

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 COMPANY, LP  
OPERATOR ADDRESS: 20 NORTH BROADWAY, OKLAHOMA CITY, OKLAHOMA 73102-8260  
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
Red Lake; (Q-GB-SA) 51300 Red Lake; Glorieta-Yeso 51120 & 96836 Hawk 8 Battery	40.4 / 1623	44.5 / 1626		227 BOPD, 2012 BWPD, 567 MCFPD (Total Calcd Production)	55 BOPD, 1152 BWPD, 204 MCFPD (Current Hawk 8 Battery Prod)
Red Lake; Glorieta-Yeso 51120???	42 / 1553	40.5 / 1615			22 BOPD, 110 BWPD, 63 MCFPD (Est. Hawk 8D #46 Yeso Prod)
Red Lake; Glorieta-Yeso 51120???	42 / 1553	41.4 / 1585			150 BOPD, 750 BWPD, 300 MCFPD (Est. Condor 8 Federal #1 H Yeso Prod)

(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 (Specify)

The common gas sales meter will be located at the Hawk 8 Battery in Unit letter 'K', Sec 8-18S-27E Federal lease #LC-070678-A. Gas from the Hawk 8 D #46 and the Condor 8 Federal #1H will be flowed up the casing and periodically measured at each well location with a portable trailer mounted gas meter. Oil and water will be produced via the tubing and go to a header system at the tank battery. Individual wells will be periodically switched into the test treater. From there, oil will go to a test tank where it can be measured, and water production will be metered. All oil will then be sold and trucked from the location. Calibration of the gas sales meter will be done per requirements in Subparagraph (b) of Paragraph (4) of Subsection B of 19.15.5.303 NMAC. Attached is a blowup section of the Hawk 8 Battery schematic showing the liquid and gas flowlines coming from the Hawk 8 D Federal 46 and the Condor 8 Federal 1 H into the liquid header. Included in the attachment is a detailed flow path for both the oil and gas production. This battery is currently set up to "periodically test" oil production from any single well and will be set up to do the same with these two wells. Hawk 8 D Federal 46: The gas will be produced from the casing side of the well through the gas line at the Hawk 8 J Federal 2 which ends up being commingled at the Hawk 8 Battery. The gas will be metered with "periodic well tests" conducted at the well through a mobile gas test trailer. Condor 8 H Federal 1 H: The gas will be produced from the casing side of the well then tied into the Hawk 8 D Federal 46 upon it's completion which will be tied into the Hawk 8 J Federal 2 ending up being commingled at the Hawk 8 Battery. The gas will also be measured with "periodic well tests" conducted at the well through a mobile gas test trailer. Attached is a schematic showing these operations. The Hawk 8 K Battery is plumbed to isolate one well from all others and individually test each well on a periodic basis through an isolated heater treater labeled "Test Heater" and an isolated tank labeled "Test Tank" shown on Exhibit I. The attached blowups previously mentioned should describe where the new well will come into the facility.

(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.

Oil Conservation Division  
Case No. 19408  
Exhibit No. 6

- (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.

