

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.
NMNM44594

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
AQUILLA 22 FED 1H

2. Name of Operator

DEVON ENERGY PRODUCTION CO., LP

Contact: ERIN WORKMAN

E-Mail: ERIN.WORKMAN@DEVN.COM

9. API Well No.
30-015-40755

3a. Address

333 WEST SHERIDAN AVENUE
OKC, OK 73102

3b. Phone No. (include area code)

Ph: 405-552-7970

10. Field and Pool, or Exploratory
LUSK; BONE SPRING

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

Sec 22 T19S R31E 1040FNL 50FEL

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.)

Devon Energy Production Company, LP respectfully requests approval for a Central Tank Battery, Lease Commingle, Off-Lease Measurement, Sales, & Storage for the following wells:

Aquila 22 Fed Com 1H
NENE Sec. 22-T19S-R31E
30-015-40755 627
Lusk; Bone Spring; West

NM 44594
CA-NM 131438

Aquila 22 Fed Com 2H
NENE Sec. 22-T19S-R31E
03-015-40627 755

NM 44594

Accepted for record
NMOCD

105
4-21-14

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED

APR 21 2014

NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #230378 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO., LP, sent to the Carlsbad
Committed to AFMSS for processing by JOHNNY DICKERSON on 01/28/2014 ()

Name (Printed/Typed) ERIN WORKMAN

Title REGULATORY COMPLIANCE ASSOC.

Signature (Electronic Submission)

Date 12/23/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

EPS

Date

4/17/14

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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #230378 that would not fit on the form

32. Additional remarks, continued

Lusk; Bone Spring; West

Aquila 22 Fed Com 4H
NESE Sec. 22-T19S-R31E
30-015-41159

NM 92767
(CA-REQUIRED)

Lusk; Bone Spring; West

Antares 23 Fed Com 1H
NWNW Sec. 23-19S-31E
30-015-41105

NM 0107697
(CA-REQUIRED)

Lusk; Bone Spring; West

Antares 23 Fed 2H
NWNW Sec. 23-19S-31E
30-015-41106

NM 0107697

Lusk; Bone Spring; West

See Attachment

APPLICATION FOR A CENTRAL TANK BATTERY, LEASE COMMINGLE, OFF LEASE MEASUREMENT, SALES, & STORAGE

Central Tank Battery Proposal for the Antares Wells:

Devon Energy Production Company, LP is requesting approval for the Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales, & Storage for the following wells:

Federal Lease NMLC 0070242A (12.5%), NM44594 (SCH. B 12.5-25%), CA NM131438				Oil			
Well Name	Location	API #	Pool 41480	BOPD	Gravities	MCFPD	BTU
Aquila 22 Fed Com 1H	NENE Sec. 22-T19S-R31E	30-015-40627	Lusk; Bone Spring; West	32.56	35	130.16	1306.6

Federal Lease: NM44594 (SCH. B 12.5-25%)				Oil			
Well Name	Location	API #	Pool 41480	BOPD	Gravities	MCFPD	BTU
Aquila 22 Fed 2H	NENE Sec. 22-T19S-R31E	30-015-40755	Lusk; Bone Spring; West	81.71	34	129.34	1306.6

Federal Lease: NM44594 (SCH. B 12.5-25%), NM 92767 (16 2/3%) <i>CA needed</i>				Oil			
Well Name	Location	API #	Pool 41480	BOPD	Gravities	MCFPD	BTU
Aquila 22 Fed Com 4H	NESE Sec. 22-T19S-R31E	30-015-41159	Lusk; Bone Spring; West	1,062	35*	876.50	1306.6*

Federal Lease: NM112274 (12.5%), NM09003 (12.5%), NM0107697 (Step Rate: 12.5% -25%) <i>CA needed</i>				Oil			
Well Name	Location	API #	Pool 41480	BOPD	Gravities	MCFPD	BTU
Antares 23 Fed 1H	NWNW Sec. 23-T19S-31E	30-015-41105	Lusk; Bone Spring; West	195.9	35*	141*	1358.9*

Federal Lease: NMNM 0107697 (Step Rate: 12.5% -25%)				Oil			
Well Name	Location	API #	Pool 41480	BOPD	Gravities	MCFPD	BTU
Antares 23 Fed 2H	NWNW Sec. 23-T19S-31E	30-015-41106	Lusk; Bone Spring; West	195.9	35*	141*	1358.9*

*These are proposed totals for these wells; once these wells are drilled the production information will be amended. I will submit BOPD & MCFPD for the Antares 23 Fed 1H & 2H upon receipt.

Attached is a map displays the federal leases and well locations in Section 22 & 23 -T19S-R31E.

The BLM's interest in all five wells is different.

Oil & Gas metering:

The central tank battery is located on the shared pad for the Aquila 22 Fed Com 1H and the Aquila 22 Fed 2H located in NENE, Sec. 22-T19S-R31E. The production from each well will have its own three phase separator with coriolis to meter the oil, flow meter to meter the water, and gas allocation meter to meter the gas. VRU (meter #677-00-061) will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Aquila 22 Federal Battery will have four oil tanks that all five wells will utilize and they have a common Duke Energy Central Delivery Point #13135416 which is located on the northeast corner of the facility. Oil, gas, and water volumes from these wells producing to this battery will be determined by using a test separator/heater treater at the each facility.

Aquila 22 Fed Com 1H production flows to a three phase test separator, where after separation gas is routed to the gas test meter # 677-49-062 then to the Duke Energy CDP #1315416. Produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis meter S/N 14326759 and water is metered using a turbine meter. The oil then flows into an oil production line where it is combined with the other wells oil and flows to one of the 500 bbl. Oil will be sold by truck load LACT. (Number to be provided) The water from this well flows to the 500 bbl. produced water tank, along with the water from the other wells.

Aquila 22 Fed 2H production flows to a three phase test separator, where after separation gas is routed to the gas test meter (Number will be provided upon receipt), then to the DCP CDP #1315416 located on . Produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis meter (Number will be provided upon receipt) and water is metered using a turbine meter. The oil then flows into an oil production line where it is combined with the other wells oil and flows to one of the 500 bbl. Oil will be sold by

truck load LACT. **(Number to be provided)** The water from this well flows to the 500 bbl. produced water tank, along with the water from the other wells.

