

Revised March 23, 2017

RECEIVED: <u>10/19/18</u>	REVIEWER:	TYPE: <u>PLC</u>	APP NO: <u>PMAM18292 51771</u>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: Devon Energy Production Co., LP **OGRID Number:** 6137
Well Name: Mean Green 23 CTB 2 **API:** SEE ATTACHED
Pool: WC-025 G-08 S263412K; Bone Spring & Jabalina; Wolfcamp, SW **Pool Code** 96776 & 96672

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☒ OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

PLC 522

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

- 3) **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

10/19/18
Date
405-552-7970
Phone Number

Erin.workman@dmn.com

e-mail Address

APPLICATION FOR POOL\LEASE COMMINGLE\OFF LEASE MEASUREMENT, SALES, & STORAGE

Proposal for Mean Green 23-35 Fed Com 1H, 2H, 3H, & 4H

Devon Energy Production Company, LP is requesting approval for A Pool\Lease Commingle\Off-Lease Measurement, Sales, & Storage for the following wells:

Federal Lease: NMNM100568 & NMNM110840 (12.5%) CA will be submitted for the Wolfcamp

Well Name	Location	API #	Pool 96776	BOPD	OG	MCFPD	BTU
Mean Green 23-35 Fed Com 1H	Sec. 23, NESE, T26S, R34E	30-025-44595	Jabalina, Wolfcamp, SW	1564	45.6	2660	1357*
Mean Green 23-35 Fed Com 2H	Sec. 23, NESE, T26S, R34E	30-025-44596	Jabalina, Wolfcamp, SW	1564	45.6	2660	1357*

Federal Lease NMNM100568 & NMNM110840 (12.5%) Communization Agreement will be submitted for the Bone Spring

Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU
Mean Green 23-35 Fed Com 3H	Sec. 23, NESE, T26S, R34E	30-025-44597	WC-025 G-08 S263412K; Bone Spring	1282	44.9	1282	1152
Mean Green 23-35 Fed Com 4H	Sec. 23, NESE, T26S, R34E	30-025-44598	WC-025 G-08 S263412K; Bone Spring	1282	44.9	1282	1152

Federal Lease NMNM100568

Mean Green 23 CTB 2

Oil & Gas metering:

The central tank battery, Mean Green 23 CTB 2, is located in NESE, S23-T26S-R34E in Lea County, New Mexico.

Each well is routed to its own 3-phase separator where the full well stream is separated into gas, oil, and water streams. For each well, after separation, gas is measured with an independent, designated orifice meter for allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas sales meter(s). The oil from the 3-phase separator is measured with an independent, designated Micro Motion Coriolis Meter for allocation. It then combines with the oil production from the other wells, flows into the heater treater(s), then into the Ultra-Low Pressure Separator(s) (ULPS), and into one of the oil tanks. The oil is then pumped out of the common tanks to an oil sales meter (LACT unit). The water from the 3-phase separator is measured with an independent, designated Mag meter for allocation, combines with the water from the other wells, then flows into the gun barrel, and into one of the produced water tanks. Flash gas that exits the heater treater(s) and ULPS(s) flows to the Vapor Recovery Unit (VRU). After exiting the VRU, the gas will be measured through a designated orifice meter for allocation.

The central tank battery will have 4 oil tanks and 4 water tanks that all wells will utilize. All wells will have 1 common gas delivery point(s) on or directly adjacent to location. They will also share 1 common oil delivery point(s) (LACT) on or directly adjacent to location.

Meter Owner / Serial Number:

Well Name	Gas Allocation Meter	Oil Allocation Meter	Gas FMP	Oil FMP	Water Allocation Meter	VRU Allocation Meter
MEAN GREEN 23-35 FED COM 1H	DVN /	DVN /	Lucid /	Andeavor /	DVN /	DVN /
MEAN GREEN 23-35 FED COM 2H	DVN /	DVN /	Lucid /	Andeavor /	DVN /	DVN /
MEAN GREEN 23-35 FED COM 3H	DVN /	DVN /			DVN /	DVN /
MEAN GREEN 23-35 FED COM 4H	DVN /	DVN /			DVN /	DVN /

* Meter serial numbers to be provided after construction of facility.

