

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Devon Energy Production
 Company LP
 Crow Flat 20 Federal Com
 #s 1, 2

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 _____

2012 AUG 16 PM 12:45
 RECEIVED OGD

[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.

Melanie Crawford
 Print or Type Name

Melanie Crawford
 Signature

Regulatory Analyst
 Title

6-7-12
 Date

Melanie.Crawford@dvn.com
 E-mail Address

OLM - 67



Devon Energy Production Company
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102
Phone: (405)-552-4524
Melanie.Crawford@dvn.com

June 7, 2012

Mr. Richard Ezeanyim
State of New Mexico
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Off Lease Gas Measurement, Sales, & Storage
Crow Flat 20 Federal Com 1 & Crow Flat 20 Federal Com 2
API: 30-015-15-31413 & 30-015-31921
Sec 20-T16S-R28E
Lease CA NM-106845
Pool Code: 75720 Crow Flats; Morrow (gas)
Eddy County, New Mexico**

2012 AUG 16 P 12:45
RECEIVED OCD

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 and BLM Form 3160-5 Sundry Notice of Intent to Off Lease Gas Measurement, Sales & Storage the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners in are unformed; no additional notification is required.

BLM sundry approval and BLM conditions of approval attached.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-4524.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Melanie Crawford
Regulatory Analyst

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.
NMNM54856 / *NM103872*

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CANM106845

8. Well Name and No.
CROW FLAT 20 FED COM 1 *1A2*

9. API Well No.
30-015-31413 / *30-015-31921*

10. Field and Pool, or Exploratory
CROW FLATS; MORROW (GAS)

11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
DEVON ENERGY PRODUCTION CO, LP
Contact: MELANIE A CRAWFORD
E-Mail: MELANIE.CRAWFORD@DVN.COM

3a. Address
333 W. SHERIDAN AVENUE
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)
Ph: 405-552-4524

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 20 T16S R28E

12. CHECK 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"/> Fracture Treat	<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	Off-Lease Measurement
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 Co., LP respectfully requests to Off Lease Gas Measurement, Sales & Storage for the Crow Flat 20 Fed Com 1 & 2 wells. Each well has its own tank battery on location and is the only well utilizing the tank battery at this time. The Crow Flat 20 Federal Com 2 will flow 1st to a 3 Phase before flowing to an Allocation Meter 885-33-014 before flowing to the same DCP CDP Gas Sales Meter 711543-00 as the other Crow Flat well. The Crow Flat 20 Federal Com 1 will flow through a Separator before flowing to the DCP CDP Gas Sales Meter 711543-00 which is located in Section 30, T16S, R28E of Eddy County, NM. There are no other wells flowing to the DCP CDP Gas Sales Meter 711543-00. The volumes reported off the DCP CDP Sales Meter 711543-00 are combined from both wells. The sales volumes are reported on the Crow Flats 20 Federal Com 1 ~~step~~. The subtraction method is used to allocate gas back to the Crow Flat 1 well

ROW will or has already been obtained.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. Thereby certify that the foregoing is true and correct.

**Electronic Submission #140016 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO, LP, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 06/14/2012 ()**

Name (Printed/Typed) MELANIE A CRAWFORD	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 06/07/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J. D. Whitford</i>	Title <i>LPE</i>	Date <i>8/4/12</i>
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 <i>FO</i>

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #140016 that would not fit on the form

32. Additional remarks, continued

The working interest, royalty interest and overriding royalty interest owners in the lease is uniformed; no additional notification is required



Ken Gray
Senior Advisor, Land

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Office: (405) 552-4633
Fax: (405) 552-8113

April 18, 2012

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Off Lease Measurement and Sales
Crow Flat 20 Federal Com 1 – API 30-015-31413
Sec 20-16S-28E 75720 Crow Flats; Morrow (gas)
Crow Flat 20 Federal Com 2 – API 30-015-31921
Sec 20-16S-28E 75720 Crow Flats; Morrow (gas)

Gentlemen:

I have reviewed the files of Devon Energy Production Company, L.P. ("Devon") regarding Devon's request for Off Lease Measurement and Sales for the referenced wells and find that the ownership of the working interest, royalty and overriding royalty interest are uniform with respect to Devon's request for Off Lease Measurement and Sales.