Aquila 22 Fed Com 4H production flows to a three phase test separator, where after separation gas is routed to the gas test meter #677-49-091 then to the DCP CDP #1315416 located on . Produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis meter #14371123 and water is metered using a turbine meter. The oil then flows into an oil production line where it is combined with the other wells oil and flows to one of the 500 bbl. Oil will be sold by truck load LACT. **(Number to be provided)** The water from this well flows to the 500 bbl. produced water tank, along with the water from the other wells.

Antares 23 Fed Com 1H production flows to a three phase test separator, where after separation gas is routed to the gas test meter #677-49-224. then to the DCP CDP #1315416 located on . Produced water and oil are separated; the oil is then metered with a Micro Motion Coriolis meter (Number will be provided upon receipt) and water is metered using a turbine meter. The oil then flows into an oil production line where it is combined with the other wells oil and flows to one of the 500 bbl. Oil will be sold by truck load LACT. **(Number to be provided)** The water from this well flows to the 500 bbl. produced water tank, along with the water from the other wells.

Antares 23 Fed 2H production flows to a three phase test separator, where after separation gas is routed to the gas test meter #677-49-106, then to the DCP CDP #1315416 located on . Produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis meter (Number will be provided upon receipt) and water is metered using a turbine meter. The oil then flows into an oil production line where it is combined with the other wells oil and flows to one of the 500 bbl. Oil will be sold by truck load LACT. **(Number to be provided)** The water from this well 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 Test Meter. This meter 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. Oil will be sold by truck load LACT. **(Number to be provided)** Gas production will be allocated on a daily basis based on the subtraction method from the Duke Energy Gas Sales Meter and the gas test meter. The gas production from the production equipment and the test gas meter will commingle and flow through the Duke Energy Gas Sales meter. These meters will be calibrated on a regular basis per API, NMOCD, and BLM specifications. The BLM & 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.

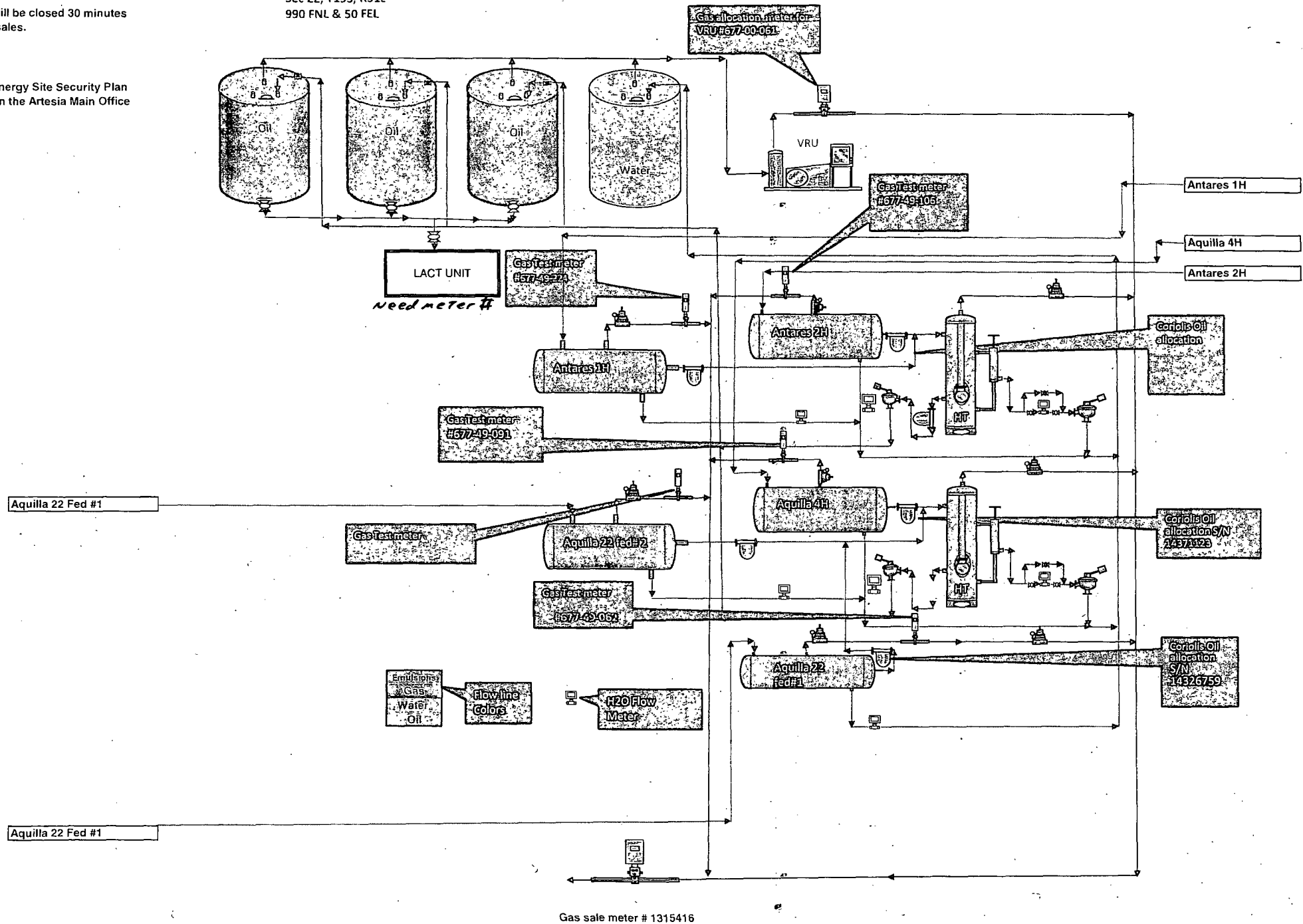
Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. ROW #72772, #121785, & 118281.