The total of all oil sales meters will be allocated to each well based on the oil allocation meter located downstream of each well's 3-phase separator. Devon will continue to operate and maintain the Micro Motion Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regards to proving the Micro Motion Coriolis Meter to meet applicable BLM standards. The total of all gas sales meters will be allocated to each well based on the gas allocation meter located downstream of each well's 3-phase separator and the VRU allocation meter. The VRU allocation meter volumes will be allocated to each well based on the oil allocation meter of each well. The BLM and OCD will be notified of any future changes to the facilities.

Process and Flow Descriptions:



OCT 22 2018 AM 10:59

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

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

October 19, 2018

New Mexico Oil Conservation Division
Oil Conservation Division
ATTN: Michael McMillan
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: Pool/Lease Commingle/OLM
Mean Green 23 CTB 2
Sec., T, R: Sec. 23. T26S. R34E
Lease: NMNM100568 & NMNM110840 (CA's Pending)
API: 30-025-44595, 30-025-44596, 30-025-44597, & 30-025-44598
Pool: Jabalina, Wolfcamp, SW & Bone Spring
County: Lea Co., New Mexico

Dear Mr. McMillan:

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

The working interest, royalty interest and overriding royalty interest owners are not identical; notification has been sent of this proposal via certified mail.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

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 Professional

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
Jabalina, Wolfcamp, SW (96776)	45.6/1357				
WC-025 G-08 S263412K, BS	44.9/1152				

(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 ☐ Well Test Method

(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 (Specify)

(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: Erin Workman TITLE: Regulatory Compliance Analyst DATE: 10/18/2018

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

E-MAIL ADDRESS: Erin.Workman@dvn.com

DISTRICT I
1625 N. PENNIE DR., MORRIS, NM 86240
Phone: (505) 333-8161 Fax: (505) 333-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-8720

DISTRICT III
1000 RIO BRAZOS RD., 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, New Mexico 87505
MAR 09 2018

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 70-024-44596	Pool Code 96776	Pool Name JABALINA;WOLFCAMP, SOUTHWEST
Property Code 320992	Property Name MEAN GREEN 23-35 FED COM	Well Number 2H
OGRD No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3193.3'

