

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.*5 Lease Serial No
NMNM77046 / **NM45235**

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

NM-84601

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8 Well Name and No
NORTH PURE GOLD 8 FEDERAL 10

2 Name of Operator

Contact **ERIN WORKMAN**

DEVON ENERGY PRODUCTION CO EMail: ERIN.WORKMAN@DVN.COM

9 API Well No

30-015-34594-00-S1

3a Address

333 WEST SHERIDAN AVE
OKLAHOMA CITY, OK 73102

3b Phone No (include area code)

Ph 405-552-7970

10 Field and Pool, or Exploratory
LOS MEDANOS

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 8 T23S R31E SENE 1330FNL 1310FEL

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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Surface Commingling

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 recomplate 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 recompletion 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.)

Devon Energy Production Co., LP respectfully request to Pool/Lease Commingle, Off Lease Gas Measurement, Sales, & Storage the following wells.

North Pure Gold 8 Federal 10

API 30-015-34594

S/T/R 8-T23S-R31E

Pool 977743 Wildcat S233108H, Upper Penn (Gas)

Lease: NMNM-77046

Pure Gold C-17 Federal 2

API 30-015-26021

S/T/R 17-T23S-R31E

Accepted for record
NMOCD
105
8/1/2012**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14 Thereby certify that the foregoing is true and correct

Electronic Submission #143422 verified by the BLM Well Information System

For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad

Committed to AFMSS for processing by BEVERLY WEATHERFORD on 07/19/2012 (12BMW0351SE)

Name (Printed/Typed) ERIN WORKMAN

Title REGULATORY COMPLIANCE ASSOCIAT

Signature (Electronic Submission)

Date 07/19/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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

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.

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

Additional data for EC transaction #143422 that would not fit on the form

32. Additional remarks, continued

Pool 97672 Sand Dunes; WolfcampWest (Gas)
Lease: NMNM-45235

The North Pure Gold and the Pure Gold wells will each have their own tank batteries on location and will be the only wells utilizing those batteries at this time. The North Pure Gold 8-10 produced gas will flow through a separator, to a check meter #39012062 and commingle with the Pure Gold C-17 Federal 2 *WHICH FLOWS THROUGH CHECK* meter #38166103. The Pure Gold C-17 Federal 2 produced gas will flow through a separator; commingle with the North Pure Gold 8 Federal 10 before flowing to the DCP CDP gas sales meter #: *726113-02* which is located at the Pure Gold C-17 Federal 2 site ROW has or will be obtained

The working, royalty, and overriding interest owners are not identical; parties have been notified via certified mail (see attached).

APPLICATION FOR POOL/LEASE COMMINGLE, OFF-LEASE GAS MEASUREMENT, SALES, & STORAGE

State of New Mexico – Santa Fe
Oil Conservation Division
1220 S St Francis Drive
Santa Fe, New Mexico 87505

Proposal for North Pure Gold 8 Federal 10 & Pure Gold C-17 Federal 2:

Devon Energy Production Company, LP is requesting approval for the Pool/Lease Commingle, Off --Lease Gas Measurement, Sales and Storage from the following wells:

Federal Lease NM-77046

Well Name	Location	API #	Pool 977743	MCFPD	BTU
North Pure Gold 8 Federal 10	Sec 8-T23S-R31E	30-015-34594	Wildcat S233108H, Upper Penn	86.00	1187 2

Federal Lease NM- 45235 & CA NA-84601

Well Name	Location	API #	Pool 40297	MCFPD	BTU
Pure Gold C-17 Federal 2	Sec 17-T23S-R31E	30-015-26021	Los Medanos; Delaware	0.50	1211.11 1190.04

A map is enclosed showing the Federal leases and well locations in Sections 8-T23S-R31E and 17-T23S-R21E Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

Gas metering:

The gas production from the North Pure Gold and Pure Gold wells will be the only gas production being commingled, measured, and sold off-lease. Each well has its own tank battery and they have a common CDP which is located at the Pure Gold C-17 Federal 2 location.

The North Pure Gold 8 Fed 10 will flow through a separator, then to a check meter #39012062 on location, then commingle with the Pure Gold C-17 Federal 2, *WHICH FLOW THROUGH CHECK* meter #38166103 which is located at the Pure Gold C 17-2 location. The Pure Gold C-17 Fed 2 well will flow through a separator, commingle with the North Pure Gold 8 Fed 10 well, then to the common DCP Gas Sales Meter # 726113-00.