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

Signed: 
Printed Name: Erin Workman
Title: Regulatory Compliance Associate
Date: 11/10/13

Aquila 22 Fed Com #1H Tank Battery
Sec 22, T195, R31E
990 FNL & 50 FEL

Note:
Devon Energy Site Security Plan
located in the Artesia Main Office



SECTION LAND PLAT

County Eddy State New Mexico

Section 22 Township 19 S Range 31 E

Aquila 22 Fed Com 1 H

SHL: 900' FNL, 50' FEL / BHL: 400' FNL, 340' FWL

Aquila 22 Fed 2 H

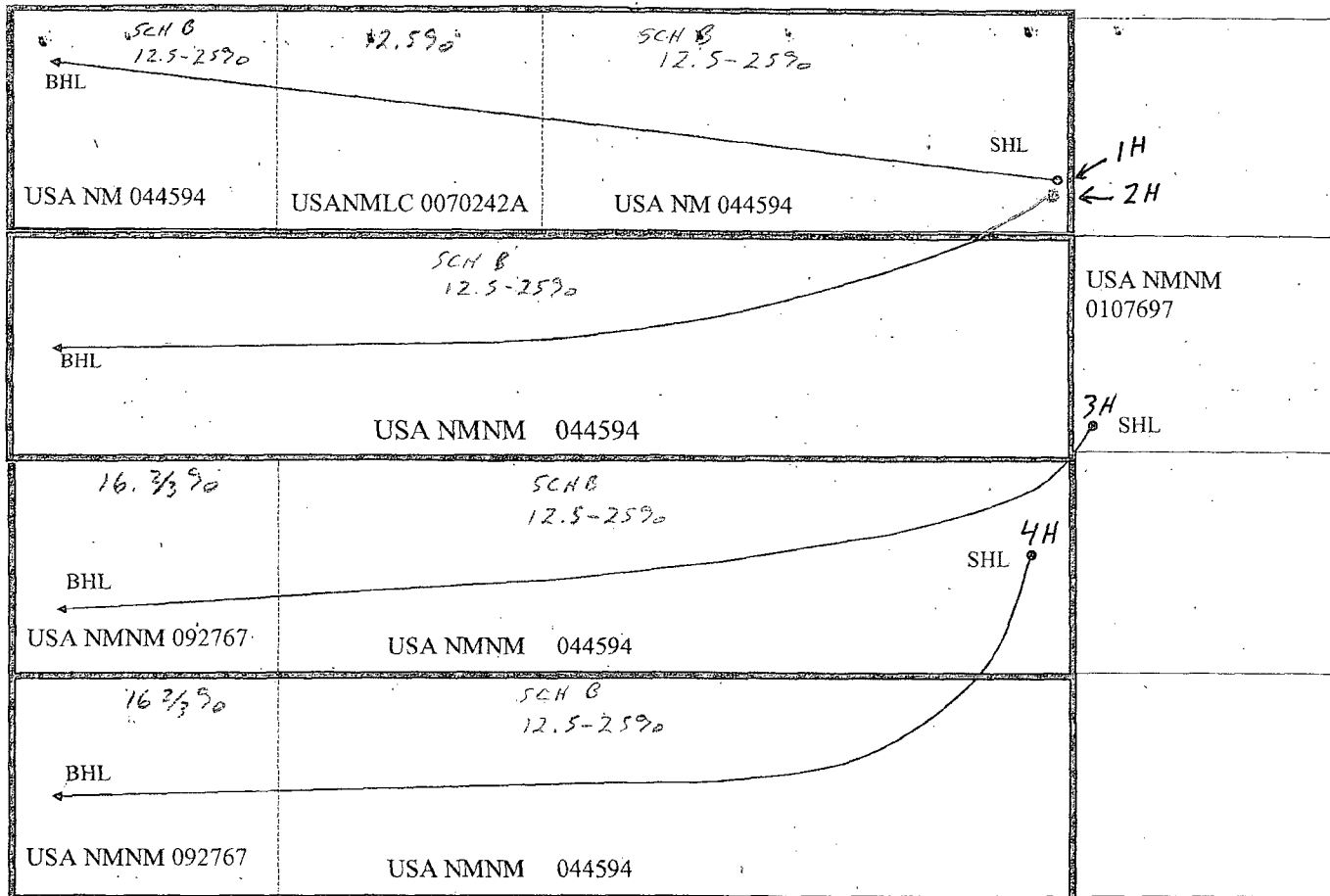
SHL: 1040' FNL, 50' FEL / BHL: 1980' FNL, 340' FWL

Aquila 22 Fed Com 13 H

SHL: 2400' FNL, 140' FWL of Sec. 23-19S-31E / BHL: 1980' FSL, 340' FWL of Sec. 22-19S-31E

Aquila 22 Fed Com 4 H

SHL: 2140' FSL, 225' FEL of Sec. 22-19S-31E / BHL: 621' FSL, 366' FWL of Sec. 22-19S-31E