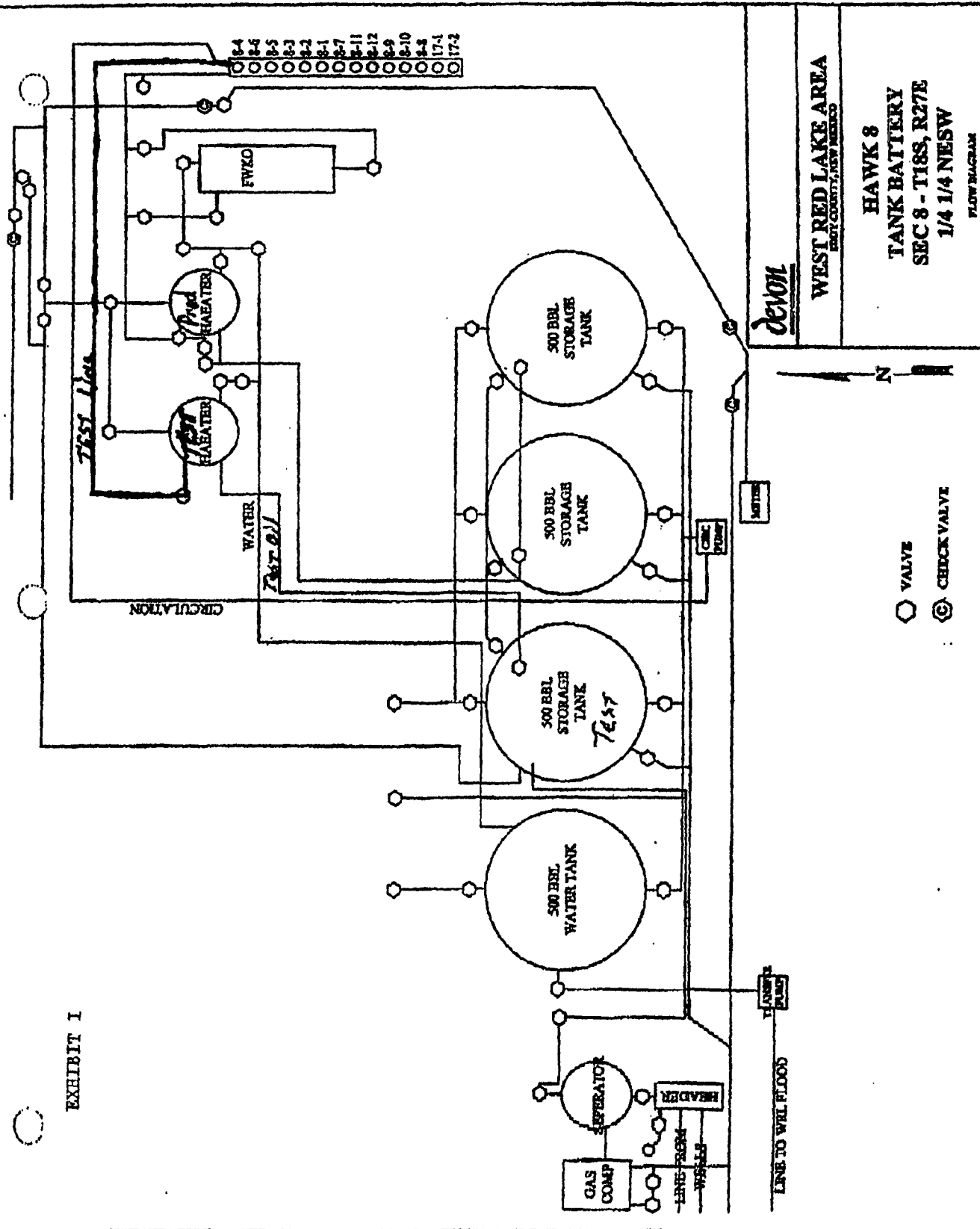
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Norvella Adams TITLE: Sr. Staff Engineering Technician DATE: November 7, 2007