If there are any questions or if additional information is required feel free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink, appearing to read "Ken Gray". The signature is written in a cursive, flowing style.

Ken Gray
Senior Advisor, Land

7

8

9



18

17

16



NM-103872

Crow Flats 20 Fed Com #2

25% WI
20% NRI



20

NM-54856



19

NM-103873

16S 28E

21



Crow Flats 20 Fed Com #1

C.A. NM-106845



RT Only



50% WI
40% NRI

All identical

30

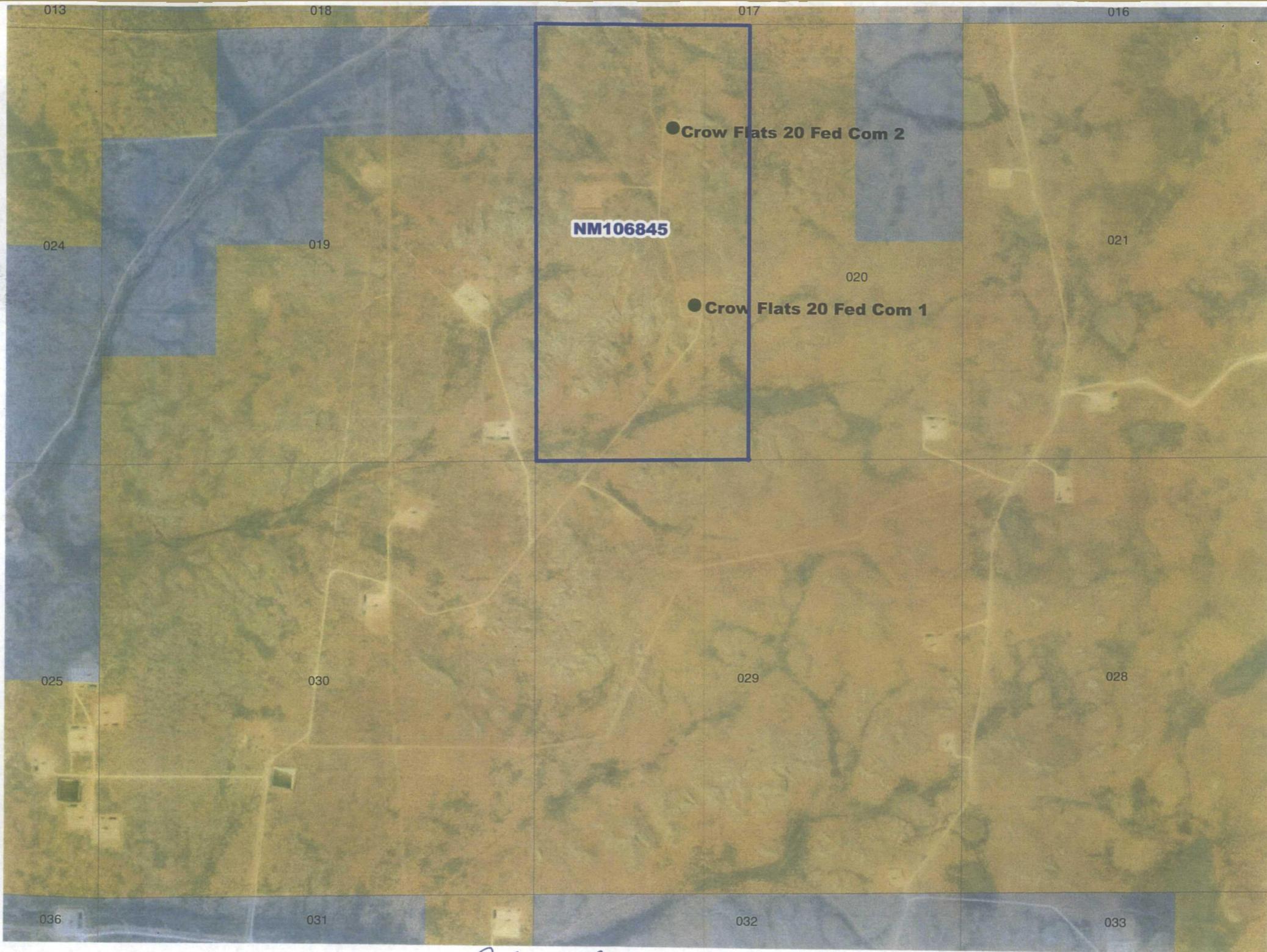


29

28



50% WI

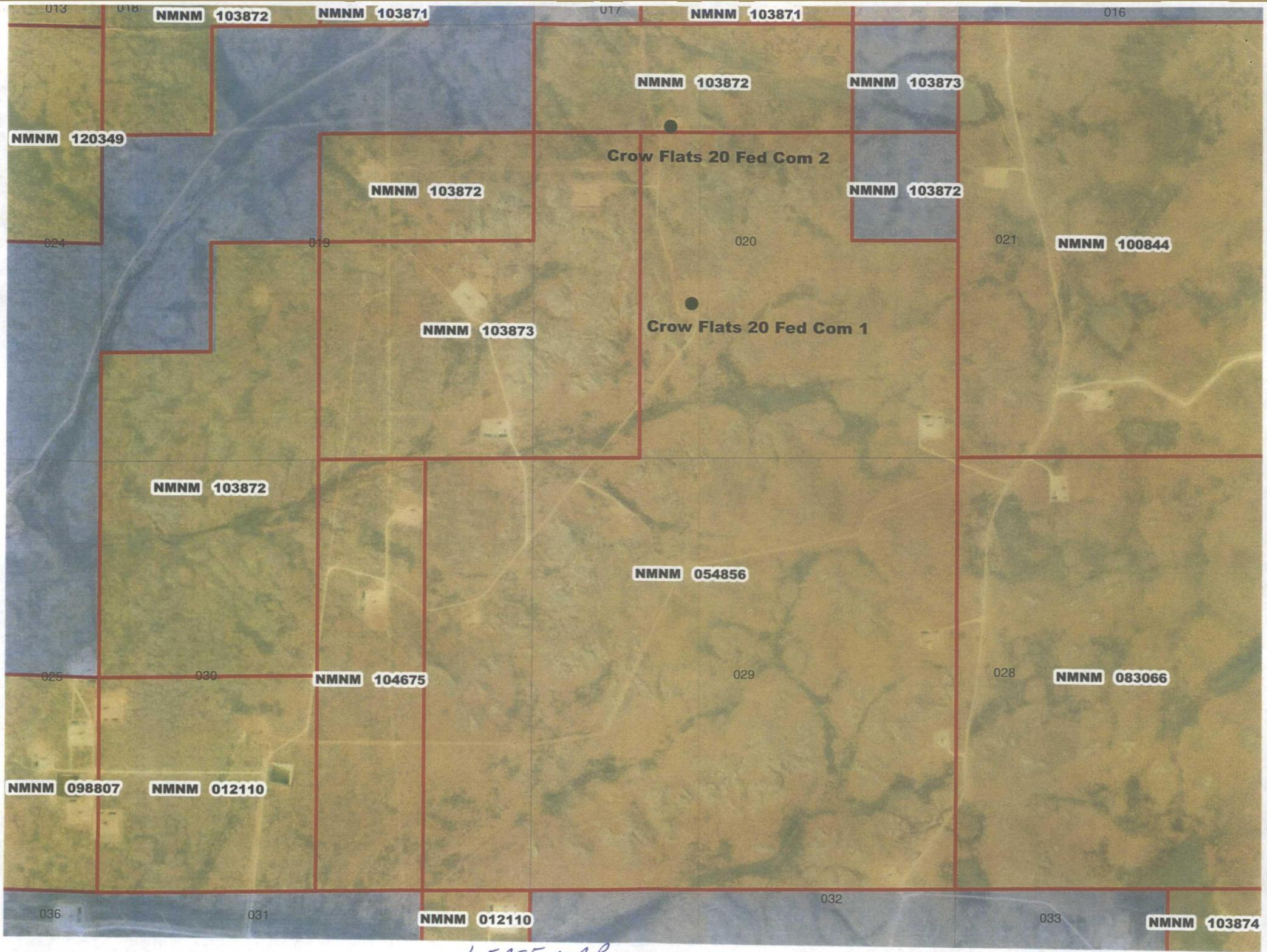


NM106845

● **Crow Flats 20 Fed Com 2**

● **Crow Flats 20 Fed Com 1**

C A 1110



1 RACE ROAD

Crow Flat 20 Fed Com 2
 Section 20, T16S ,R28E
 1310 FNL & 1730 FWL
 Eddy County
 API# 30-015-31921

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 unaccessible. 

NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed. 

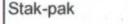
Ledger for Site Diagram

- Valve #1: Production Line 
 Valve #2: Test or Roll line 
 Valve #3: Equalizer Line 
 Valve #4: Circ./Drain Line 
 Valve #5: Sles Line 
 Valve #6: BS&W Load Line 

Buried Lines: 

Firewall: 

Wellhead: 

Stak-pak: 

Production line: 

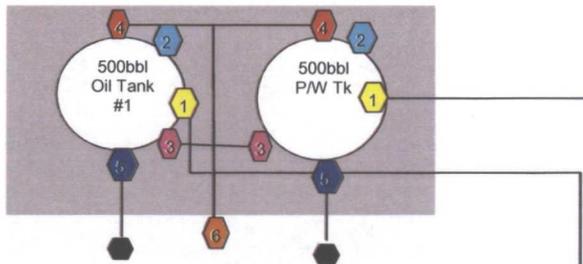
Water line: 

Gas Meter   

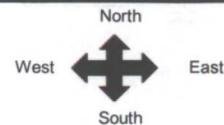
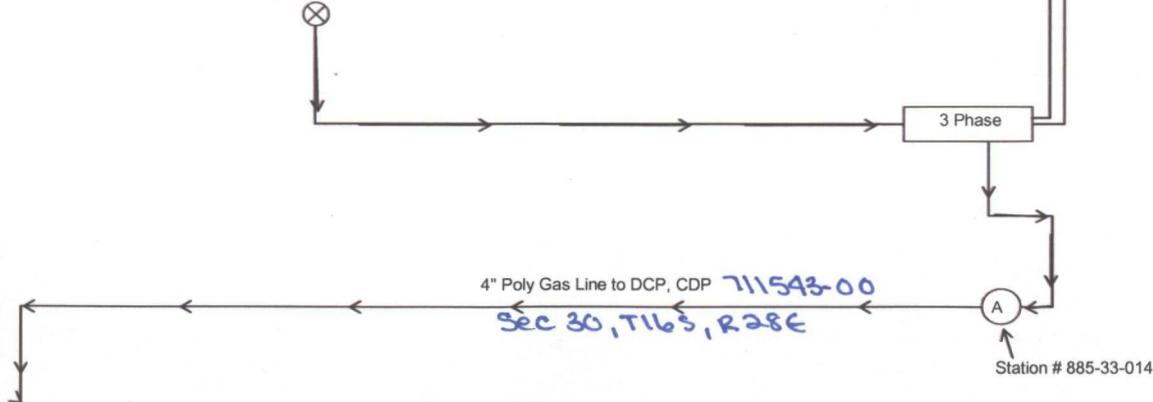
Production System Open

Oil Trucked

1. Production Phase OT #1
 {1} Valve #1 and 3 Open
 {2} Valve 2, 4, & 5 sealed closed.
 Sales Phase OT #1
 1. Valves 1, 2, 3, & 4 sealed closed
 2. Valve #5 in open position
 3. P/W tank valve #3 Closed



Crow Flat 20 Fed Com 2
 Section 20, T16S ,R28E
 1310 FNL & 1730 FWL
 Eddy County
 API# 30-015-31921



Crow Flat 20 Fed Com 1
 Section 20, T16S ,R28E
 1980FSL & 1980 FWL
 Eddy County
 API# 30-015-31413

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 unaccessible.