Surface Location

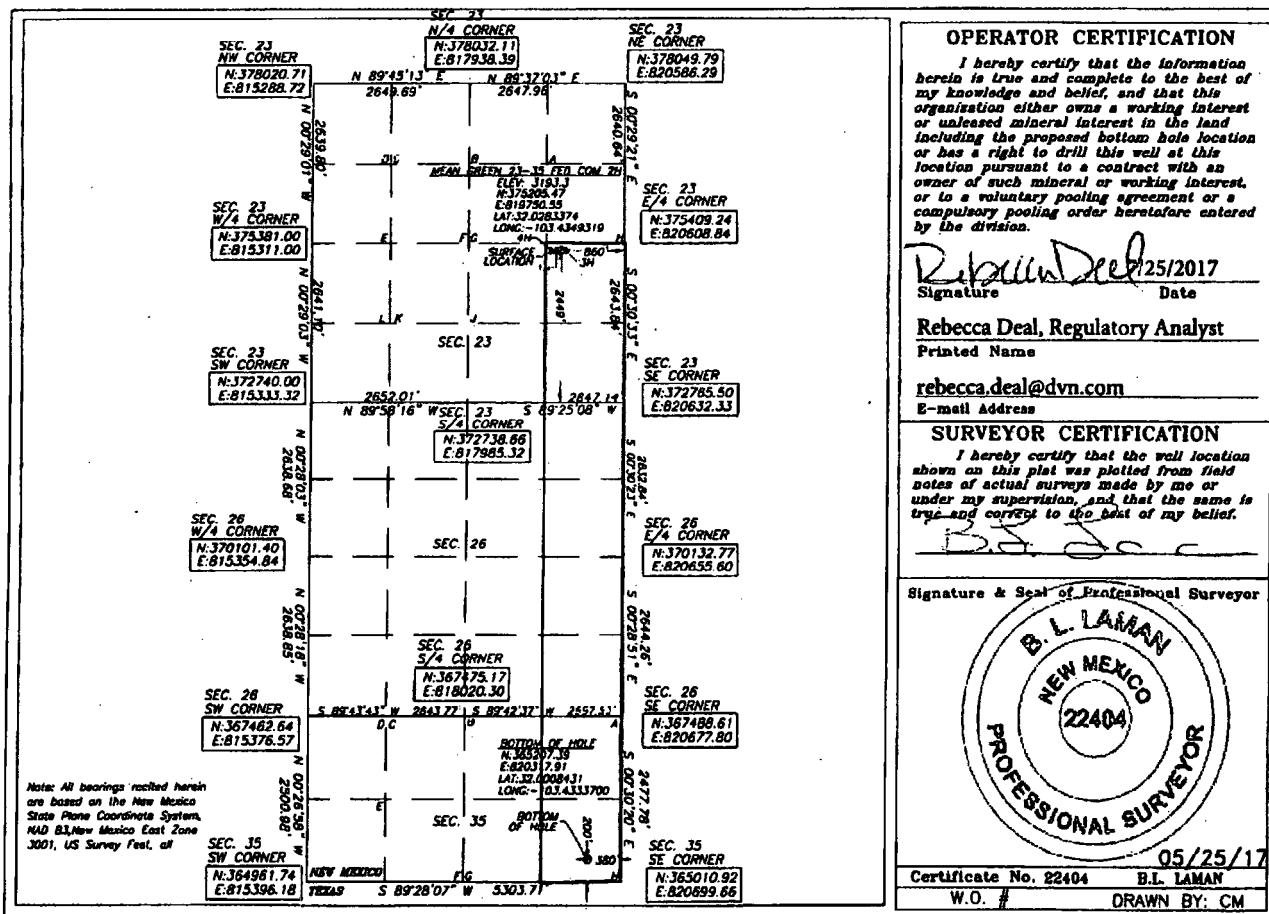
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	23	26-S	34-E		2449	SOUTH	860	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	26-S	34-E		200	SOUTH	380	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
315.2			

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



Last Take Point: 330' FSL & 380' FWL

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 80420
Phone: (505) 393-6161 Fax: (505) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 746-1283 Fax: (505) 746-8720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1250 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-44597	Pool Code 96672	Pool Name WC-025 G-08 S263412K;BONE SPRING
Property Code 320992	Property Name MEAN GREEN 23-35 FED COM	Well Number 3H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3192.7'