Section 22

Sec. 23

SECTION LAND PLAT

County Eddy State New Mexico

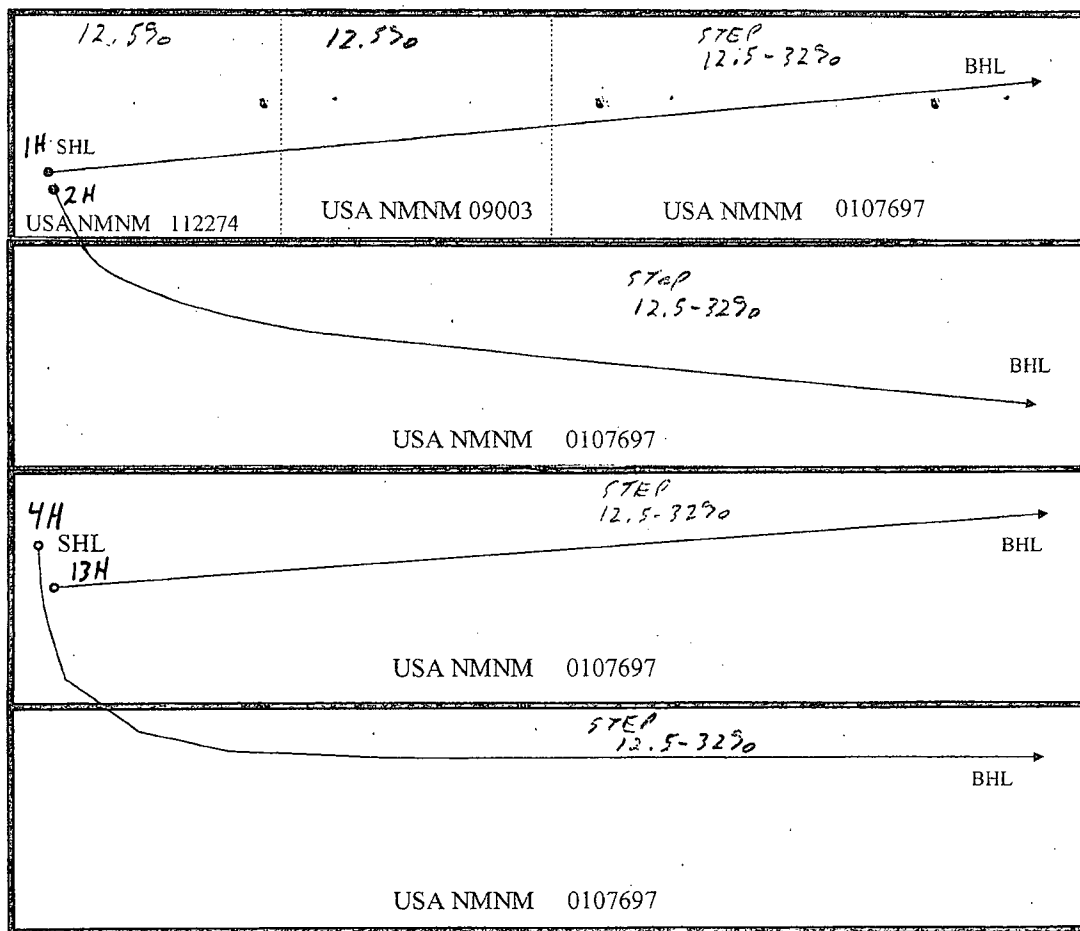
Section 23 Township 19 S Range 31 E

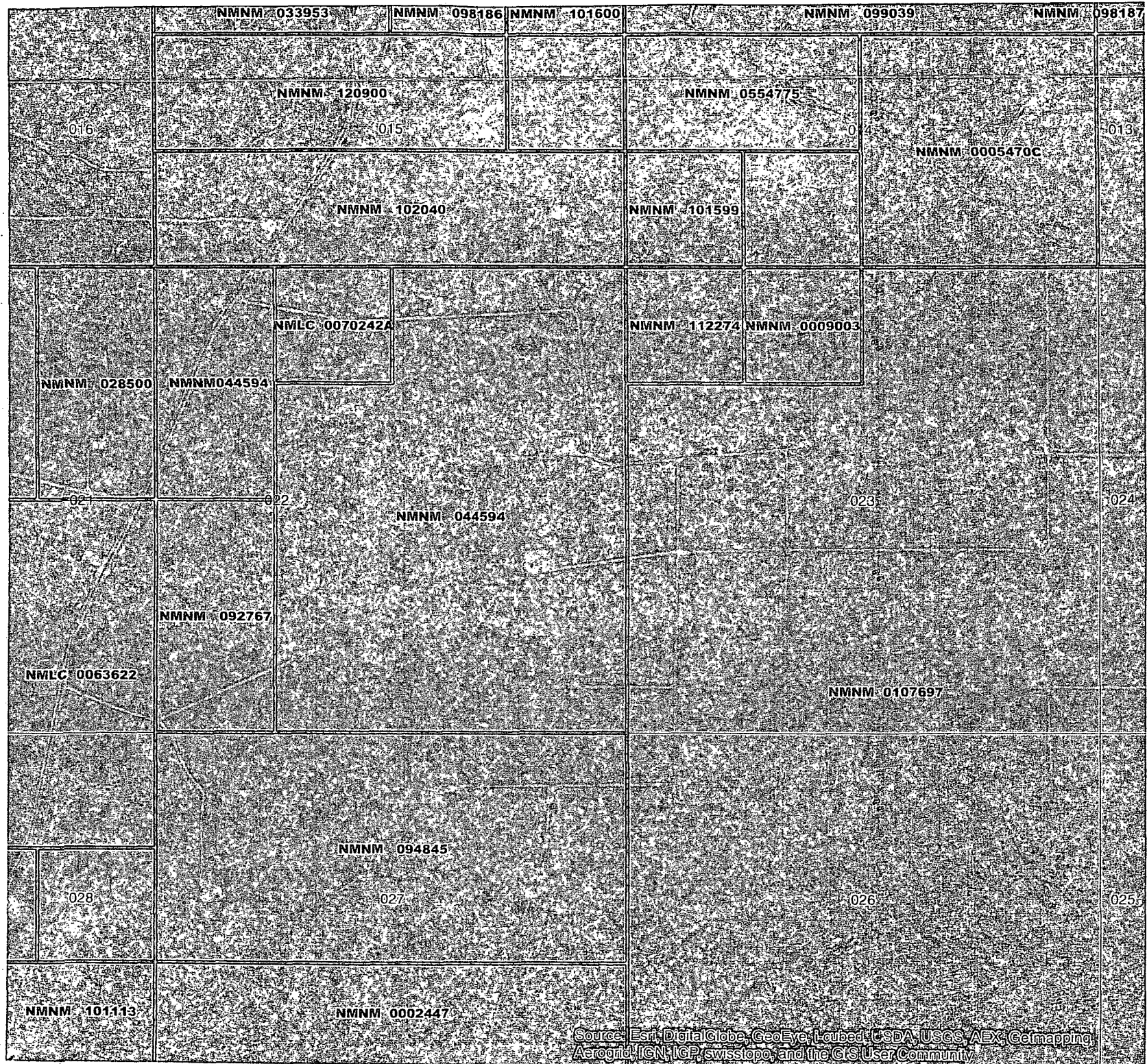
Antares 23 Fed Com 1H: SHL: 1030' FNL, 225' FWL / BHL: 400' FNL, 340' FEL