TYPE OR PRINT NAME Norvella Adams TELEPHONE NO.: 405-552-8198

E-MAIL ADDRESS: norvella.adams@dvn.com

EXHIBIT 1



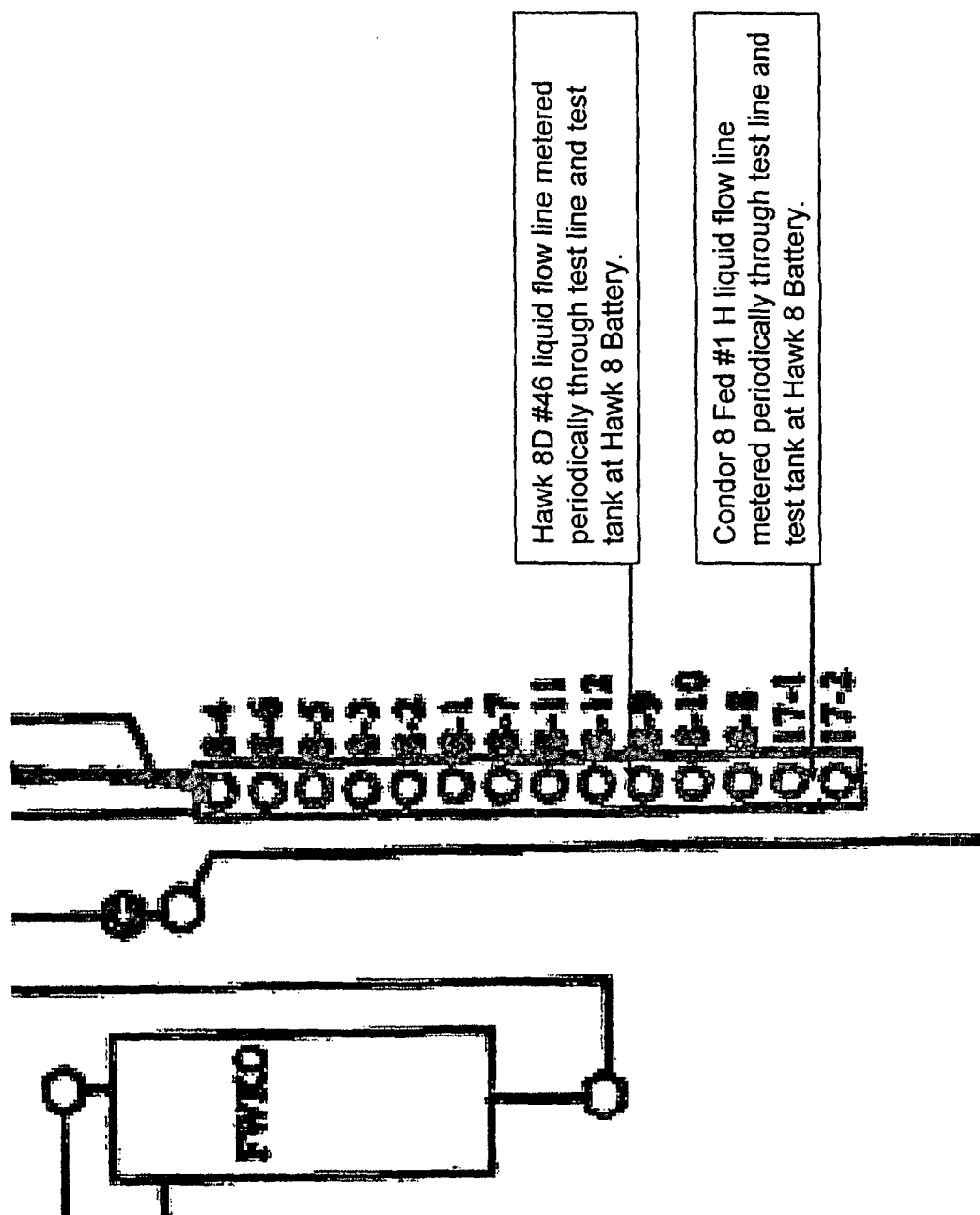
WEST RED LAKE AREA  
DEWITT COUNTY, NEW MEXICO

HAWK 8  
TANK BATTERY  
SEC 8 - T188, R27E  
1/4 1/4 NESW

FLOW DIAGRAM

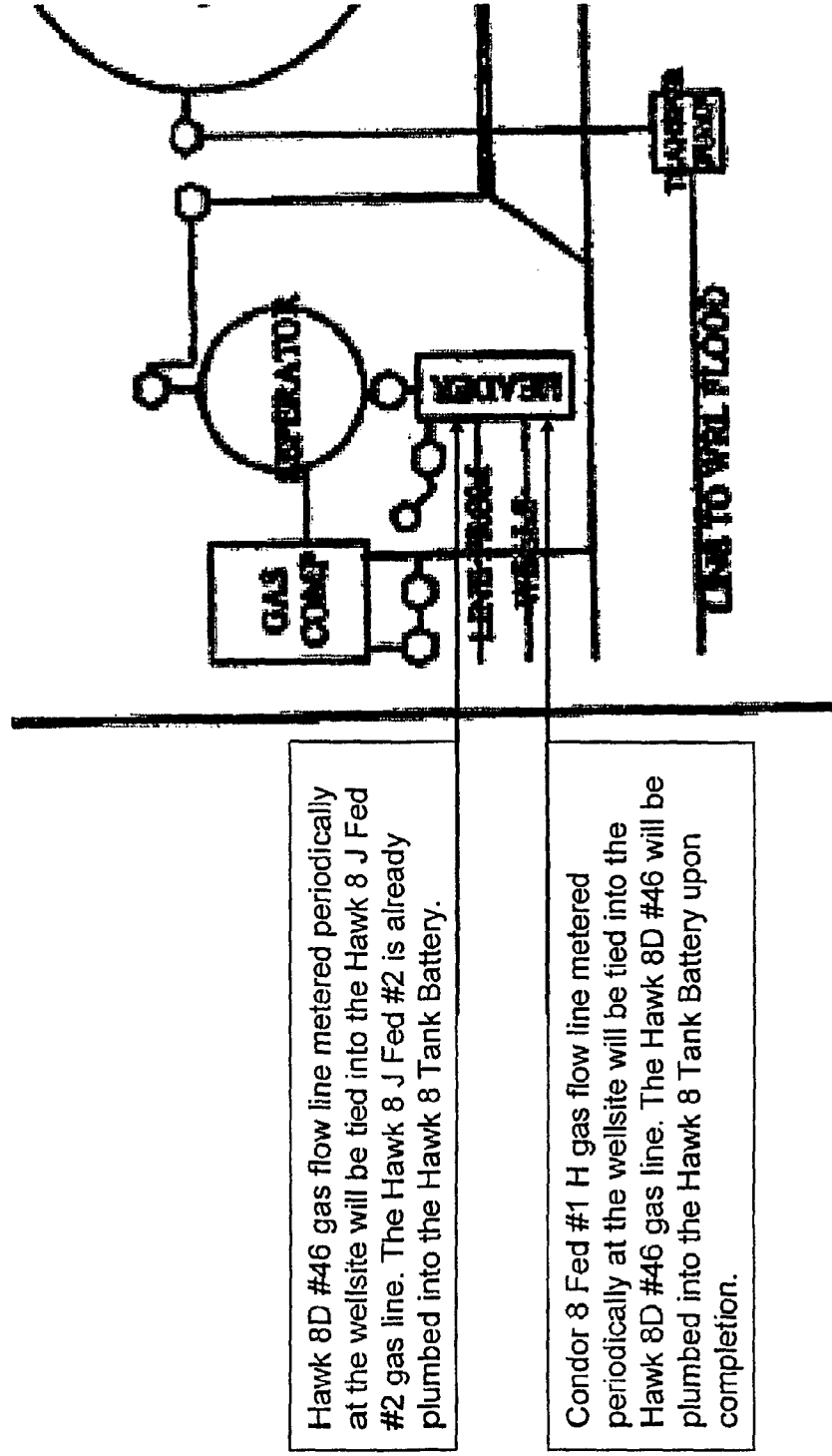
○ VALVE  
⊙ CHECK VALVE

## Hawk 8 Tank Battery Blowup – Liquid Header



Condor 8 Fed #1 H liquid flow line metered periodically through test line and test tank at Hawk 8 Battery.