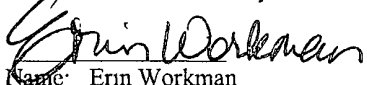
~~Well tests for each well will be conducted at least once per month~~

The BLM's interest in both wells is the same. Waste is not induced and no correlative rights are impaired. 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:

Please see attached diagram for each of the wells tank batteries. The flow of produced fluids is shown in detail, along with a description of each vessel. The commingling of production is in the interest of conservation and waste and will result in the most effective, economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses as well as reduce the surface facility footprint and overall emissions.

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. Additionally, Devon Energy Production Co, LP will submit within 30 days, an application for right-of-way approval to the BLM and NMOCD section in your office, if we have not already done so.

Signed 
Printed Name: Erin Workman
Title: Regulatory Compliance Associate
Date: 07/19/12

MAP wrong

6

5

4

7

8

9

CA-NM 84601

North Pure Gold 8 Fed. #10

23S 31E NM-77046

NM ~~45235~~
45235

Pure Gold C-17 Fed. #2

18

17

16

19

20

21

OFF LEASE PRODUCTION						
	12/01/11	01/01/12	02/01/12	03/01/12	04/01/12	05/01/12
Well Name	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas
North Pure Gold 8 Federal 10	3,968.5	4,279.	3,927.	3,428	2,749.	1,886
Pure Gold C-17 Federal 2	367 5	194.	341.5	182 5	270	122.5

Precision Gas Measurement, Inc. **Natural Gas Report**

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	N PURE GOLD 8-10
Location ID	39012062
Sample Date	2/9/2012
Operator	System
Method Name	BTUC6+ met
Injection Date	2012-02-11 09:26:02
Report Date	2012-02-11 09:30:34

Component Results

Component Name	Norm%	Gross HV (Dry) (BTU / Ideal cu.ft.)	Gross HV (Sat) (BTU / Ideal cu.ft.)	Relative Gas Density (Dry)	GPM (Dry) (Gal. / 1000 cu.ft.)
NITROGEN	0.7908	0.0	0.0	0.00765	0.087
CARBON DIOXIDE	0.4107	0.0	0.0	0.00624	0.070
METHANE	82.2736	832.9	818.4	0.45571	13.990
ETHANE	9.8253	174.3	171.2	0.10201	2.636
PROPANE	3.9907	100.6	98.9	0.06076	1.103
I-BUTANE	0.6180	20.1	19.8	0.01240	0.203
N-BUTANE	1.1120	36.4	35.7	0.02232	0.352
I-PENTANE	0.2704	10.8	10.7	0.00674	0.099
N-PENTANE	0.2948	11.8	11.6	0.00734	0.107
C6+	0.4137	21.3	20.9	0.01331	0.180
Water	0.0000	0.0	0.0	0.00000	0.000
Total	100.0000	1208.3	1187.2	0.69448	18.827

Results Summary

Result	Dry	Sat
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg F)	56.1	
Flowing Pressure (psia)	43.7	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1208.3	1187.2
Gross Heating Value (BTU / Real cu.ft.)	1212.2	1191.6
Relative Density (G), Real	0.6964	0.6955
Compressibility (Z) Factor	0.9967	0.9963
Total GPM	18.827	18.606
Wobbe Index	1452.6	1428.9

Monthly Meter Analysis

March, 2012

Meter # 38166103
Name PURE GOLD C-17 FEDERAL #2

Component	Mole %	GPMs	Mass %	Property	Total Sample	C6 Plus Fraction
Carbon Dioxide, CO2	0.1404		0.3096	Pressure Base	14.730	
Nitrogen, N2	0.7631		1.0710	Temperature Base	60.00	
Methane, C1	82.5059		66.3142	HCDP @ Sample Pressure		
Ethane, C2	10.1143	2.7129	15.2372	Cricondentherm		
Propane, C3	3.8147	1.0540	8.4277	HV, Dry @ Base P, T	1211.11	
iso-Butane, iC4	0.6256	0.2053	1.8218	HV, Sat @ Base P, T	1190.04	
n-Butane, nC4	1.2061	0.3814	3.5122	HV, Sat @ Sample P, T		
iso-Pentane, iC5	0.2789	0.1023	1.0082	Relative Density	0.6911	
n-Pentane, nC5	0.2603	0.0946	0.9409	Fws Factor		
Hexanes Plus, C6+	0.2907	0.1272	1.3572	Free Water GPM		
Water, H2O				Stock Tank Condensate Brs/mm		
Hydrogen Sulfide, H2S	0.0000		0.0000	26 # RVP Gasoline	0.478	
Oxygen, O2	0.0000		0.0000	Testcar Permian	0.394	
Carbon Monoxide, CO				Testcar Panhandle	0.537	
Hydrogen, H2				Testcar Midcon	0.453	
Helium, He	0.0000		0.0000	C4 and Lighter ST Cond		
Argon, Ar				C5 and Heavier ST Cond		
				C6/C7 GPM		
Totals	100.0000	4.6777	100.0000			