Antares 23 Fed 2 H: SHL: 1080' FNL, 225' FWL / BHL: 1980' FNL, 340' FEL

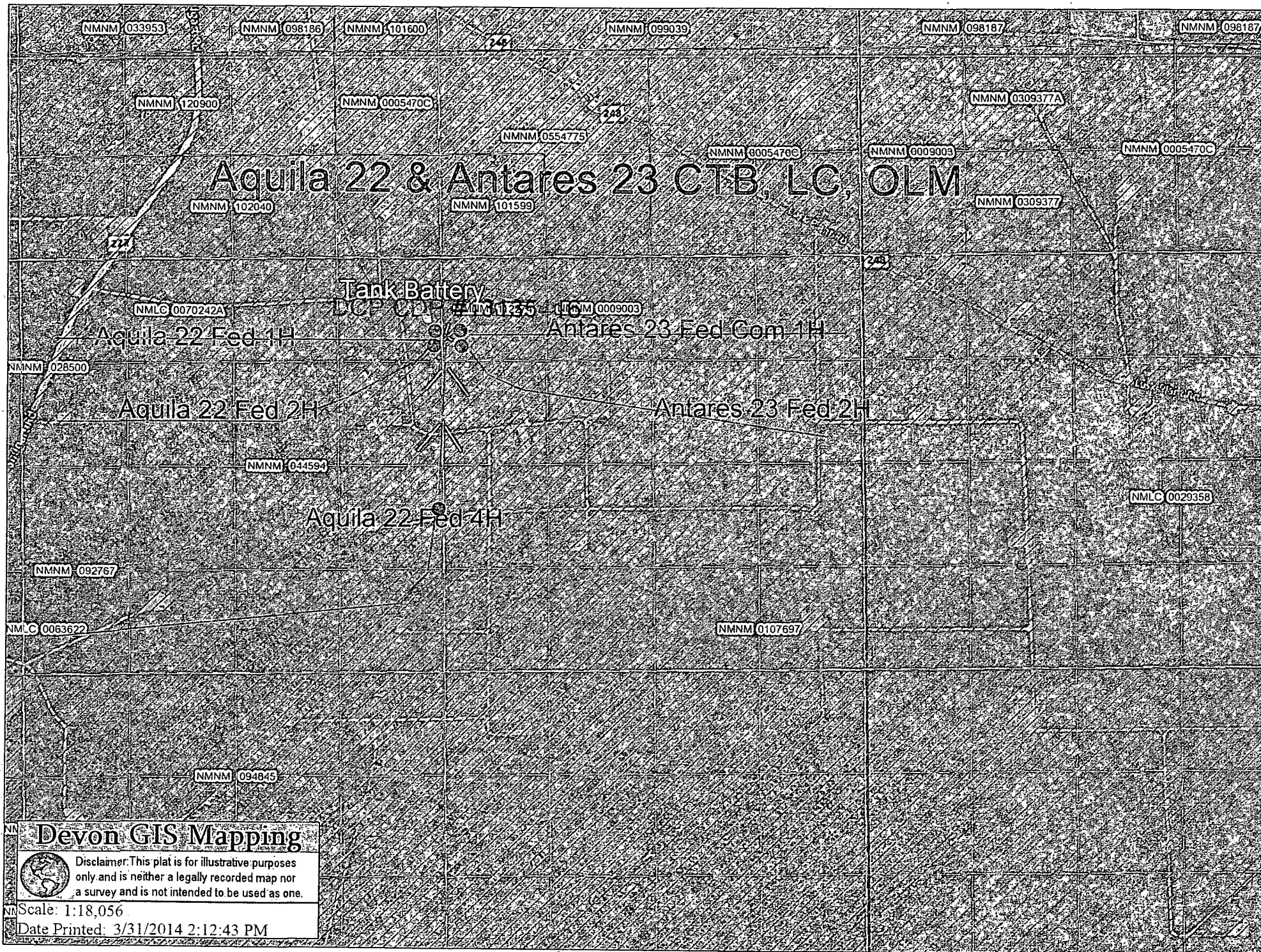
Antares 23 Fed 13 H: SHL: 2400' FNL, 190' FWL / BHL: 1980' FSL, 340' FEL

Antares 23 Fed 4 H: SHL: 2190' FSL, 185' FWL / BHL: 990' FSL, 340' FEL





Source: Esri, DigitalGlobe, GeoEye, Earthstar (USDA), USGS, AeroGRID, IGN, IGP, swisstopo, and the GIS User Community



Devon GIS Mapping



Disclaimer: This plat is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one.

Scale: 1:18,056

Date Printed: 3/31/2014 2:12:43 PM

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 08:25 AM
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Run Date: 10/22/2013

01 02-25-1920;041STAT0437;30USC181ETSEQ

Case Type 312011: O&G LSE COMP PUBLIC

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres
520.000

Serial Number
NMNM-- - 044594

Serial Number: NMNM-- - 044594

Name & Address	Int Rel	% Interest
CHASE OIL CORP COG OPERATING LLC DEVON ENERGY PROD CO LP KHODY LAND & MINERALS CO LOTHIAN OIL INC MARBOB ENERGY CORP SHACKELFORD OIL CO	PO BOX 1767 600 WILLINOIS AVE, ONE CONCHO CENTE 333 W SHERIDAN AVE 210 PARK AVE STE 900 303 W WALL #500 PO BOX 227 3510 N A ST BLDG B # 100	ARTESIA NM 882111767 MIDLAND TX 79701 OKLAHOMA CITY OK 731025010 OKLAHOMA CITY OK 731025606 MIDLAND TX 79701 ARTESIA NM 882110227 MIDLAND TX 797055428
	OPERATING RIGHTS OPERATING RIGHTS LESSEE OPERATING RIGHTS OPERATING RIGHTS OPERATING RIGHTS OPERATING RIGHTS	0.0000000 0.0000000 100.0000000 0.0000000 0.0000000 0.0000000 0.0000000

Serial Number: NMNM-- - 044594

Mer Twp, Rng, Sec	STyp	SNr Suf	Subdivision	District/Field Office	County	Mgmt Agency
23.0180S 0310E 022	ALIQ		E2,W2NW,SE1NW,E2SW	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 044594