Surface Location

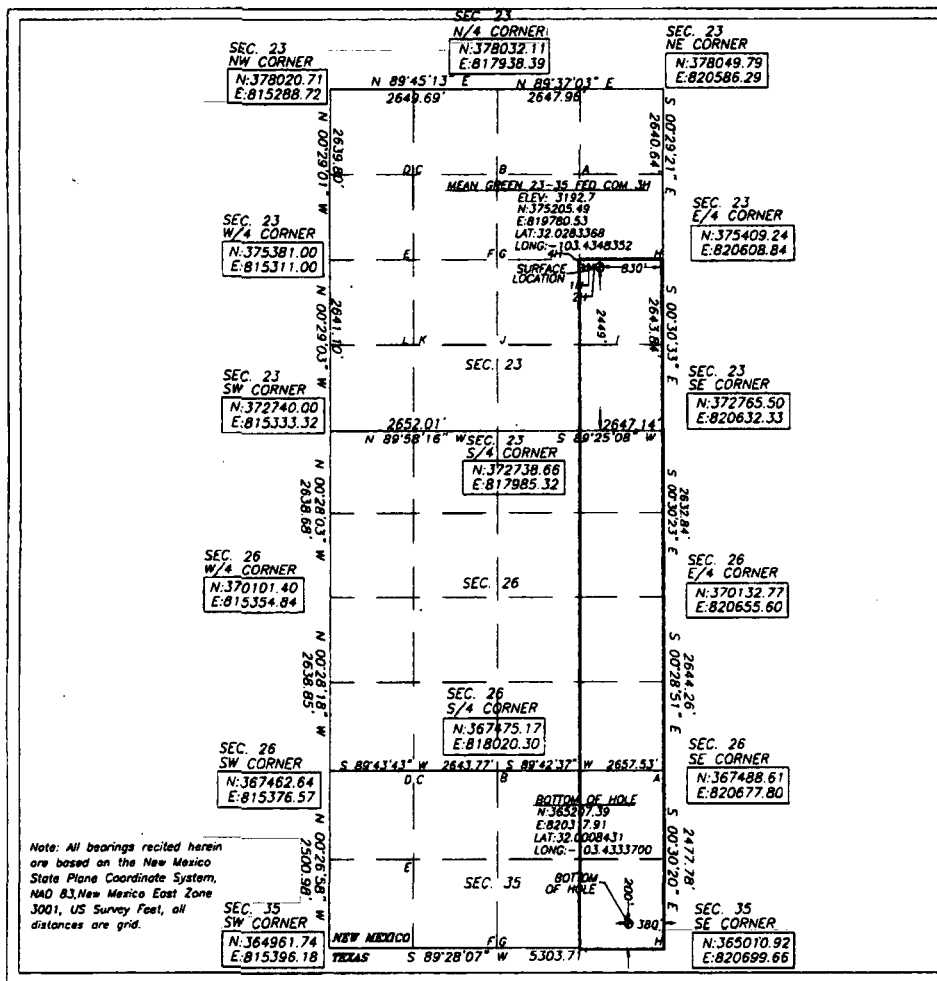
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	23	26-S	34-E		2449	SOUTH	830	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	26-S	34-E		200	SOUTH	380	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Rebecca Deal 5/10/2018
Signature Date

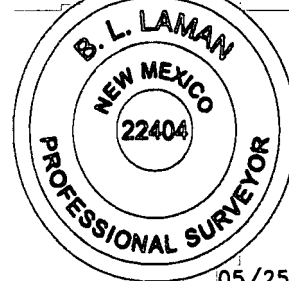
Rebecca Deal, Regulatory Analyst
Printed Name

rebecca.deal@dvn.com
E-mail Address

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.

B. L. Laman
Signature & Seal of Professional Surveyor



05/25/17
Certificate No. 22404 B.L. LAMAN
W.O. # DRAWN BY: CM

DISTRICT I
1625 N. FRENCH DR., MORRIS, NM 88240
Phone: (505) 353-0161 Fax: (505) 353-0725

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-8720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3400 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-44598	Pool Code 96776	Pool Name JABALINA;WOLFCAMP, SOUTHWEST
Property Code 720992	Property Name MEAN GREEN 23-35 FED COM	Well Number 4H
GRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3194.1'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	23	26-S	34-E		2449	SOUTH	920	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	26-S	34-E		200	SOUTH	1026	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><u>Rebecca Deal</u> 2/25/2017 Signature Date</p> <p><u>Rebecca Deal, Regulatory Analyst</u> Printed Name</p> <p><u>rebecca.deal@dvn.com</u> E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>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><u>B. L. LAMAN</u> Signature & Seal of Professional Surveyor</p> <p></p> <p>06/05/17 Certificate No. 22404 B. L. LAMAN W.O. # DRAWN BY: CM</p>
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Last Take Point: 330' FSL & 380' FWL

DISTRICT I
1625 N. FRENCH DR., MORRIS, NM 86240
Phone: (575) 253-6101 Fax: (575) 253-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 86201
Phone: (575) 748-1283 Fax: (575) 748-1290

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87401
Phone: (505) 334-6176 Fax: (505) 334-6177

DISTRICT IV
1280 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3481

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

☐ AMENDED REPORT

RECEIVED
MAR 09 2018

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-44595	Pool Code 96776	Pool Name JABALINA; WOLFCAMP, SOUTHWEST
Property Code 320892	Property Name MEAN GREEN 23-35 FED COM	Well Number 1H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3193.6'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	23	26-S	34-E		2449	SOUTH	890	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	26-S	34-E		200	SOUTH	380	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
315.2			