Sample			
Date	02/16/2012	Pressure	46.0
Type	Spot	Temperature	45.0



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

July 17, 2012

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

**Re: Pool/Lease Commingle, Off Lease Gas Measurement, Sales, & Storage
North Pure Gold 8 Federal 10 & Pure Gold C-17 Federal 2
API: 30-015-34594 & 30-015-26021
Sec 8-T23S-R31E and 17-T23S-R31E
Lease NMNM-77046 & NMNM-9622
Wildcat S233208H; Upper Penn 97743, Sand Dunes; Wolfcamp West 97672
Eddy County, New Mexico**

Dear Mr. Ezeanyim,

Please find attached the OCD Form C-103, C-107B and BLM Form 3160-5 Sundry Notice of Intent to Pool/Lease Commingle, Off Lease Gas Measurement, Sales & Storage the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners are not informed; notification has been sent via certified mail (see attached).

BLM sundry approval and BLM conditions of approval attached.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-7970.

Very truly yours,

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 Associate

Enclosures

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
---------	----------	----------	-----------	------	--------

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

Signature

Regulatory Compliance Associate
 Title

07-19-12
 Date

Erin Workman@div.com
 E-mail Address

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 Ave, 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
977743 Wildcat S233108H, Upper Penn (Gas)	DKR SAT 1211 11 SAT 1190.04				
40297 Los Medanos, Delaware	1187 2				

- (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 (well test method)

(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 Associate DATE 7-19-12
TYPE OR PRINT NAME Erin Workman TELEPHONE NUMBER 405-552-7970
E-MAIL ADDRESS Erin.workman@devon.com

SSubmit 3 Copies To Appropriate District
Office
District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Ave, 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 and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)		WELL API NO. See Below
1 Type of Well. Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2 Name of Operator Devon Energy Production Company, LP		6. State Oil & Gas Lease No. See Below
3 Address of Operator 20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-4524		7. Lease Name or Unit Agreement Name See Below
4 Well Location (See Below) Unit Letter _____ feet from the _____ line and _____ feet from the _____ line Section SEE BELOW Township _____ Range _____ NMPM Eddy County New Mexico		8. Well Number See Below
11. Elevation (Show whether DR, RKB, RT, GR, etc) n/a		9. OGRID Number 6137
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10 Pool name or Wildcat See Below
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: Pool/Lease Commingle, Off Lease Gas Measurement, Sales & Storage <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
---	---

13 Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103 For Multiple Completions. Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Co., LP respectfully requests to Pool/Lease Commingle, Off Lease Gas Measurement, Sales, & Storage the following wells:

	API	Sec/T/R	Pool	Lease #
North Pure Gold 8 Federal 10	30-015-34594	Sec 8-T23S-R31E	977743 Wildcat S233108H, Upper Penn (Gas)	NMNM-77046
Pure Gold C-17 Federal 2	30-015-26021	Sec 17-T23S-R31E	97672 Sand Dunes; WolfcampWest (Gas)	NMNM-45235

The North Pure Gold and the Pure Gold wells will each have their own tank batteries on location and will be the only wells utilizing those batteries at this time. The North Pure Gold 8-10 produced gas will flow through a separator, to a check meter #39012062 and commingle with the Pure Gold C-17 Federal 2 before flowing to the DCP CDP gas sales meter #38166103. The Pure Gold C-17 Federal 2 produced gas will flow through a separator; commingle with the North Pure Gold 8 Federal 10 before flowing to the DCP CDP gas sales meter #38166103 which is located at the Pure Gold C-17 Federal 2 site. ROW has or will be obtained

726118-00

The working, royalty, and overriding interest owners are not identical; parties have been notified via certified mail (see attached).

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Erin Workman TITLE Regulatory Compliance Associate DATE: 7-19-12

Type or print name Erin Workman E-mail address: Erin.Workman@dvn.com Telephone No. (405) 552-7970
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any).



