State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary David R. Catanach, Division Director
Oil Conservation Division



Tony Delfin Deputy Cabinet Secretary

May 24, 2016

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-449 Administrative Application Reference No. pMAM1612434039

DEVON ENERGY PRODUCTION COMPANY, LP

Attention: Ms. Erin Workman

Pursuant to your application received on May 2, 2016, Devon Energy Production, Company LP (OGRID 6137) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;

Bradley; Delaware (7310) WC-025 G-06 S263407P; Upper Bone Spring (97892)

and from the following diversely owned wells on federal leases in said Section, Township and Range in Lea County, New Mexico.

Lease: Federal Lease NMNM-114990

Description: E/2 E/2 of Section 7

Well: Ichabod "7" Federal Well No. 1H

Pool: WC-025 G-06 S263407P; Upper Bone Spring

Lease: Federal Lease NMNM-114990

Description: E/2 E/2 of Section 7

Well: Ichabod "7" Federal Well No. 4H

Pool: Bradley; Delaware

Lease: Federal Lease NMNM-114991

Description: E/2 W/2 of Section 17

Well: Green Wave 17 Federal Well No. 1H

Pool: Bradley; Delaware

The combined project area for these wells include the E/2 E/2 of Section 7, and the E/2 W/2 of Section 17, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Ichabod "7" Federal Well No. 1H and 4H Tank Battery (CTB) located in Unit P, Section 7, Township 26 South, Range 34 East, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from the Ichabod "7" Federal Well No. 1H and Ichabod "7" Federal Well No. 1H wells which are diversely owned shall be measured with a combination of well testing and allocation meters.

The oil and gas production from the Green Wave 17 Federal Well No. 1H shall be measured with allocation meters.

After initial notification, future wells that will produce from the pools and leases approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The operator shall notify the transporter of this commingling authority.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2).

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

DONE at Santa Fe, New Mexico, on May 24, 2016.

DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division District Office – Hobbs

Bureau of Land Management - Carlsbad