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Rebecca Deal 05/25/2017
Signature Date
Rebecca Deal, Regulatory Analyst
Printed Name
rebecca.deal@dyn.com
E-mail Address

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B. L. Laman
Signature & Seal of Professional Surveyor

B. L. LAMAN
NEW MEXICO
22404
PROFESSIONAL SURVEYOR

05/25/17
Certificate No. 22404 B. L. LAMAN
W.O. # DRAWN BY: CM

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone, 3001, US Survey Feet, all distances are grid.

SEC. 23 NW CORNER N:378020.71 E:815288.72
SEC. 23 N/4 CORNER N:378032.11 E:817938.39
SEC. 23 NE CORNER N:378049.79 E:820586.29
SEC. 23 W/4 CORNER N:375381.00 E:815311.00
SEC. 23 SW CORNER N:372740.00 E:815333.32
SEC. 26 W/4 CORNER N:370101.40 E:815354.84
SEC. 26 SW CORNER N:367462.64 E:815376.57
SEC. 35 SW CORNER N:364961.74 E:815398.18
SEC. 23 S/4 CORNER N:372738.68 E:817985.32
SEC. 26 S/4 CORNER N:367475.17 E:818020.30
SEC. 26 SE CORNER N:370132.77 E:820655.60
SEC. 26 E/4 CORNER N:372765.50 E:820632.33
SEC. 23 E/4 CORNER N:375409.24 E:820608.84
SEC. 26 SE CORNER N:367488.61 E:820677.80
SEC. 35 SE CORNER N:365010.92 E:820699.66
SURFACE LOCATION
BOTTOM OF HOLE
N:365207.39 E:820317.91
LAT:32.0408431 LONG:-103.4333700
N:378032.11 E:817938.39
N:378049.79 E:820586.29
N:375381.00 E:815311.00
N:372740.00 E:815333.32
N:370101.40 E:815354.84
N:367462.64 E:815376.57
N:364961.74 E:815398.18
N:367475.17 E:818020.30
N:372738.68 E:817985.32
N:372765.50 E:820632.33
N:375409.24 E:820608.84
N:370132.77 E:820655.60
N:367488.61 E:820677.80
N:365010.92 E:820699.66
N:365207.39 E:820317.91
LAT:32.0408431 LONG:-103.4333700

Last Take Point: 330' FSL & 380' FWL

APPLICATION FOR POOLLEASE COMMINGLE\OFF LEASE MEASUREMENT, SALES, & STORAGE

Proposal for Mean Green 23-35 Fed Com 1H, 2H, 3H, & 4H

Devon Energy Production Company, LP is requesting approval for A Pool\Lease Commingle\Off-Lease Measurement, Sales, & Storage for the following wells:

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Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU
Mean Green 23-35 Fed Com 3H	Sec. 23, NESE, T26S, R34E	30-025-44597	WC-025 G-08 S263412K; Bone Spring	1282	44.9	1282	1152
Mean Green 23-35 Fed Com 4H	Sec. 23, NESE, T26S, R34E	30-025-44598	WC-025 G-08 S263412K; Bone Spring	1282	44.9	1282	1152

Federal Lease NMNM100568

Mean Green 23 CTB 2

Oil & Gas metering:

The central tank battery, Mean Green 23 CTB 2, is located in NESE, S23-T26S-R34E in Lea County, New Mexico.

Each well is routed to its own 3-phase separator where the full well stream is separated into gas, oil, and water streams. For each well, after separation, gas is measured with an independent, designated orifice meter for allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas sales meter(s). The oil from the 3-phase separator is measured with an independent, designated Micro Motion Coriolis Meter for allocation. It then combines with the oil production from the other wells, flows into the heater treater(s), then into the Ultra-Low Pressure Separator(s) (ULPS), and into one of the oil tanks. The oil is then pumped out of the common tanks to an oil sales meter (LACT unit). The water from the 3-phase separator is measured with an independent, designated Mag meter for allocation, combines with the water from the other wells, then flows into the gun barrel, and into one of the produced water tanks. Flash gas that exits the heater treater(s) and ULPS(s) flows to the Vapor Recovery Unit (VRU). After exiting the VRU, the gas will be measured through a designated orifice meter for allocation.