Devon Energy Corporation
333 W. Sheridan Avenue
Oklahoma City, OK 73102-8260

405 235 3611 Phone
www.devonenergy.com

July 19, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Request for Pool/Lease Commingle, Off-Lease Gas Measurement,
Sales & Storage
North Pure Gold 8 Federal 10 & Pure Gold C-17 Federal 2
Sec 8 T23S R31E and Sec 17 T23S R31E
API # 30-015-34594 & 30-015-26021
Pool 40297 Los Medanos; Delaware
Eddy County, New Mexico

Gentlemen:

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 to permit the above wells.

A copy of our application submitted to the Division is 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 Associate

Enclosure

Camterra Resources Partners Ltd
2615 E End Blvd S
Marshall, Texas 75671

Certified Mailing
Number 7010 1060
0000 0923 2674

James W Rogers
416 Manor Village Cir
Midland, Texas 79707

Certified Mailing
Number 7010 1060
0000 0923 2681

Keystone O&G NM LLC
PO Box 916107
Fort Worth, Texas 76191-6107

Certified Mailing
Number 7010 1060
0000 0923 2698

Khody Land & Minerals Co
Dept 2213
PO Box 122213
Dallas, TX 75312-2213

Certified Mailing
Number 7010 1060
0000 0923 2704

FOG Resources Inc
PO Box 840321
Dallas, TX 75284-0321

Certified Mailing
Number 7010 1060
0000 0923 2711

Meredith E McConn Zenner
8001 Burgoyne Rd. Apt 15B
Houston, TX 77063

Certified Mailing
Number 7010 1060
0000 0923 2728

Melinda A McConn Chernsky
602 Fall River Rd
Houston, TX 77024

Certified Mailing
Number 7010 1060
0000 0923 2735

John R McConn
5207 Green Tree Rd
Houston, TX 77056

Certified Mailing
Number 7010 1060
0000 0923 2742

Phyllis Speight Individually
113 Windridge Cir
Midland, TX 79705

Certified Mailing
Number 7010 1060
0000 0923 2759

Jefferson B Goldman Jr
103 Park Garden Ter
Madison, Mississippi 39110

Certified Mailing
Number 7010 1060
0000 0923 2766

Gwendolyn Manning Williams
905 Pine Ct
Midland, TX 79705

Certified Mailing
Number 7010 1060
0000 0923 2773

Les R Honeyman
406 Skywood
Midland, TX 79705-2914

Certified Mailing
Number 7010 1060
0000 0923 2780

Elliott Industries
PO Box 1328
Santa Fe, NM 87504

Certified Mailing
Number 7010 1060
0000 0923 2797

Thru Line O&G NM LLC
PO Box 916107
FT Worth, TX 76191-6107

Certified Mailing
Number 7010 1060
0000 0923 2803

CTV O&G NM LLC
PO Box 916107
Ft Worth, TX 79191-6107

Certified Mailing
Number 7010 1060
0000 0923 2810

LMBI O&G NM LLC
PO Box 916107
Ft Worth, TX 76191-6107

Certified Mailing
Number 7010 1060
0000 0923 2827

SRBI O&G NM LLC
PO Box 916107
Ft Worth, TX 76191-6107

Certified Mailing
Number 7010 1060
0000 0923 2834

Filhol-Hall Company
PO Box 1231
Ogden, Utah 84403

Certified Mailing
Number: 7010 1060
0000 0923 2841

ONRR
PO Box 25627
Denver, CO 80225-0627

Certified Mailing
Number: 7010 1060
0000 0923 2858

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time 07/28/12 12 49 PM

Page 1 of 3

01 12-22-1987;101STAT1330;30USC181 ET SEQ

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

1,320.000

NMNM-- - 077046

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Case File Juris:

Serial Number: NMNM-- - 077046

Name & Address			Int Rel	%Interest
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0 000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	LESSEE	100 000000000
MEC DEVELOPMENT LTD	PO BOX 4000	THE WOODLANDS TX 773804000	OPERATING RIGHTS	0 000000000

Serial Number: NMNM-- - 077046

Mer Twp Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0230S 0310E 008		ALIQ		E2,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0310E 009		ALL		ENTIRE SECTION	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0310E 010		ALIQ		NW,W2SW,N2SE,SWSE,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number NMNM-- - 077046

