

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order PLC-354

March 22, 2012

Devon Energy Production Co., LP
20 North Broadway
Oklahoma City, OK 73102

Attention: Melanie Crawford

Devon Energy Production Company, LP ("Devon") is hereby authorized to surface commingle oil and gas production from the following Pools located in Township 23 South, Ranges 35 East, NMPM, Lea County, New Mexico.

Antelope Ridge; Bone Spring Gas Pool (2200)
Cinta Rojo; Delaware Gas Pool (96341)

and from the following diversely owned wells located on State leases in Lea County, New Mexico:

Well Name & Number	API No.	Well Location	S-T-R
Red Bull 31 State Well No. 1	30 -25-36798	SE/4SW/4	31-23S-35E
Red Bull 31 State Well No. 2	30-025-37069	SE/4SE/4	31-23S-35E
Red Bull 31 State Well No. 3	30 025 37620	SE/4NW/4	31-23S-35E

The commingled oil and gas production shall be measured and sold at the Central Tank Battery (CTB) meter located in Section 31, Township 223 South, Range 35 East, NMPM, Lea County, New Mexico. Oil and gas production from the wells is approved for off lease measurement and sales.

Oil and gas production from the wells shall be measured continuously with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated semi-annually.

The producer/operator shall notify the transporter of this commingling authority.



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

DONE at Santa Fe, New Mexico, on March 22, 2012.

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

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division District Office – Hobbs
State Land Office – oil, gas, and minerals division – Santa Fe