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: <u>Production Line</u> |  |
| Valve #2: <u>Test or Roll line</u> |  |
| Valve #3: <u>Equilizer Line</u> |  |
| Valve #4: <u>Circ./Drain Line</u> |  |
| Valve #5: <u>Sles Line</u> |  |
| Valve #6: <u>BS&W Load Line</u> |  |

Buried Lines: -----

Firewall: 

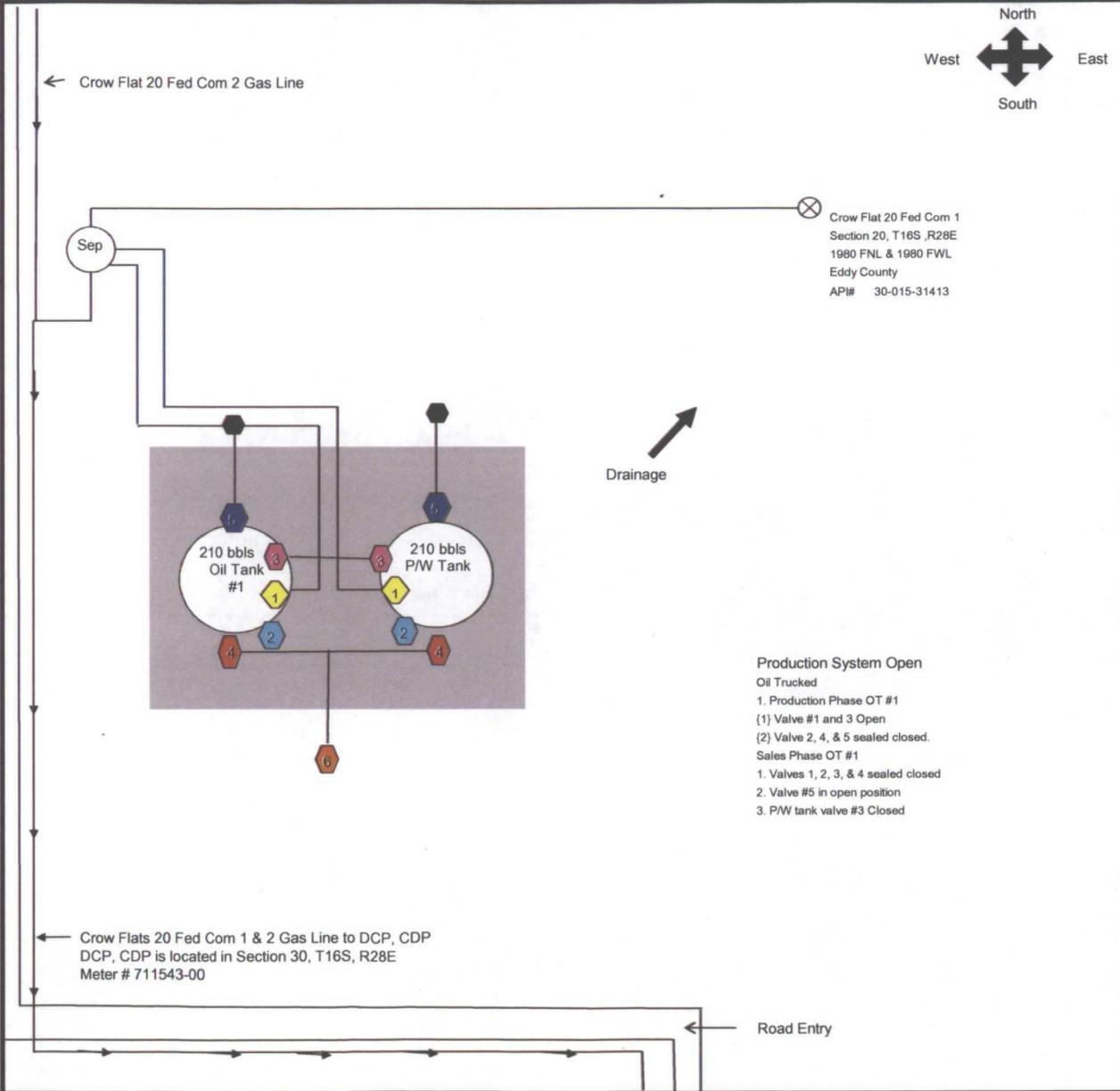
Wellhead: 

Stak-pak: 

Production line: _____

Water line: -----

Gas Meter   



Production System Open

Oil Trucked

1. Production Phase OT #1

{1} Valve #1 and 3 Open

{2} Valve 2, 4, & 5 sealed closed.