Act Date	Code	Action	Action Remark	Pending Office
02/23/1981	387	CASE ESTABLISHED	PARCEL #3	
02/24/1981	196	BID ACCEPTED		
04/29/1981	237	LEASE ISSUED		
05/01/1981	496	FUND CODE	05,145003	
05/01/1981	532	RLTY RATE 12.5-25% SCH B		
05/01/1981	868	EFFECTIVE DATE		
04/05/1982	111	RENTAL RECEIVED	\$1040.00;1YR/82-83	
03/04/1983	111	RENTAL RECEIVED	\$1040.00;1YR/83-84	
03/11/1983	140	ASGN FILED	COQUINA/SANTA FE ENE	
05/05/1983	139	ASGN APPROVED	EFF 04/01/83;	
04/16/1984	111	RENTAL RECEIVED	\$0;84-85	
04/03/1985	932	TRF OPER RGTS FILED		
04/08/1985	111	RENTAL RECEIVED	\$0;85-86	
03/26/1986	650	HELD BY PROD - ACTUAL		
04/10/1986	111	RENTAL RECEIVED	\$1040.00;1YR/86-87	
05/28/1986	963	CASE MICROFILMED	CNUM 556,939 DS	
09/11/1986	933	TRF OPER RGTS APPROVED	EFF 05/01/85;	
12/07/1987	140	ASGN FILED	SANTA FE ENE/OPER	
04/12/1988	139	ASGN APPROVED	EFF 01/01/88;	
06/16/1988	974	AUTOMATED RECORD VERIF	JA/JA	
10/26/1989	932	TRF OPER RGTS FILED	FELMONT OIL/OG	
11/24/1989	933	TRF OPER RGTS APPROVED	EFF 11/01/89;	
11/24/1989	974	AUTOMATED RECORD VERIF	MCS/MIG	
01/03/1991	932	TRF OPER RGTS FILED	SANTA FE ENE/MARBOB	
01/24/1991	899	TRF OF ORR FILED		
03/18/1991	933	TRF OPER RGTS APPROVED	EFF 02/01/91;	
03/18/1991	974	AUTOMATED RECORD VERIF	GLC/MT	
12/07/1992	932	TRF OPER RGTS FILED	MARBOB/CHASE OIL CORP	
02/03/1993	933	TRF OPER RGTS APPROVED	EFF 01/01/92;	
02/03/1993	974	AUTOMATED RECORD VERIF	JLV/JS	
04/07/1993	909	BOND ACCEPTED	EFF 04/05/93;NM2151	
08/22/1994	899	TRF OF ORR FILED	(1)	

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

39475 / 22 Feb 14 NENE - 44594 - 30-015-40627
39137 / 22 Feb 14 NENE - 30-015-41159

22 Feb 24 41105
41106

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page

Run Time: 08:25 AM

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Run Date: 10/22/2013

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

Case Type: 311111: O&G LSE NONCOMP PUB LAND

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres
40.000

Serial Number
NMLC: 0 070242A

Serial Number: NMLC: 0 070242A

Name & Address	Int Rel	% Interest		
AARON JO ANN	PO BOX 4572	MIDLAND TX 79704	OPERATING RIGHTS	0.0000000
COG OPERATING LLC	600 WILLINOIS AVE, ONE CONCHO CENTE	MIDLAND TX 79701	OPERATING RIGHTS	0.0000000
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 740057500	LESSEE	50.0000000
GARRETT JERRY	3801 BEDFORD	MIDLAND TX 79703	OPERATING RIGHTS	0.0000000
KEFFLER DONNA	2312 DENGAR	MIDLAND TX 79705	OPERATING RIGHTS	0.0000000
KEFFLER JOHN	2312 DENGAR	MIDLAND TX 79705	OPERATING RIGHTS	0.0000000
LEDBETTER RODNEY	1708 NORTHRUP	MIDLAND TX 79705	OPERATING RIGHTS	0.0000000
LOTHIAN OIL INC	303 W WALL #500	MIDLAND TX 79701	OPERATING RIGHTS	0.0000000
LYNX PETRO CONSULTANTS INC	PO BOX 1708	HOBBS NM 882411708	LESSEE	50.0000000
MACK CHASE TRUSTEE	PO BOX 693	ARTESIA NM 88210	OPERATING RIGHTS	0.0000000
MACK ENERGY CORP	PO BOX 960	ARTESIA NM 88211	OPERATING RIGHTS	0.0000000
MARBOB ENERGY CORP	PO BOX 227	ARTESIA NM 882110227	OPERATING RIGHTS	0.0000000

Serial Number: NMLC: 0 070242A

Mer.Twp.Rng.Sec.	Styp	SNr.Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0190S 0310E 022	ALIQ		NENW	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMLC: 0 070242A

Act Date	Code	Action	Action Remark	Pending Office
04/30/1951	1387	CASE ESTABLISHED		
05/01/1951	237	LEASE ISSUED		
05/01/1951	496	FUND CODE	05:145003	
05/01/1951	530	RETY RATE 12 1/2%		
05/01/1951	868	EFFECTIVE DATE		
04/01/1961	898	ASGN EFFECTIVE		
04/27/1961	553	CASE CREATED BY ASGN	OUT OF NMLC070242;	
05/03/1963	510	KMA CLASSIFIED		
05/03/1963	650	HELD BY PROD - ACTUAL		
05/03/1963	658	MEMO OF 1ST PROD-ACTUAL		
05/17/1963	500	GEOGRAPHIC NAME	WEST LUSK FIELD;	
07/01/1963	102	NOTICE SENT-PROD STATUS		
10/24/1979	940	NAME CHANGE RECOGNIZED	CONTL OIL/CONOCO INC	
04/27/1987	974	AUTOMATED RECORD VERIF	DV/SR	
05/08/1987	963	CASE MICROFILMED	CNUM 102,522 RW	
11/16/1988	140	ASGN FILED	TENNECO OIL/TOC-GULF	
12/05/1988	139	ASGN APPROVED	EFF 12/01/88;	
12/05/1988	974	AUTOMATED RECORD VERIF	GLC/JR	
08/08/1989	140	ASGN FILED	TOCGULF/FINA OIL&CHEM	
08/29/1989	139	ASGN APPROVED	EFF 09/01/89;	
08/29/1989	974	AUTOMATED RECORD VERIF	MCS/MT	
09/15/1989	932	TRF OPER RGTS FILED	TOC-GULF COAST/FINA	
10/05/1989	933	TRF OPER RGTS APPROVED	EFF 10/01/89;	
10/05/1989	974	AUTOMATED RECORD VERIF	DGT/MT	
05/25/1990	932	TRF OPER RGTS FILED	AMCO PROD/MACK ENE	
07/24/1990	933	TRF OPER RGTS APPROVED	EFF 06/01/90;	
07/24/1990	974	AUTOMATED RECORD VERIF	GLC/ML	
02/12/1992	932	TRF OPER RGTS FILED	CONOCO/FINA	

