

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

Jami Bailey, Division Director
Oil Conservation Division



Administrative Order CTB-735
Administrative Application Reference No. pMAM1427343436

October 29, 2014

Devon Energy Production Company, LP
Attention: Ms. Erin Workman

Devon Energy Production Company, LP (OGRID 6137) is hereby authorized to surface commingle oil and gas production from Willow Lake; Bone Spring (64450), and from the following leases and wells:

<u>Name</u>	<u>API No.</u>	<u>Footages</u>	<u>ULSTR</u>
Kayro 4 State Com. Well No. 1H	30-015-41292	207 FNL&1980 FEL	2-4-25S-28E
Nermal 4 State Well No. 1H	30-015-41239	207 FNL&1980 FWL	3-4-25S-28E
Odie 4 State Well No. 1H	30-015-41311	210 FSL&660 FWL	M-4-25S-28E
Pooky 4 State Well No. 1H	30-015-41241	207 FNL&660 FEL	1-4-25S-28E

All in NMPM, Eddy County, New Mexico

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Nermal 4 State Well No. 1H central tank battery (CTB), located in Lot 3, Section 4, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

The Odie 4 State Well No. 1H, Nermal 4 State Well No. 1H, and Pooky 4 State Well No. 1H have common ownership; therefore oil and gas production from these wells shall be metered together along with testing, before commingling. The Kayro 4 State Com Well No. 1H has diverse ownership; therefore oil and gas production shall be metered separately before commingling. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

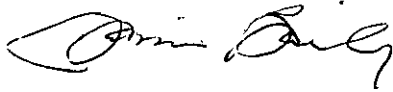
The oil production from each well shall be continuously measured with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

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

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

This approval is subject to like approval from the New Mexico State Land Office (NMSLO) before commencing commingling operations.

Done at Santa Fe, New Mexico, on October 29, 2014.

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/mam

cc: Oil Conservation District Office – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals