

ABOVE THIS LINE FOR DIVISION USE ONLY

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.

Erin Workman
Print or Type Name

Erin Workman
Signature

Regulatory Compliance Prof.
Title

04.22.15
Date

Erin.Workman@dmv.com
E-mail Address

- PLC 418
- Devon Energy Production Company, LP
6137
Wells
- Rig 20 Federal com
3H
30-015-39394
- Rig 20 Federal com
3H
30-015-39725
- Rig 20 Federal com
4H
30-015-39726
- Rig 20 Federal com
6H
30-015-41513
Pool
- Hackberry's Bone Spring
29345
- Hackberry's Bone Spring, NW 10
97020
- Hackberry's Bone Spring, North
97056



Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 552-7970 Phone
Erin.workman@dvn.com

RECEIVED OCD

2015 APR 24 P 12:07

April 22, 2015

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

Re: Pool\Lease Commingle
Rigel 20 Fed Com 2H, 3H, 4H, & 6H
Lease: NMNM0557729, NMNM63362, NMNM63642A, NMNM129425 (CA), NMNM129578 (CA)
NMNM129587(CA)
API: 30-015-39394, 30-015-39725, 30-015-39726, & 30-015-41513
Pool: Hackberry; Bone Spring & Hackberry; Bone Spring, NW
County: Eddy County, New Mexico

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B Sundry Notice of Intent for a Pool/Lease Commingle for the aforementioned wells.

A copy of the BLM approval is attached.

The working interest, royalty interest and overriding royalty interest owners are not identical; notification has been sent via certified mail (see attached).

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 552-7970.

Sincerely,

Erin Workman
Regulatory Compliance Associate

Enclosures

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave. Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Devon Energy Production Co., LP

OPERATOR ADDRESS: 333 W Sheridan Avenue, Oklahoma City, OK 73102

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Hackberry; Bone Spring (3H)	39/1184.5				
Hackberry; Bone Spring (4H)	37/1195.3				
Hackberry; Bone Spring, NW (2H)	37/1230.1				
Hackberry; Bone Spring, N (6H)	37/1269.1				

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.
(4) Measurement type: ☒ Metering ☐ Other ()
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE:  TITLE: Regulatory Compliance Prof. DATE: 04.22.15

TYPE OR PRINT NAME: Erin Workman TELEPHONE NUMBER: 405-552-7970

E-MAIL ADDRESS: Erin.workman@dmn.com

APPLICATION FOR A POOL/LEASE COMMINGLE

Proposal for the Rigel 20 Fed Com 2H, 3H, 4H, & 6H

Devon Energy Production Company, LP is requesting approval for a Pool/Lease Commingle for the following wells:

Federal Lease: NMNM0557729 (12.5%) NMNM63642A (12.5%) NMNM129587 (CA)

Well Name	Location	API #	Pool 29345	BOPD	OG	MCFPD	BTU
Rigel 20 Fed Com 3H	NWSW Sec 20, T19S, 31E	30-015-39725	Hackberry; BS	60	39	113	1184.5

Federal Lease: NMNM0557729 (12.5%) NMNM63642A (12.5%) NMNM129578 (CA)

Well Name	Location	API #	Pool 29345	BOPD	OG	MCFPD	BTU
Rigel 20 Fed Com 4H	NWSW Sec 20, T19S, 31E	30-015-39726	Hackberry; BS	78	37	187	1195.3

Federal Lease: NMNM0557729 (12.5%) NMNM63362 (Sliding scale) NMNM129425 (CA)

Well Name	Location	API #	Pool 97020	BOPD	OG	MCFPD	BTU
Rigel 20 Fed Com 2H	SWNW Sec 20, T19S, 31E	30-015-39394	Hackberry; BS, NW	89	37	102	1230.1

Well Name	Location	API #	Pool 97056	BOPD	OG	MCFPD	BTU
Rigel 20 Fed Com 6H	SWNW Sec 20, T19S, 31E	30-015-41513	Hackberry; BS, N	211	37	1060	1269.1

Attached is a map displays the federal leases and well locations in Section 19, T19S, R31E, & Sec. 20, T19S, R31E.

Communization Agreements have been approved.

The BLM's interest these wells are not identical.

Oil & Gas metering:

The central tank battery is located at the Rigel 20 Fed Com 3H battery in Sec. 20, T19S, R31E, in Eddy County, New Mexico. Each wells production will flow through its own separator. The Rigel 20 Fed Com 4H & 6H wells will utilize a Micro Motion Coriolis Meter to meter the oil, flow meters to meter the water, and gas allocation meters to meter the gas. The Rigel 20 Fed Com 2H & 3H will have turbine meters to meter the oil, flow meters to meter the water, and gas allocation meters to meter the gas. VRU will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Rigel 20 Fed Com 3H battery will have 3 oil tanks that all four wells will utilize. The Rigel 20 Fed Com 2H, 3H, & 4H will share a common DCP CDP #13133403 which is on location at the Rigel 20 Fed Com 3H battery in Sec. 20, T19S, R31E, on the Northwest side of the facility. The Rigel 20 Fed 6H will utilize the Enterprise CDP #6883001 located in Sec. 18, SWSE, T19S, R31E. Oil, gas, and water volumes from all four wells producing to this battery will be determined by using a test separator/heater treater at the proposed facility. Oil sold through a common LACT meter using a Smith Meter #P655654019.

The Rigel 20 Fed Com 2H flows into a 2 phase separator, where after separation gas will be routed to the gas allocation meter (**number provided upon receipt**), the oil and water flow into another separator, where after separation, the oil is meter with a Micro Motion Meter #14455209, then combines with the Rigel 20 Fed 6H and flows into the heater treater, and is then measured with a Micro Motion Coriolis Meter (**number provided upon receipt**), then flows into a production line and to one of the 500 bbl oil tanks. The water from this well is measured utilizing a mag meter, then flows to the 500 bbl. produced water tank, along with the water from the other wells.

The Rigel 20 Fed Com 3H flows into a two phase test separator, where after separation gas is routed to the gas allocation meter #677-49-167, combines with gas production from the Rigel 20 Fed Com 2H & 4H, and routes to the DCP CDP #13133403 on location at the battery in Sec 20, T19S, R31E. The water and oil flow into a 3 phase separator, where after separation, the oil is meter with a Micro Motion Meter #14455216, then combines with the Rigel 20 Fed 4H and flows into the heater treater, and is then measured with a Micro Motion Coriolis Meter #14311872, then flows into a production line and to one of the 500 bbl oil tanks. The water from this well is measured utilizing a mag meter, then flows to the 500 bbl. produced water tank, along with the water from the other wells.

The Rigel 20 Fed Com 4H flows to a three phase meter separator, where after separation gas is routed to the gas allocation meter #677-49-136, then combines with the Rigel 20 Fed Com 2H & 3H and flow into the DCP CDP #13133403 located in Sec 20, T19S, R31E. The oil is then metered with a Micro Motion Coriolis Meter #14455216 then combines with the production from the

Rigel 20 Fed Com 3H and flows into a the heater/treater, is then measured with a Micro Motion Coriolis Meter #14311872, then flows into a production and to one of the 500 bbl oil tanks. The water from this well is measured utilizing a mag meter, then flows to the 500 bbl. produced water tank, along with the water from the other wells.

The Rigel 20 Fed Com 6H flows to a three phase meter separator, where after separation gas is routed to the gas allocation meter #677-49-134, then to Enterprise CDP #6883001 located in Sec. 18, SWSE, T19S, R31E. The oil is then metered with a Micro Motion Coriolis Meter #14420343, then combines with the production from the Rigel 20 Fed Com 2H and flows into a the heater/treater, is then measured with a Micro Motion Coriolis Meter (number provided upon receipt), then flows into a production line and to one of the 500 bbl. oil tanks. The water from this well is measured utilizing a mag meter, then flows to the 500 bbl. produced water tank, along with the water from the other wells.

Oil production will be allocated on a daily basis based on the Coriolis Allocation Meters & turbine meters for each well. Coriolis meters will be proven, as per API, NMOCD, and BLM specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes. Gas production for these wells will be allocated on a daily basis using the gas allocation meters for each well. The gas production from the 2H, 3H & 4H gas allocation meters will commingle and flow to Duke Energy CDP # 13133403 and the Rigel 20 Fed 6H will flow into the Enterprise CDP #6883001. The gas off the VRU allocation meter #677-00-052, and the gas from the Rigel 20 Fed 2H, 3H & 4H gas allocation meters will combine and flow into the Duke Energy CDP #13133403. These meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

Process and Flow Descriptions:

The flow of produced fluids is shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, communization agreement boundaries, and location of wells, facility, and gas sales meter. The proposed commingling is appropriate based on the BLM's guidance in IM 2013-152. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed commingling will reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. ROW's have been approved NM-130245 & NM-127348. ROW for the 2H has been or will be submitted.

Working, royalty, and overriding interest owners are not identical and have been notified of this proposal via certified mail (see attached).

Signed:

Printed Name: Erin Workman

Title: Regulatory Compliance Professional

Date: 04.22.15

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 October 15, 2009

Submit one copy to appropriate

District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

As Drilled

1 API Number 30-015-39394		2 Pool Code 97020		3 Pool Name HACKBERRY; BONE SPRING, NW	
4 Property Code 38797		5 Property Name RIGEL "20" FEDERAL COM			6 Well Number 2H
7 OGRID No. 6137		8 Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			9 Elevation 3413.3

10 Surface Location

UT, or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	20	19 S	31 E		1850	NORTH	330	WEST	EDDY

11 Bottom Hole Location If Different From Surface

UT, or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	20	19 S	31 E		1804	NORTH	347	EAST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
160			

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.

