB F23 Fed #1
commingling
Postmark
Here

Sent To
Wills Royalty, Inc.

Street, Apt. No.;
or PO Box No. Box 1688

City, State, ZIP+4
Carlsbad, NM 88221-1658

PS Form 3800, January 2001

See Reverse for Instructions

7001 1940 0006 6415 7823
E282 5T49 9000 0461 1002

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Sept. 21, 2004
IB F25 Jcd #1
Postmark
Here
Commingham
plm

Sent To	
Sabine Royalty Trust	
Street, Apt. No.; or P.O. Box No. Box 830650	
City, State, ZIP+4 Dallas, TX 7528830650	

PS Form 3800, January 2001 See Reverse for Instructions

7001 1940 0006 6415 8004

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

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Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Sept. 21, 2004
IB P25 Fed #1
Comm making print
Postmark
Here

Sent To
Rubie Crosby Bell Family Ltd. Partn.
**Street, Apt. No.,
or PO Box No.**
1331 Third Street
City, State, ZIP+4
New Orleans, LA 70130-57434

PS Form 3800, January 2001 See Reverse for Instructions

7001 1940 0006 6415 7951