117891

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

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 08:25 AM

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Run Date: 10/22/2013

01 12-22-1987; 101STAT1330; 30USC181 ET SE
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres 120.000
Serial Number NMNM-- - 092767

Name & Address		Serial Number: NMNM-- - 092767	Int Rel	% Interest
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.0000000
FONAY OIL & GAS LLC	5333 N BAGGETT ST	HOBBS NM 882429703	OPERATING RIGHTS	0.0000000
LYNX PETRO CONSULTANTS INC	PO BOX 1708	HOBBS NM 882411708	LESSEE	100.0000000
TRAVCO RESOURCES LLC	PO BOX 1708	HOBBS NM 88241	OPERATING RIGHTS	0.0000000
WATSON OIL & GAS LLC	1501 N GRIMES ST	HOBBS NM 882403719	OPERATING RIGHTS	0.0000000

Mer.Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0190S	0310E	022	ALIQ		W2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0190S	0310E	028	ALIQ		SENE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Act Date	Code	Action	Action Remark:	Pending Office
01/18/1994	387	CASE ESTABLISHED	9401079	
01/19/1994	191	SALE HELD		
01/19/1994	267	BID RECEIVED	\$37800.00;	
01/19/1994	392	MONIES RECEIVED	\$240.00;	
02/02/1994	392	MONIES RECEIVED	\$37560.00;	
02/08/1994	237	LEASE ISSUED		
02/08/1994	974	AUTOMATED RECORD VERIF		LO/MV
02/24/1994	111	RENTAL RECEIVED	\$180.00; 21/MULTIPLE	
03/01/1994	496	FUND CODE	05;145003	
03/01/1994	868	EFFECTIVE DATE		
03/11/1994	600	RECORDS NOTED		
03/28/1994	963	CASE MICROFILMED		
09/12/1994	974	AUTOMATED RECORD VERIF	GSB	
03/01/1995	531	RLTY RATE - 16.2/3%	/A/	
06/29/1995	791	TERMINAT'N NOTICE ISSUED	CLASS II	
06/30/1995	284	REINSTATEMENT FILED	CLASS II;	
07/03/1995	084	RENTAL RECEIVED BY ONRR	\$180.00; 23/0000000080	
07/21/1995	238	LEASE MODIFIED-AMENDED		
08/11/1995	610	PUBLISHED	60FR41098;	
09/12/1995	282	REINSTATEMENT APPROVED	CLASS II EFF 3/1/95;	
09/12/1995	315	RENTAL RATE DET/ADJ	\$10.00;	
09/12/1995	379	REFUND AUTHORIZED	\$180.00;	
09/12/1995	974	AUTOMATED RECORD VERIF	GSB	
09/25/1995	084	RENTAL RECEIVED BY ONRR	\$1200.00; 11	
01/29/1996	084	RENTAL RECEIVED BY ONRR	\$1200.00; 21/000000009	
12/09/1996	084	RENTAL RECEIVED BY ONRR	\$1020.00; 21/000000011	
02/02/1998	140	ASGN FILED	STEVE SELL/LNYX PETRO	
02/19/1998	084	RENTAL RECEIVED BY ONRR	\$1200.00; 21/000000014	
03/02/1998	139	ASGN APPROVED	EFF 03/01/98;	
03/02/1998	974	AUTOMATED RECORD VERIF	LR	
02/23/1999	084	RENTAL RECEIVED BY ONRR	\$1,200.00; 21/00000002	
02/01/2000	084	RENTAL RECEIVED BY ONRR	\$1200; 21/231	

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

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09:52 PM

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Run Date: 12/02/2013

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

Total Acres
2,321.520

Serial Number
NMNM-- 0 107697

Case Type 310771: O&G EXCHANGE LEASE - PD
Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Serial Number: NMNM-- 0 107697

Name & Address			Int Rel	% Interest
APACHE CORP	2000 POST OAK BLVD STE 100	HOUSTON TX 770564400	OPERATING RIGHTS	0.0000000
APACHE CORP	2000 POST OAK BLVD STE 100	HOUSTON TX 770564400	LESSEE	0.0000000
BLUESTEM ENERGY ASSETS LLC	3 WATERWAY SQUARE PL STE 500	THE WOODLANDS TX 773802639	OPERATING RIGHTS	0.0000000
CHISOS LTD	670 DONA ANA RD SW	DEMING NM 88030	OPERATING RIGHTS	0.0000000
CHISOS LTD	670 DONA ANA RD SW	DEMING NM 88030	LESSEE	0.0000000
COG OPERATING LLC	600 WILLINOIS AVE ONE CONCHO CENTE	MIDLAND TX 79701	OPERATING RIGHTS	0.0000000
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 740057500	LESSEE	0.0000000
CROSS BORDER RESOURCES INC	2515 MCKINNEY AVE STE 900	DALLAS TX 752011945	OPERATING RIGHTS	0.0000000
CROSS BORDER RESOURCES INC	2515 MCKINNEY AVE STE 900	DALLAS TX 752011945	LESSEE	0.0000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	LESSEE	0.0000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.0000000
ENDURANCE PROPERTIES INC	15455 DALLAS PKWY STE 600	ADDISON TX 750016760	OPERATING RIGHTS	0.0000000
ENDURANCE RESOURCES LLC	15455 DALLAS PKWY STE 600	ADDISON TX 750016760	OPERATING RIGHTS	0.0000000
FONAY OIL & GAS LLC	5333 N BAGGETT ST	HOBBS NM 882429703	OPERATING RIGHTS	0.0000000
LOTHIAN OIL INC	303 W WALL #500	MIDLAND TX 79701	OPERATING RIGHTS	0.0000000
MACK C CHASE TRUSTEE	PO BOX 693	ARTESIA NM 88210	OPERATING RIGHTS	0.0000000
MACK ENERGY CORP	PO BOX 960	ARTESIA NM 88211	OPERATING RIGHTS	0.0000000
MANIX ENERGY	PO BOX 2818	MIDLAND TX 797022818	OPERATING RIGHTS	0.0000000
MARBOB ENERGY CORP	PO BOX 227	ARTESIA NM 882110227	OPERATING RIGHTS	0.0000000
RETROHAWK ENERGY CORP	1100 LOUISIANA ST # 5600	HOUSTON TX 770025227	OPERATING RIGHTS	0.0000000
PRIZE ENERGY RESOURCES	20 E 5TH ST #1400	TULSA OK 74103	OPERATING RIGHTS	0.0000000
PXP GULF COAST INC	500 DALLAS #700	HOUSTON TX 77002	OPERATING RIGHTS	0.0000000
TRAVCO RESOURCES LLC	PO BOX 1708	HOBBS NM 88241	OPERATING RIGHTS	0.0000000
TRITEX ENERGY A LP	15455 DALLAS PKWY STE 600	ADDISON TX 750016760	OPERATING RIGHTS	0.0000000
WATSON OG PROPERTIES LLC	PO BOX 10	HOBBS NM 882410010	OPERATING RIGHTS	0.0000000
WESTALL OIL & GAS LLC	PO BOX 4	LOCO HILLS NM 88255	OPERATING RIGHTS	0.0000000