Sales Phase OT #1

1. Valves 1, 2, 3, & 4 sealed closed

2. Valve #5 in open position

3. P/W tank valve #3 Closed

Monthly Meter Analysis

March, 2012

Meter #: 711543-00
 Name: CROW FLATS 20 Fed 1

Component	Mole %	GPMS	Mass %	Property	Total Sample	C6 Plus Fraction
Carbon Dioxide, CO2	0.2490		0.5642	Pressure Base	14.730	
Nitrogen, N2	1.0089		1.4551	Temperature Base	60.00	
Methane, C1	86.7907		71.6854	HCDP @ Sample Pressure		
Ethane, C2	6.4068	1.7181	9.9185	Cricondentherm		
Propane, C3	2.7105	0.7488	6.1536	HV, Dry @ Base P, T	1174.72	
iso-Butane, iC4	0.4909	0.1611	1.4690	HV, Sat @ Base P, T	1154.28	
n-Butane, nC4	0.9999	0.3161	2.9922	HV, Sat @ Sample P, T		
iso-Pentane, iC5	0.3494	0.1281	1.2979	Relative Density	0.6723	
n-Pentane, nC5	0.2811	0.1022	1.0442	Fws Factor		
Hexanes Plus, C6+	0.7128	0.3119	3.4199	Free Water GPM		
Water, H2O				Stock Tank Condensate Brls/mm		
Hydrogen Sulfide, H2S	0.0000		0.0000	26 # RVP Gasoline	0.836	
Oxygen, O2	0.0000		0.0000	Testcar Permian	0.486	
Carbon Monoxide, CO				Testcar Panhandle	0.587	
Hydrogen, H2				Testcar Midcon	0.546	
Helium, He	0.0000		0.0000	C4 and Lighter ST Cond		
Argon, Ar				C5 and Heavier ST Cond		
				C6/C7 GPM		
Totals						
	100.0000	3.4863	100.0000			

Sample
 Date: 12/22/2011 Pressure: 76.3
 Type: Spot Temperature: 52.0

+

Precision Gas Measurement, Inc.
Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	CROW FLATS 20 FED 2
Location ID	
Sample Date	11/3/2011
Operator	JWD
Method Name	BTUC6+.met
Injection Date	2011-11-13 08:54:09
Report Date	2011-11-13 09:06:11

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat.) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
NITROGEN	0.9792	0.0	0.0	0.00947	0.108
METHANE	87.9415	890.3	874.8	0.48711	14.948
CARBON DIOXIDE	0.3414	0.0	0.0	0.00519	0.058
ETHANE	5.8928	104.5	102.7	0.06118	1.580
PROPANE	2.4655	62.2	61.1	0.03754	0.681
I-BUTANE	0.4007	13.1	12.8	0.00804	0.131
N-BUTANE	0.7544	24.7	24.2	0.01514	0.238
I-PENTANE	0.2555	10.2	10.1	0.00636	0.094
N-PENTANE	0.2249	9.0	8.9	0.00560	0.082
C6+	0.7441	38.3	37.6	0.02394	0.324
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1152.2	1132.2	0.65957	18.245

*DVM
11-16-11*

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	68.0	
Flowing Pressure (psia)	84.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1152.2	1132.2
Gross Heating Value (BTU / Real cu.ft.)	1155.6	1135.9
Relative Density (G), Real	0.6612	0.6608
Compressibility (Z) Factor	0.9971	0.9967
Total GPM	18.245	18.034
Wobbe Index	1421.1	1397.3

OFF LEASE PRODUCTION - EDDY COUNTY

	12/01/11	01/01/12	02/01/12	03/01/12	04/01/12	05/01/12
Well Name	Sum Est Gas					
Crow Flat 20 Federal Com 1	1,649.65	1,687.82	1,655.47	1,756.	1,481.	868.55
Crow Flat 20 Federal Com 2	5,252.38	5,207.39	4,669.04	5,020.02	3,890.	2,421.45

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

Off-Lease Measurement

**Conditions of Approval: Devon Energy Production Co.
Crow Flat 20 Federal Com #1 & 2
CA - NM106845**

Approval of off-lease measurement is subject to the following conditions of approval:

1. This agency shall be notified of any change in sales method or location of the Sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A. No gas may be vented without proper measurement and prior approval. Any gas vented must be flared.
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 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 if not already done.
7. Approval for off-lease measurement 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.
8. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "standard Environmental Colors" – Shale Green, Munsell Soil Color No. 5Y 4/2.