

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



August 14, 2013

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-380
Administrative Application Reference No. pAXK1320456547

Devon Energy Production Co., L.P.
Attn: Ms. Erin Workman

Pursuant to your application received on July 23, 2013, Devon Energy Production Co., LP (OGRID 6137) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

East Pierce Crossing; Bone Spring (96473)
Cedar Canyon; Bone Spring (11520)
Cedar Canyon; Delaware (11540)

and from the following diversely owned wells located on federal leases in said section, township and range in Eddy County, New Mexico:

Well Name and No.	API No.	UL-Section	Pool
HB 11 Federal No. 2	30-015-29248	L-11	E Pierce Crossing Bone Spring
HB11 Federal No. 4	30-015-29625	D-11	E Pierce Crossing Bone Spring
HB 10 Federal No. 2	30-015-33098	J-10	E Pierce Crossing Bone Spring
HB 10 Federal No. 3	30-015-34145	I-10	E Pierce Crossing Bone Spring
HB 10AFederal No. 8	30-015-29915	P-10	Cedar Canyon; Bone Spring
HB 11 Federal No. 11	30-015-29739	J-11	Cedar Canyon; Dealware
HB 11 Federal No. 5	30-015-32741	C-11	E Pierce Crossing Bone Spring
HB 11 Federal No. 6	30-015-29585	F-11	E Pierce Crossing Bone Spring
HB 11 Federal No. 7	30-015-32606	K-11	E Pierce Crossing Bone Spring
HB 11 Federal No. 3	30-015-29249	O-11	E Pierce Crossing Bone Spring
HB 15 Federal No. 1	30-015-29490	A-15	Cedar Canyon; Delaware

We understand that each well produces only from the pool identified with such well above. No downhole commingling is authorized.

The commingled gas production shall be measured and sold at the central delivery point located at the HB 11 Federal Well No. 2 in the Unit L of Section 11. Oil production will be stored, measured and sold at the central tank battery located at the HB 11 Federal Well No. 2 in the Unit L of Section 11.

Production shall be allocated to individual wells and pools using the well test method. Each well shall be tested monthly. Test meters shall be calibrated in accordance with Rule 19.15.12.10.C(2).

The operator shall notify the transporter of this commingling authority.

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

This approval is subject to like approval from the United States Bureau of Land Management before commencement of the commingling operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey", with a stylized, cursive script.

Jami Bailey
Division Director

JB/db

cc: Oil Conservation Division District Office – Artesia
United States Bureau of Land Management