<p>NW CORNER SEC. 20 LAT. = 32°39'11.38"N LONG. = 103°54'00.09"W NMSP EAST (FT) N = 601607.32 E = 674694.79</p> <p>NE CORNER SEC. 20 LAT. = 32°39'11.46"N LONG. = 103°52'58.37"W NMSP EAST (FT) N = 601636.62 E = 679972.34</p>		<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with the owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order in accordance with the law.</p> <p><i>D.R.</i> 10/25/2012 Signature Date</p> <p>Printed Name: David H. Cook Regulatory Specialist</p>
<p>RIGEL "20" FEDERAL COM #2H ELEV. = 3413.3' LAT. = 32.8480799°N (NAD83) LONG. = 103.8989353°W NMSP EAST (FT) N = 599759.14 E = 675037.67</p> <p>BOTTOM OF HOLE LAT. = 32.8480977°N LONG. = 103.8839268°W NMSP EAST (FT) N = 599784.84 E = 679658.28</p> <p>PP: 1812 RNL & 575 FWL</p>		
<p>SW CORNER SEC. 20 LAT. = 32°38'19.12"N LONG. = 103°53'59.30"W NMSP EAST (FT) N = 596324.81 E = 674732.70</p> <p>SE CORNER SEC. 20 LAT. = 32°38'19.22"N LONG. = 103°52'58.15"W NMSP EAST (FT) N = 596356.60 E = 680013.34</p>		<p>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.</p> <p>NOVEMBER 9, 2011 MEXICO</p> <p>Date of Survey: 12797</p> <p>Signature and Seal of Professional Surveyor: <i>[Signature]</i></p> <p>Certificate Number: 12797</p> <p>SURVEY NO. 300</p>

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1009 Rio Brazos Rd., Aztec, NM 87410
District IV
1320 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 October 15, 2009
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT *As Drilled*

API Number 30-015-39725	Pool Code 29345	Pool Name HACKBERRY: BONE SPRING NW
Property Code 38797	Property Name RIGEL "20" FEDERAL COM	Well Number 3H
OCRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3406.5

Surface Location

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	20	19 S	31 E		1800	SOUTH	330	WEST	EDDY

Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	20	19 S	31 E		1698	SOUTH	334	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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.

<p>NW CORNER SEC. 20 LAT. = 32.5531466°N LONG. = 103.9000213°W NMSP EAST (FT) N = 601817.81 E = 674698.51</p>	<p>NE CORNER SEC. 20 LAT. = 32.5531668°N LONG. = 103.8828798°W NMSP EAST (FT) N = 601647.09 E = 679974.74</p>	<p>" OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization is either owner, working interest or undivided mineral interest in the land underlying the proposed location of the well or has a right to drill the well on this location pursuant to a contract with an owner of such mineral or working interest or as a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>J. R.</i> Signature _____ Date 10/30/2012 Printed Name _____ David H. Cook Regulatory Specialist</p>
<p>RIGEL "20" FEDERAL COM #3H ELEV. = 3406.5' LAT. = 32.6435781°N (NA083) LONG. = 103.8989164°W NMSP EAST (FT) N = 598138.05 E = 675052.99</p>	<p>BOTTOM OF HOLE LAT. = 32.6433268°N LONG. = 103.8839048°W NMSP EAST (FT) N = 598085.87 E = 679674.05</p>	
<p>SW CORNER SEC. 20 LAT. = 32.6386301°N LONG. = 103.8999687°W NMSP EAST (FT) N = 596336.61 E = 674736.43</p>	<p>SE CORNER SEC. 20 LAT. = 32.6386571°N LONG. = 103.8828182°W NMSP EAST (FT) N = 596368.40 E = 680015.72</p>	<p>" SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plan 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.</p> <p>ALSO SEE: <i>[Signature]</i> Surveyor Signed and Sealed as Professional Engineer. Certification No. 12797 SURVEY NO. 558</p>

Form C-102

District Office

☐ AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-39726		Pool Code 29345	Pool Name Hackberry; Bone Spring	
Property Code 38797	Property Name RIGEL "20" FEDERAL COM			Well Number 4H
OGRI# No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			Elevation 3406.2

ⁿ Surface Location

VI, or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
L	20	19 S	31 E		1750	SOUTH	330	WEST	EDDY

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Last 1/4	Feet from the	North/South line	Feet from the	East/West line	County
P	20	19 S	31 E		443'	SOUTH	326'	EAST	EDDY

160			
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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.

NW CORNER SEC. 20 LAT. = 32.6531466°N LONG. = 103.900219°W	NE CORNER SEC. 20 LAT. = 32.6531668°N LONG. = 103.8928786°W
NMSP EAST (FT) N = 601617.81 E = 674698.51	NMSP EAST (FT) N = 601647.09 E = 679674.74

1st Perf PP: 625' FSL & 1188' FWL

☐ Producing Area
☒ Project Area

RIGEL "20" FEDERAL COM #4H
ELEV. = 3406.2'
LAT. = 32.5434407°N (NAD83)
LONG. = 103.8989157°W
NMSP EAST (FT)
N = 598088.09
E = 675053.41

SURFACE LOCATION
330'

BOTTOM OF HOLE
LAT. = 32.6397514°N
LONG. = 103.8832934°W
NMSP EAST (FT)
N = 596766.21
E = 679683.08

SE CORNER SEC. 20
LAT. = 32.6386571°N
LONG. = 103.8828182°W
NMSP EAST (FT)
N = 596358.40
E = 580315.72

SW CORNER SEC. 20
LAT. = 32.6396301°N
LONG. = 103.8999587°W
NMSP EAST (FT)
N = 596338.81
E = 674736.43

BOTTOM OF HOLE
443'

326'

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-41513		² Pool Code 97056		³ Pool Name Hackberry; Bone Spring, North	
⁴ Property Code 38797		⁵ Property Name RIGEL "20" FED COM			⁶ Well Number 6H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3415.7

¹⁰ Surface Location									
UL or lot no. E	Section 20	Township 19 S	Range 31 E	Lot Idn	Feet from the 1699	North/South line NORTH	Feet from the 265	East/West line WEST	County EDDY

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. H	Section 20	Township 19 S	Range 31 E	Lot Idn	Feet from the 1750	North/South line NORTH	Feet from the 340	East/West line EAST	County EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

<p>S89°40'31"W 2639.37 FT</p> <p>NW CORNER SEC. 20 LAT. = 32.6531465°N LONG. = 103.9000209°W NMSP EAST (FT) N = 601617.77 E = 674698.81</p>			<p>S89°41'07"W 2638.15 FT</p> <p>N Q CORNER SEC. 20 LAT. = 32.6531577°N LONG. = 103.8914473°W NMSP EAST (FT) N = 601632.72 E = 677337.52</p>			<p>NE CORNER SEC. 20 LAT. = 32.6531671°N LONG. = 103.8828777°W NMSP EAST (FT) N = 601647.20 E = 679975.01</p>		
<p>265' SURFACE LOCATION</p>			<p>RIGEL "20" FED COM #6H ELEV. = 3415.7' LAT. = 32.6484787°N (NAD83) LONG. = 103.8991445°W NMSP EAST (FT) N = 599920.67 E = 674975.50</p>			<p>BOTTOM OF HOLE LAT. = 32.6483569°N LONG. = 103.8839581°W NMSP EAST (FT) N = 599895.81 E = 679649.92</p>		
<p>W Q CORNER SEC. 20 LAT. = 32.6458859°N LONG. = 103.8999967°W NMSP EAST (FT) N = 598976.32 E = 674717.05</p>			<p>E Q CORNER SEC. 20 LAT. = 32.6459142°N LONG. = 103.8828415°W NMSP EAST (FT) N = 599008.56 E = 679997.37</p>					
<p>SW CORNER SEC. 20 LAT. = 32.6386302°N LONG. = 103.8999686°W NMSP EAST (FT) N = 596336.65 E = 674736.47</p>			<p>S Q CORNER SEC. 20 LAT. = 32.6386419°N LONG. = 103.8913926°W NMSP EAST (FT) N = 596351.78 E = 677376.33</p>			<p>SE CORNER SEC. 20 LAT. = 32.6386573°N LONG. = 103.8828175°W NMSP EAST (FT) N = 596368.47 E = 680015.94</p>		
<p>N89°40'18"E 2640.52 FT</p>			<p>N89°38'16"E 2640.28 FT</p>					

¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or leased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

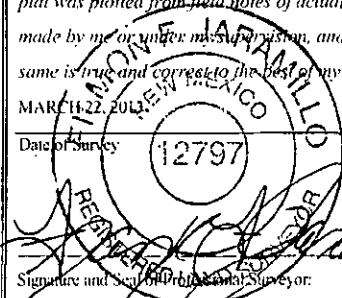
Printed Name _____

E-mail Address _____

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.

MARCH 22, 2013

Date of Survey **12797**

Signature and Seal of Professional Surveyor: 

Certificate Number: **RAULON F. JARAMILLO, PLS 12797**

SURVEY NO. 1598A



Devon Energy Production Company
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102
Phone: (405)-552-7970
Erin.Workman@dvn.com

April 22, 2015

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Pool\Lease Commingle
Rigel 20 Fed Com 2H, Rigel 20 Fed Com 3H, & Rigel 20 Fed Com 4H, & Rigel 20 Fed Com 6H
Leases: NMNM 0557729, NMNM63362, NMNM28328, NMNM63642A, NMNM129587,
API: 30-015-39393, 30-015-39394, & 30-015-41514
Pool: 29345 Hackberry; BS, 97020 Hackberry; BS, NW & 97056 Hackberry; BS, N
County: Eddy Co, NM

To whom it may concern:

This is to advise you that Devon Energy Production Company, LP, is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Pool\Lease Commingle for the above mentioned wells.

A copy of our application submitted to the Division, as well as BLM's approval are attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Please contact the undersigned at (405) 552-7970 should you have any questions or need anything further.

Sincerely,

Devon Energy Production Company, L.P.

A handwritten signature in black ink that reads "Erin Workman". The signature is written in a cursive, flowing style.

Erin Workman
Regulatory Compliance Professional

Enclosure

E-CERTIFIED MAILING LISTCommingle Mailing Reference: **Rigel 20-4 Battery**

<u>Repondent Name/Address:</u>	<u>E-Certified Mailing Number:</u>
Hanson McBride Petroleum Co P.O. Box 1515 Roswell, NM 88202	9171999991703450809550
McBride Oil & Gas Corporation P.O. Box 1515 Roswell, NM 88202	9171999991703450809567
Endurance Properties, Inc. 15455 Dallas Parkway, Suite 1050 Addison, TX 75001	9171999991703450809574
Jay Petroleum, LLC 2425 West Loop S. Suite 810 Houston, TX 77027	9171999991703450809581
Ray Westall Operating Inc. P.O. Box 4 Loco Hills, NM 88255	9171999991703450809598
Dorchester Minerals Operating 3838 Oak Lawn Ave Suite 300 Dallas, TX 75219	9171999991703450809604
Sue Hanson McBride P.O. Box 1515 Roswell, NM 88202	9171999991703450809611
Julie Scott McBride P.O. Box 1515 Roswell, NM 88202	9171999991703450809628
Parker F. English 441 W. Silver Meadow Drive Midwest City, OK 73110	9171999991703450809635
L. Wynelle E. Crow 2802 W. 25 th Roswell, NM 88201	9171999991703450809642
LA Gene E. Verhinesw 511 S. Fir Ave Roswell, NM 88203	9171999991703450809659
Joyco Investments LLC P.O. Box 2104 Roswell, NM 88202	9171999991703450809666

E-CERTIFIED MAILING LISTCommingle Mailing Reference: **Rigel 20-4 Battery**

<u>Repondent Name/Address:</u>	<u>E-Certified Mailing Number:</u>
Back Nine Oil & Gas LTD P.O. Box 162810 Austin, TX 78716	9171999991703450809673
Spraberry Oil & Gas LP P.O. Box 2788 Midland, TX 79702	9171999991703450809680
Babe Development Co. Inc. P.O. Box 758 Roswell, NM 88202	9171999991703450809697
Douglas Ladson McBride III P.O. Box 1515 Roswell, NM 88202	9171999991703450809703
BLM NM State Office 600 E. Greene Street Carlsbad, NM 88220	9171999991703450809710
Patrick Edgar Hudson 3363 E Rialto Ave Fresno, CA 93726	9171999991703564143038
Sharon O Blackard 3340 Crown Drive Independence, KS 67301	9171999991703564143021
William Wade Shipley 3445 Shenandoah Dallas, TX 75205	9171999991703564143014
William R. Cravey Box 95463 Albuquerque, NM 87199	9171999991703450809741
Pepa W. Bill LLC Box 827 Artesia, NM 88211	9171999991703450809758
RKI Exploration & Production Co. 210 Park Avenue, Suite 900 Oklahoma City, OK 73102	91719999917035641433045

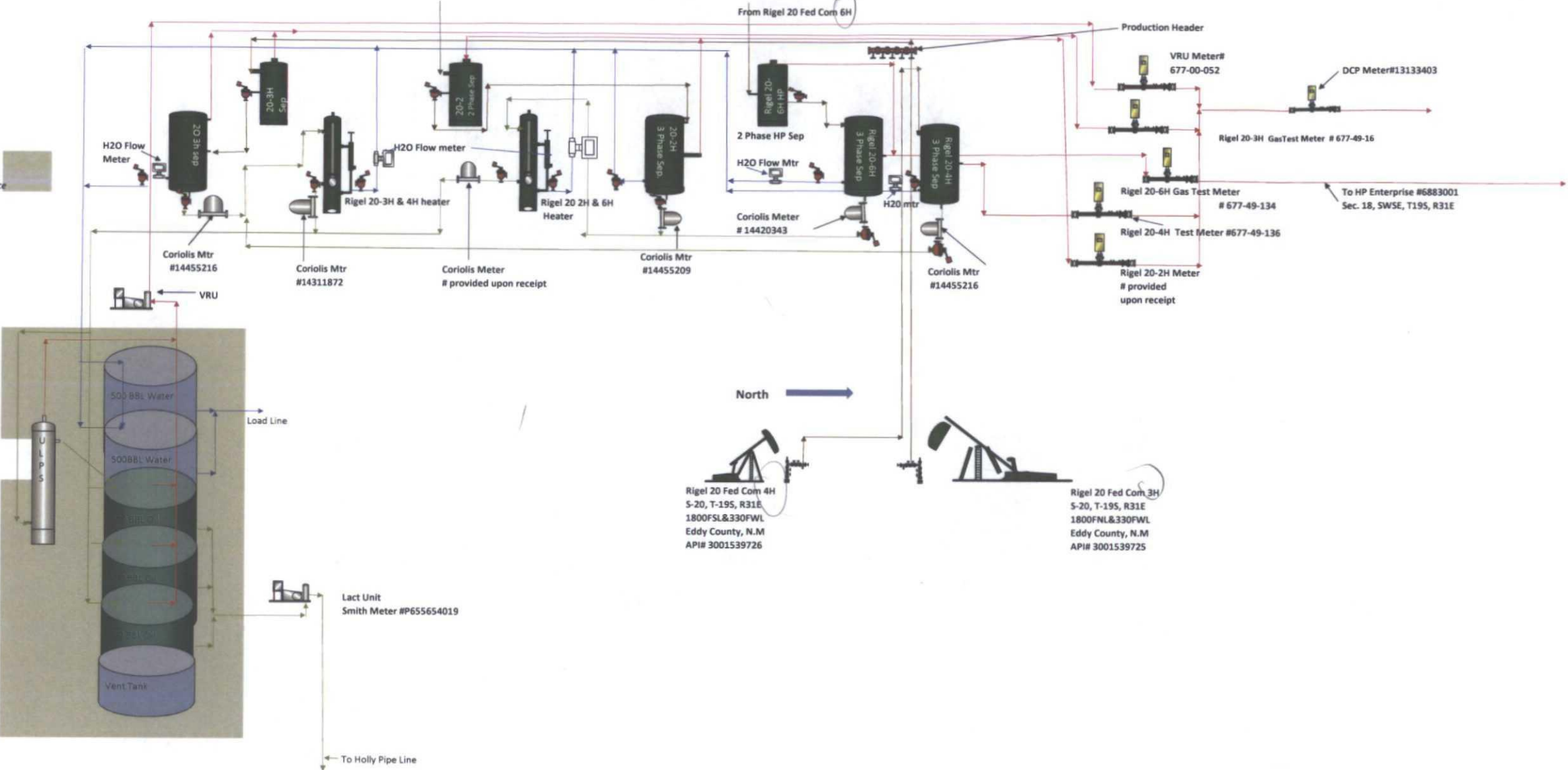
Rigel 20 federal 3H
Section 20, T19S, R31E
1800 FSL & 330 FWL
Eddy County, N.M
API# 30-015-39725

Note;
Devon Energy Site Security Plan
Located in the Artesia Main Office

Production System: Open

All valves will be sealed 30
minutes prior to sales

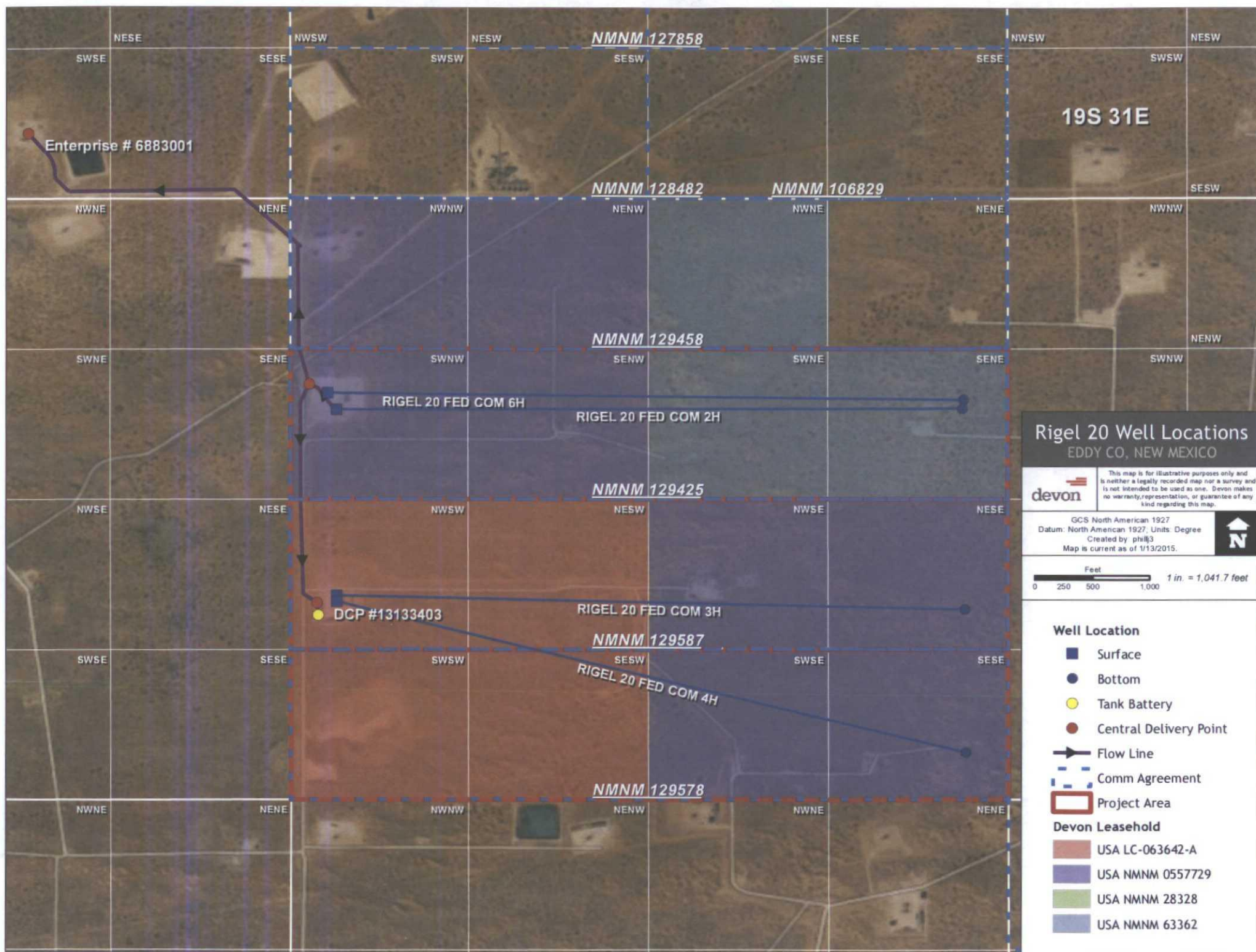
Gas
Oil
Water
Vent



Rigel 20 Fed Com 4H
S-20, T-19S, R31E
1800FSL&330FWL
Eddy County, N.M
API# 3001539726

Rigel 20 Fed Com 3H
S-20, T-19S, R31E
1800FNL&330FWL
Eddy County, N.M
API# 3001539725

Lact Unit
Smith Meter #P655654019



WC Name	Well API	Date	Year	Month	State	Wtr Prod	Oil Prod	Gas Prod
RIGEL 20 FED COM 2H	300153939400	6/30/2014	2014	06	NEW MEXICO	2,341.96	2,178.93	3,200
RIGEL 20 FED COM 2H	300153939400	7/31/2014	2014	07	NEW MEXICO	2,652.80	1,682.20	223
RIGEL 20 FED COM 2H	300153939400	8/31/2014	2014	08	NEW MEXICO	2,530.36	3,689.09	949
RIGEL 20 FED COM 2H	300153939400	9/30/2014	2014	09	NEW MEXICO	3,499.65	3,119.70	1,201
RIGEL 20 FED COM 2H	300153939400	10/31/2014	2014	10	NEW MEXICO	1,805.41	2,006.51	3,423
RIGEL 20 FED COM 2H	300153939400	11/30/2014	2014	11	NEW MEXICO	6,809.08	2,971.50	6,511
RIGEL 20 FED COM 2H	300153939400	12/31/2014	2014	12	NEW MEXICO	7,079.25	3,325.65	7,506
RIGEL 20 FED COM 2H						26,718.51	18,973.58	23,013
RIGEL 20 FED COM 3H	300153972500	6/30/2014	2014	06	NEW MEXICO	924.22	641.67	1,809
RIGEL 20 FED COM 3H	300153972500	7/31/2014	2014	07	NEW MEXICO	3,163.95	2,000.44	4,197
RIGEL 20 FED COM 3H	300153972500	8/31/2014	2014	08	NEW MEXICO	3,601.58	2,434.08	4,135
RIGEL 20 FED COM 3H	300153972500	9/30/2014	2014	09	NEW MEXICO	2,226.67	3,727.86	1,406
RIGEL 20 FED COM 3H	300153972500	10/31/2014	2014	10	NEW MEXICO	2,769.69	1,374.80	657
RIGEL 20 FED COM 3H	300153972500	11/30/2014	2014	11	NEW MEXICO	2,624.53	1,474.98	904
RIGEL 20 FED COM 3H	300153972500	12/31/2014	2014	12	NEW MEXICO	2,205.20	1,318.14	1,034
RIGEL 20 FED COM 3H						17,515.84	12,971.97	14,142
RIGEL 20 FED COM 4H	300153972600	6/30/2014	2014	06	NEW MEXICO	3,310.78	795.95	1,503
RIGEL 20 FED COM 4H	300153972600	7/31/2014	2014	07	NEW MEXICO	3,264.05	2,212.19	3,591
RIGEL 20 FED COM 4H	300153972600	8/31/2014	2014	08	NEW MEXICO	3,545.04	2,595.31	4,034
RIGEL 20 FED COM 4H	300153972600	9/30/2014	2014	09	NEW MEXICO	2,693.25	5,583.70	1,912
RIGEL 20 FED COM 4H	300153972600	10/31/2014	2014	10	NEW MEXICO	2,825.05	2,199.70	895
RIGEL 20 FED COM 4H	300153972600	11/30/2014	2014	11	NEW MEXICO	3,539.00	1,989.82	1,468
RIGEL 20 FED COM 4H	300153972600	12/31/2014	2014	12	NEW MEXICO	3,076.58	1,791.04	1,630
RIGEL 20 FED COM 4H						22,253.75	17,167.71	15,033
RIGEL 20 FED COM 6H	300154151300	8/31/2014	2014	08	NEW MEXICO	24,614.38	0.00	1,434
RIGEL 20 FED COM 6H	300154151300	9/30/2014	2014	09	NEW MEXICO	61,914.08	0.00	5,004
RIGEL 20 FED COM 6H	300154151300	10/31/2014	2014	10	NEW MEXICO	66,311.26	6,487.43	5,324
RIGEL 20 FED COM 6H	300154151300	11/30/2014	2014	11	NEW MEXICO	46,312.47	5,497.49	5,608
RIGEL 20 FED COM 6H	300154151300	12/31/2014	2014	12	NEW MEXICO	32,012.44	3,810.23	5,184
RIGEL 20 FED COM 6H						231,164.63	15,795.15	22,554

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple--See Attached
2. Name of Operator DEVON ENERGY PRODUCTION CO		6. If Indian, Allottee or Tribe Name
Contact: ERIN WORKMAN Email: ERIN.WORKMAN@DEVON.COM		7. If Unit or CA/Agreement, Name and/or No. Multiple--See Attached
3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-552-7970	8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool, or Exploratory HACKBERRY UNKNOWN
		11. County or Parish, and State EDDY COUNTY, NM

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	Surface Commingling
	<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 recompleat 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 recompleat 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.)