The central tank battery will have 4 oil tanks and 4 water tanks that all wells will utilize. All wells will have 1 common gas delivery point(s) on or directly adjacent to location. They will also share 1 common oil delivery point(s) (LACT) on or directly adjacent to location.

Meter Owner / Serial Number:

Well Name	Gas Allocation Meter	Oil Allocation Meter	Gas FMP	Oil FMP	Water Allocation Meter	VRU Allocation Meter
MEAN GREEN 23-35 FED COM 1H	DVN /	DVN /	Lucid /	Andeavor /	DVN /	DVN /
MEAN GREEN 23-35 FED COM 2H	DVN /	DVN /	Lucid /	Andeavor /	DVN /	DVN /
MEAN GREEN 23-35 FED COM 3H	DVN /	DVN /			DVN /	DVN /
MEAN GREEN 23-35 FED COM 4H	DVN /	DVN /			DVN /	DVN /

* Meter serial numbers to be provided after construction of facility.

The total of all oil sales meters will be allocated to each well based on the oil allocation meter located downstream of each well's 3-phase separator. Devon will continue to operate and maintain the Micro Motion Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regards to proving the Micro Motion Coriolis Meter to meet applicable BLM standards. The total of all gas sales meters will be allocated to each well based on the gas allocation meter located downstream of each well's 3-phase separator and the VRU allocation meter. The VRU allocation meter volumes will be allocated to each well based on the oil allocation meter of each well. The BLM and OCD will be notified of any future changes to the facilities.

Process and Flow Descriptions:

The flow of produced fluids is described above and shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter.

The proposed commingling is appropriate based on the BLM's guidance in IM NMPO 2013-02 & 43 CFR 3173.14. 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.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

Mean Green 23-35 Commingle

Working Interest Owners:

Chevron U.S.A. Inc.
1400 Smith Street
Houston, TX 77002

CERTIFIED MAILING NUMBER

9414 8149 0152 7181 4837 36

TLW Investments, LLC
1001 Fannin, Suite 2020
Houston, TX 77002

9414 8149 0152 7181 4837 29

The Allar Company
Attn: Jack Graham
735 Elm St.
Graham, TX 76450

9414 8149 0152 7181 4837 50

Ameredev New Mexico, LLC
Attn: Brandon Forteza
5707 Southwest Parkway
Building 1, Suite 275
Austin, TX 78735

9414 8149 0152 7181 4837 67

Overriding Royalty Interest Owners:

John Kyle Thoma,
Successor Trustee of the Cornerstone Family Trust
12940 Casa De Campo Rd.
Peyton, CO 80831

9414 8149 0152 7181 4837 74

Crownrock Minerals, L.P.
P.O. Box 51933
Midland, TX 79710

9414 8149 0152 7181 4837 81

Allar Development LLC
Attn: Jack Graham
735 Elm St.
Graham, TX 76450

9414 8149 0152 7181 4837 43

The Allar Company
Attn: Jack Graham
735 Elm St.
Graham, TX 76450

Overriding Royalty Interest Owners, Cont'd:

Ameredev New Mexico, LLC

Attn: Brandon Forteza
5707 Southwest Parkway
Building 1, Suite 275
Austin, TX 78735