Act Date	Code	Action	Action Remarks	Pending Office
08/16/1988	387	CASE ESTABLISHED		
08/17/1988	191	SALE HELD		
08/17/1988	267	BID RECEIVED	\$85800 00,	
08/18/1988	111	RENTAL RECEIVED	\$1980 00,1YR/88-89	
08/29/1988	237	LEASE ISSUED		
09/01/1988	496	FUND CODE	05,145003	
09/01/1988	530	RLTY RATE - 12 1/2%		
09/01/1988	868	EFFECTIVE DATE		
09/23/1988	974	AUTOMATED RECORD VERIF	LO/LVM	
02/15/1989	600	RECORDS NOTED		
02/16/1989	963	CASE MICROFILMED	CNUM 566,299	
07/27/1989	111	RENTAL RECEIVED	\$1980 00,1YR/89-90	
02/09/1990	575	APD FILED	SANTA FE ENERGY CJ	
03/06/1990	576	APD APPROVED	N PURE GOLD 8 FED 1	
06/08/1990	140	ASGN FILED	SAFENE/MITCHELL-SIETE	
07/04/1990	650	HELD BY PROD - ACTUAL	NORTH PURE GOLD 8 #1	
07/04/1990	658	MEMO OF 1ST PROD-ACTUAL		
07/31/1990	139	ASGN APPROVED	EFF 07/01/90,	
07/31/1990	974	AUTOMATED RECORD VERIF	MRR/ML	
08/03/1990	111	RENTAL RECEIVED	\$1980 00,21/11374	
12/14/1990	932	TRF OPER RGTS FILED	MITCHELL ENE/MEC DEV	
02/22/1991	933	TRF OPER RGTS APPROVED	EFF 01/01/91,	
02/22/1991	974	AUTOMATED RECORD VERIF	RAO/MT	
08/30/1991	909	BOND ACCEPTED	EFF 08/30/91,UT0855	
11/08/1991	899	TRF OF ORR FILED	(1)	
11/08/1991	899	TRF OF ORR FILED	(2)	

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE

Run Date/Time 07/28/12 12 47 PM

Page 1 of 4

01 02-25-1920;041STAT0437;30USC226

Total Acres

Serial Number

Case Type 311111: O&G LSE NONCOMP PUB LAND

480 000

NMLC-- 0 071988B

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Case File Juris:

Serial Number NMLC-- 0 071988B

Name & Address			Int Rel	%Interest
CAMTERRA RES PTNRS	2615 E END BLVD S	MARSHALL TX 75670	OPERATING RIGHTS	0 000000000
CTV OG NM LLC	201 MAIN ST STE 2700	FORT WORTH TX 761023131	OPERATING RIGHTS	0 000000000
CTV OG NM LLC	201 MAIN ST STE 2700	FORT WORTH TX 761023131	LESSEE	25 000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0 000000000
KEYSTONE OG NM LLC	201 MAIN ST#2700	FORT WORTH TX 76102	OPERATING RIGHTS	0 000000000
KEYSTONE OG NM LLC	201 MAIN ST#2700	FORT WORTH TX 76102	LESSEE	18 750000000
LMBI LP	201 MAIN ST #2700	FORT WORTH TX 761023131	LESSEE	18 750000000
LMBI LP	201 MAIN ST #2700	FORT WORTH TX 761023131	OPERATING RIGHTS	0 000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0 000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0 000000000
SIETE OIL & GAS CORP	BOX 2523	ROSWELL NM 882022523	OPERATING RIGHTS	0 000000000
SRBI OG NM LLC	201 MAIN ST #2700	FORT WORTH TX 76102	OPERATING RIGHTS	0 000000000
SRBI OG NM LLC	201 MAIN ST #2700	FORT WORTH TX 76102	LESSEE	18 750000000
THRU LINE OG NM LLC	201 MAIN ST #2700	FORT WORTH TX 76102	OPERATING RIGHTS	0 000000000
THRU LINE OG NM LLC	201 MAIN ST #2700	FORT WORTH TX 76102	LESSEE	18 750000000

Serial Number NMLC-- 0 071988B

Mer Twp Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0230S	0310E 008	ALIQ		W2,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S	0310E 017	ALIQ		NW,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number NMLC-- 0 071988B