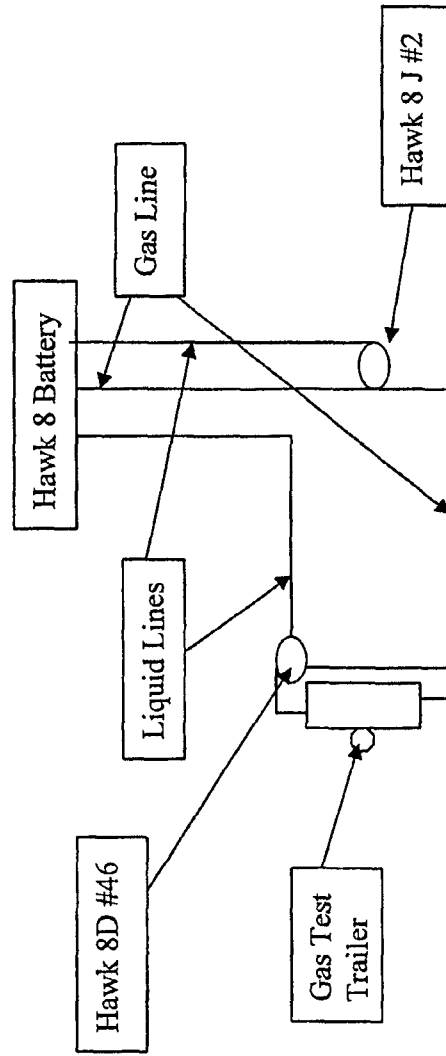
# Hawk 8 Tank Battery Blowup – Gas Header



Hawk 8D #46 gas flow line metered periodically at the wellsite will be tied into the Hawk 8 J Fed #2 gas line. The Hawk 8 J Fed #2 is already plumbed into the Hawk 8 Tank Battery.

Condor 8 Fed #1 H gas flow line metered periodically at the wellsite will be tied into the Hawk 8D #46 gas line. The Hawk 8D #46 will be plumbed into the Hawk 8 Tank Battery upon completion.

## Hawk 8D #46 Production Flow Paths



# Condor 8 Fed #1H Production Flow Paths