Apollo Investment Corporation

9 West 57th St
New York, NY 10019

9414 8149 0152 7181 4837 74

Strategic Energy Income Fund IV, LP

2350 North Forest Rd.
Getzville, NY 14068

9414 8149 0152 7181 4838 04

Shepherd Royalty, LLC

8214 Westchester Dr., Ste. 740
Dallas, TX 75225

9414 8149 0152 7181 4838 35

Constitution Resources II, LP

5707 Southwest Pkwy
Austin, TX 78735

9414 8149 0152 7181 4838 11

Highland (Texas) Energy Company

7557 Rambler Rd #918
Dallas, TX 75231

9414 8149 0152 7181 4838 59



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

405 235 3611 Phone
www.devonenergy.com

October 19, 2018

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Pool/Lease Commingle/OLM
Mean Green 23 CTB 2
Sec., T, R: Sec. 23. T26S. R34E
Lease: NMNM100568 & NMNM110840 (CA's Pending)
API: 30-025-44595, 30-025-44596, 30-025-44597, & 30-025-44598
Pool: Jabalina, Wolfcamp, SW & Bone Spring
County: Lea Co., New Mexico

Gentlemen:

The 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\OLM for the aforementioned wells.

A copy of our application submitted to the Division is attached, along with the BLM approved application.

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.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

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

Sincerely,

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

Erin Workman,
Regulatory Compliance Professional

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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 page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. Multiple--See Attached
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY Contact: ERIN WORKMAN Email: Erin.workman@dvn.com		9. API Well No. Multiple--See Attached
3a. Address 6488 SEVEN RIVERS HIGHWAY ARTESIA, NM 88211	3b. Phone No. (include area code) Ph: 405-552-7970	10. Field and Pool or Exploratory Area JABALINA
4. Location of Well (Footage, Sec., T., R., AL, or Survey Description) Multiple--See Attached		11. County or Parish, State LEA COUNTY, NM

12. CHECK THE 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"/> Hydraulic Fracturing	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 a Central Tank Battery/Off Lease Measurement, Sales, & Storage for the following wells.

Mean Green 23-35 fed Com 1H
Sec. 23, NESE, T26S, R34E
30-025-44595
Jabalina Wolfcamp, SW
NMNM100568 & NMNM110840
CA will be submitted for Wolfcamp

Mean Green 23-35 fed Com 2H
Sec. 23, NESE, T26S, R34E

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #424842 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COMPANY LP, sent to the Hobbs Committed to AFMSS for processing by DUNCAN WHITLOCK on 06/22/2018 (18DW0205SE)	
Name (Printed/Typed) ERIN WORKMAN	Title REGULATORY COMPLIANCE PROF.
Signature (Electronic Submission)	Date 06/21/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J. D. Whitlock</i>	Title <i>TLDET</i>	Date <i>6/22/18</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>CFU</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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #424842 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM100568	NMNM100568	MEAN GREEN 23-35 FED COM 1H80-025-44595-00-X1		Sec 23 T26S R34E NESE 2449FSL 890FEL 32.028339 N Lat, 103.435028 W Lon
NMNM100568	NMNM100568	MEAN GREEN 23-35 FED COM 2H80-025-44596-00-X1		Sec 23 T26S R34E NESE 2449FSL 860FEL 32.028336 N Lat, 103.434929 W Lon
NMNM100568	NMNM100568	MEAN GREEN 23-35 FED COM 3H80-025-44597-00-X1		Sec 23 T26S R34E NESE 2449FSL 830FEL 32.028339 N Lat, 103.435028 W Lon
NMNM100568	NMNM100568	MEAN GREEN 23-35 FED COM 4H80-025-44598-00-X1		Sec 23 T26S R34E NESE 2449FSL 920FEL 32.028339 N Lat, 103.435127 W Lon

32. Additional remarks, continued

2- CAS PENDING

30-025-44596
Jablina Wolfcamp, SW
NMNM100568 & NMNM110840
CA will be submitted for Wolfcamp

Mean Green 23-35 fed Com 3H
Sec. 23, NESE, T26S, R34E
30-025-44597
Bone Spring
NMNM100568 & NMNM110840
CA will be submitted for Bone Spring

Mean Green 23-35 fed Com ⁴3H
Sec. 23, NESE, T26S, R34E
30-025-44597 ⁸
Bone Spring
NMNM100568 & NMNM110840
CA will be submitted for Bone Spring

The central tank battery, Mean Green 23 CTB 2, is located in NESE, Sec.23, T26S, R34E, Lea County, NM.

Each well is routed to its own 3-phase separator where the full well stream is separated into gas, oil, and water streams. For each well, after separation, gas is measured with an independent, designated orifice meter for allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas sales meter(s). The oil from the 3-phase separator is measured with an independent, designated Micro Motion Coriolis Meter for allocation. It then combines with the oil production from the other wells, flows into the heater treater(s). Then into the Ultra-Low Pressure Separator(s) (ULPS), and into one of the oil tanks. The oil is then pumped out of the common tanks to an oil sales meter (LACT Unit). The water from the 3-phase separator is measured with an independent, designated Mag meter for allocation, combines with the water from the other wells, then flows into the gun barrel, and into one of the produced water tanks. Flash gas that exits the heater treater (s) and ULPS(s) flows to the Vapor Recovery Unit (VRU). After exiting the VRU, the gas will be measured through a designated orifice meter for allocation.

The central tank battery will have 4 oil tanks and 4 water tanks that all wells will utilize. All wells will have 1 common gas delivery point(s) on or directly adjacent to location. They will also share 1 common oil delivery point (s) (LACT) on or directly adjacent to location.

Working, royalty, and overriding interest owners 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**

Mean Green 23-35 Fed Com wells (see list below)

**Devon Energy Production Company
June 22, 2018**

**Condition of Approval
Pool Lease/CA Commingling of Bone Spring and Wolfcamp production**

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 or 43 CFR 3175 and API requirements for sales meters, or as approved in this approval to commingle production.
7. Oil measurement for allocation must be measured as per Onshore Order #4 or 43 CFR 3174 and API requirements for oil measurement, or as approved in this approval to commingle production.
8. 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 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.
DC 33 = Flared gas – royalty due
DC 63 = Vented gas – royalty due
9. This agency shall be notified of any change in sales method or location of sales point.
10. Additional wells and/or leases/CAs require additional commingling approvals.
11. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
12. Submit meter numbers upon installation of meters and also provide updated facility diagram with meters numbers.
13. Coriolis meters (CMS) will be proven, as per API, BLM, and NMOCD specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then CMS meter proving frequency requirement will be as per applicable BLM regulations, notwithstanding further guidance from the local BLM authorized officer. The factor obtained will be used to allocate the production volumes.

14. This approval does not authorize any by-passes around any allocation meter or metering separator, this is to include the use of headers to divert production other production equipment other than the approve measurement points.

Mean Green 23-35 Fed Com 1H	3002544595, Wolfcamp	Lease NMNM100568 & NMNM110840
Mean Green 23-35 Fed Com 2H	3002544596, Wolfcamp	Lease NMNM100568 & NMNM110840
Mean Green 23-35 Fed Com 3H	3002544597, Bone Spring	Lease NMNM100568 & NMNM110840
Mean Green 23-35 Fed Com 4H	3002544598, Bone Spring	Lease NMNM100568 & NMNM110840

Lease NMNM100568 & NMNM110840 **Both have a Royalty Rate of 12.5%**

Two CAs are pending one for Bone Springs and one for Wolfcamp The allocation of production to the leases will be NMNM110840 - 25% and NMNM100568 – 75% the same for both CAs.

26S - 34E - 22

26S - 34E - 23

26S - 34E - 24

26S - 35E - 19

26S - 34E - 27

26S - 34E - 26

26S - 34E - 25

26S - 35E - 30

MEAN GREEN 23-35 FED COM 1-4H

Lea Co, New Mexico



This map is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one. Devon makes no warranty, representation, or guarantee of any kind regarding this map.

NAD 1927 StatePlane New Mexico East FIPS 3001

Datum: North American 1927, Units: Foot US

Created by: duncam2

Map is current as of 6/6/2018



Feet
0 400 800 1,600

1 in. = 1,666.7 feet

MEAN GREEN 23-35 FED COM 3H



Central Tank Battery



Sales Meter



Surface Location



Flow Line



Project Areas

Leasehold

NMNM 100568

34

26S - 34E - 35

26S - 34E - 36

26S - 35E - 31