Per verbal approval by Duncan Whitlock 01.07.14, Devon Energy Production Company, LP respectfully requests for a Central Tank Battery, Off-Lease Measurement, Sales, & Storage for the following wells:

Rigel 20 Fed Com 2H
Sec. 20, SWNW, T19S, 31E
Hackberry, BS
30-015-39394
NMNM0557729 & NMNM63362

Rigel 20 Fed Com 3H
NWSW, Sec. 20, T19S, R31E

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #287574 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad Committed to AFMSS for processing by DUNCAN WHITLOCK on 01/10/2015 (15DW0081SE)	
Name (Printed/Typed) ERIN WORKMAN	Title REGULATORY COMPLIANCE PROF.
Signature (Electronic Submission)	Date 01/10/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J. D. Whitlock</i>	Title EPS	Date 1/10/15
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 CFO

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.

Additional data for EC transaction #287574 that would not fit on the form

5. Lease Serial No., continued

NMNM0557729
NMNM63362

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

NMNM129425
NMNM129578
NMNM129587

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM129587	NMNM0557729	RIGEL 20 FEDERAL COM 3H	30-015-39725-00-S1	Sec 20 T19S R31E NWSW 1800FSL 330FWL
NMNM129578	NMNM0557729	RIGEL 20 FEDERAL COM 4H	30-015-39726-00-S1	Sec 20 T19S R31E NWSW 1750FSL 330FWL
NMNM129425	NMNM63362	RIGEL 20 FED COM 6H	30-015-41513-00-S1	Sec 20 T19S R31E SWNW 1699FNL 265FWL
				32.648478 N Lat, 103.899144 W Lon
NMNM129425	NMNM63362	RIGEL 20 FEDERAL COM 2H	30-015-39394-00-S1	Sec 20 T19S R31E SWNW 1850FNL 330FWL

32. Additional remarks, continued

30-015-39725
Hackberry; Bone Spring
NMNM0557729 & NMNM63642A

Rigel 20 Fed Com 4H
NWSW, Sec. 20, T19S, R31E
30-015-39726
Hackberry; Bone Spring
NMNM0557729 & NMNM63642A

Rigel 20 Fed Com 6H
SWNW, Sec. 20, T19S, R31E
30-015-41513
Hackberry; Bone Spring
NMNM0557729 & NMNM63362

The central tank battery is located at the Rigel 20 Fed Com 3H battery in Sec. 20, T19S, R31E, in Eddy County, New Mexico. Each wells production will flow through its own separator. The Rigel 20 Fed Com 4H & 6H wells will utilize a Micro Motion Coriolis Meter to meter the oil, flow meters to meter the water, and gas allocation meters to meter the gas. The Rigel 20 Fed Com 2H & 3H will have turbine meters to meter the oil, flow meters to meter the water, and gas allocation meters to meter the gas. VRU will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Rigel 20 Fed Com 3H battery will have 3 oil tanks that all four wells will utilize. The Rigel 20 Fed Com 2H, 3H, & 4H will share a common DCP CDP #13133403 which is on location at the Rigel 20 Fed Com 3H battery in Sec. 20, T19S, R31E, on the Northwest side of the facility. The Rigel 20 Fed 6H will utilize the Enterprise CDP #6883001 located in Sec. 18, SWSE, T19S, R31E. Oil, gas, and water volumes from all four wells producing to this battery will be determined by using a test separator/heater treater at the proposed facility. Oil sold through a common LACT meter using a Smith Meter #P655654019.

ROW's have been approved NM-130245 & NM-127348. ROW for the 2H has been or will be submitted.

Working, royalty, and overriding interest owners are not identical and have been notified of this proposal via certified mail (see attached)

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

**Rigel 20 Fed Com 2H and 6H, Leases: NM0557729, NM63362, CA-NM129425
Rigel 20 Fed Com 3H and 4H, Leases: NM0557729, NM63642A, CA-NM131807 & NM129578**

Devon Energy Production Co.

January 10, 2015

Condition of Approval

Commingling of lease production and off lease measurement, storage and sales, variance to use Coriolis meter for oil measurement

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
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 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.
5. Approval for combining production 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.
6. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. Variance to Onshore Order #4 oil measurement to use Coriolis meters is approved with this approval.
12. Need to provide meter numbers upon installation.
13. Approval is granted to use Coriolis for oil measurement and allocation of production from these wells.