Act Date	Code	Action	Action Remarks	Pending Office
07/31/1951	387	CASE ESTABLISHED		
08/01/1951	237	LEASE ISSUED		
08/01/1951	496	FUND CODE	05,145003	
08/01/1951	530	RILITY RATE - 12 1/2%		
08/01/1951	868	EFFECTIVE DATE		
06/16/1953	232	LEASE COMMITTED TO UNIT	NMMN70965X, JAMES RANC	
08/07/1953	553	CASE CREATED BY ASGN	OUT OF NMLC071988,	
09/01/1953	898	ASGN EFFECTIVE	SG	
11/15/1956	102	NOTICE SENT-PROD STATUS		
08/28/1961	651	HELD BY PROD - ALLOCATED	JAMES RANCH UA	
08/28/1961	660	MEMO OF 1ST PROD-ALLOC	JAMES RANCH UA	
03/05/1970	940	NAME CHANGE RECOGNIZED	RICHARDSON OIL/BASS	
09/09/1973	500	GEOGRAPHIC NAME	UNDEFINED FLD,	
09/09/1973	510	KMA CLASSIFIED		
07/20/1984	817	MERGER RECOGNIZED	BASS ENTPR/BASS BROS	
07/03/1985	940	NAME CHANGE RECOGNIZED	BASS BROS/BASS ENTPR	

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time 07/28/12 12:48 PM

Page 1 of 5

01 02-26-1920,041STAT0437;30USC181ETSEQ

Total Acres

Serial Number

Case Type 312011: O&G LSE COMP PUBLIC

480.000

NMNM-- - 045235

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Case File Juris:

Serial Number: NMNM-- - 045235

Name & Address			Int Rel	%Interest
BRIGGS RICHARD S	17 MEADOWBROOK LN	TROPHY CLUB TX 76262	OPERATING RIGHTS	0 000000000
CAMTERRA RES PTNRS	2615 E END BLVD S	MARSHALL TX 75670	OPERATING RIGHTS	0 000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0 000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	LESSEE	37 500000000
EOG RESOURCES INC	333 CLAY ST #4200	HOUSTON TX 77002	OPERATING RIGHTS	0 000000000
EOG RESOURCES INC	333 CLAY ST #4200	HOUSTON TX 77002	LESSEE	8 330000000
KAISER FRANCIS OIL	PO BOX 21463	TULSA OK 741211468	OPERATING RIGHTS	0 000000000
MARBOB ENERGY CORP	PO BOX 227	ARTESIA NM 882110227	OPERATING RIGHTS	0 000000000
ORION OG PROPERTIES	PO BOX 2523	ROSWELL NM 88202	OPERATING RIGHTS	0 000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0 000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0 000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	LESSEE	54 170000000
POGO PRODUCING CO LLC	PO BOX 2504	HOUSTON TX 772522504	OPERATING RIGHTS	0 000000000
SIETE OIL & GAS CORP	BOX 2523	ROSWELL NM 882022523	OPERATING RIGHTS	0 000000000

Serial Number NMNM-- - 045235

Mer Twp Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0230S 0310E 017		ALIQ		NE, S2,	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number NMNM-- - 045235

Act Date	Code	Action	Action Remarks	Pending Office
04/20/1981	387	CASE ESTABLISHED	PARCEL #32	
04/21/1981	196	BID ACCEPTED		
07/17/1981	237	LEASE ISSUED		
08/01/1981	496	FUND CODE	05,145003	
08/01/1981	532	RLTY RATE 12.5-25% SCH B		
08/01/1981	868	EFFECTIVE DATE		
09/28/1982	650	HELD BY PROD - ACTUAL		
03/11/1983	140	ASGN FILED	COQUINA/SANTA FE ENE	
10/13/1983	940	NAME CHANGE RECOGNIZED	CHESSIE EXPL/CSX EXPL	
03/18/1985	140	ASGN FILED	ACP PETRO/PRIMARY FUE	
05/06/1985	139	ASGN APPROVED	EFF 04/01/83,	
07/10/1985	140	ASGN FILED	FLORIDA EXPL/APC OPER	
07/28/1986	139	ASGN APPROVED	EFF 04/01/85,	
07/28/1986	139	ASGN APPROVED	EFF 08/01/85,	
07/31/1986	963	CASE MICROFILMED	CNUM 101,939 AD	
06/15/1987	817	MERGER RECOGNIZED	CSX EXPL/TX GAS	
06/15/1987	940	NAME CHANGE RECOGNIZED	TX GAS/CSX O&G	

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

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

North Pure Gold 8 Federal 10 / Pure Gold C-17 Federal 2

Devon Energy Production Co , LP

July 28, 2011

**Condition of Approval
Commingle on and off lease**

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. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
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 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.
9. This agency shall be notified of any change in sales method or location of sales point
10. Additional wells and/or leases require additional commingling approvals.

The public's interest in all these leases/CA/unit has been found to be identical at 12.5%. Therefore, this commingle is being approved. This does not mean that the allocation of production to each lease/CA/unit will be 100% accurate each month. By approving this request it will only guarantees that the public's interest will not be compromised.