Serial Number: NMNM-- 0 107697

Mer-Twp-Rng-Sec	STyp	SNr-Suff	Subdivision	District/Field Office	County	Mgmt Agency
23-0190S-0310E-023	ALIQ		E2,S2NW,SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23-0190S-0310E-024	ALIQ		W2NE,W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23-0190S-0310E-025	ALL		ENTIRE SECTION	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23-0190S-0310E-026	ALL		ENTIRE SECTION	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23-0190S-0320E-030	LOTS		1,2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 107697

Act Date	Code	Action	Action Remark	Pending Office
12/31/1939	387	CASE ESTABLISHED		
01/01/1940	496	FUND CODE	05;145003	
01/01/1940	533	RTTY STEP 12/5-323		
01/01/1940	868	EFFECTIVE DATE		
01/04/1946	102	NOTICE SENT-PROD STATUS		
01/04/1946	246	LEASE COMMITTED TO CA	LUSK UNIT	
01/04/1946	651	HELD BY PROD - ALLOCATED	LUSK UNIT	
01/04/1946	660	MEMO OF 1ST PROD-ALLOC		
05/17/1960	102	NOTICE SENT-PROD STATUS		
05/17/1960	209	CASE CREATED BY SEGR	OUT OF NMLC029358;	
06/07/1960	658	MEMO OF 1ST PROD-ACTUAL		

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

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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Run Date: 10/22/2013

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

Total Acres
120.000

Serial Number
NMNM-- 0 009003

Case Type 311111: O&G LSE NONCOMP.PUB LAND

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Serial Number: NMNM-- 0 009003

Name & Address	Int Rel	% Interest
ANGLE DON	LESSEE	50.000000
ANGLE GLADYS	LESSEE	50.000000
COG OPERATING LLC	OPERATING RIGHTS	0.000000
DEVON ENERGY PROD CO LP	OPERATING RIGHTS	0.000000
FONAY OIL & GAS LLC	OPERATING RIGHTS	0.000000
MARBOB ENERGY CORP.	OPERATING RIGHTS	0.000000
TRAVCO RESOURCES LLC	OPERATING RIGHTS	0.000000
WATSON OIL & GAS LLC	OPERATING RIGHTS	0.000000

Serial Number: NMNM-- 0 009003

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0190S 0310E 013	ALIQ		W2SW	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0190S 0310E 023	ALIQ		NENW	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- 0 009003

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0190S 0310E 715	FF		NE.ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0190S 0310E 713	FF		N2NE,SENE,SW.ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0190S 0310E 714	FF		N2NE.ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0190S 0310E 705	FF	01	SWNE.ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 009003

Act Date	Code	Action	Action Remark	Pending Office
09/02/1952	387	CASE ESTABLISHED		
11/26/1952	888	DRAWING HELD		
04/01/1953	237	LEASE ISSUED		
04/01/1953	496	FUND CODE	05;145003	
04/01/1953	530	RUTY RATE --12 1/2%		
04/01/1953	868	EFFECTIVE DATE		
01/01/1954	570	CASE SEGREGATED BY ASGN	INTO NMNM09003-A;	
12/01/1956	570	CASE SEGREGATED BY ASGN	INTO NMNM09003-B;	
05/01/1957	570	CASE SEGREGATED BY ASGN	INTO NMNM09003-C;	
04/07/1958	650	HELD BY PROD - ACTUAL		
04/07/1958	658	MEMO OF 1ST PROD-ACTUAL		
05/05/1958	235	EXTENDED	THRU 03/31/63;	
05/22/1963	658	MEMO OF 1ST PROD-ACTUAL		
11/01/1963	246	LEASE COMMITTED TO CA	SW-130	
11/01/1964	246	LEASE COMMITTED TO CA	SW-301	
09/16/1965	246	LEASE COMMITTED TO CA	SW-321	
09/15/1967	522	CA TERMINATED	SW 321	
10/24/1979	940	NAME CHANGE RECOGNIZED	CONTL OIL/CONOCO INC	
06/01/1981	246	LEASE COMMITTED TO CA	RNM027	
06/17/1981	932	TRF OPER RGTS FILED	(1)	
06/17/1981	932	TRF OPER RGTS FILED	(2)	
09/16/1981	932	TRF OPER RGTS FILED		
11/18/1981	660	MEMO OF 1ST PROD-ALLOC	RNM-027	
10/24/1986	933	TRF OPER RGTS APPROVED	(1)EFF 07/01/81;	
10/24/1986	933	TRF OPER RGTS APPROVED	(2)EFF 07/01/81;	
10/24/1986	933	TRF OPER RGTS APPROVED	EFF 10/01/81;	

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

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09:56 PM

Page 1 of 1

Run Date: 12/02/2013

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

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

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres
40.000

Serial Number
NMNM-- 112274

Serial Number: NMNM-- 112274

Name & Address	Int Rel	% Interest
COG OPERATING LLC CONCHO OIL & GAS LLC	600 W ILLINOIS AVE, ONE CONCHO CENTE MIDLAND TX 79701 600 W ILLINOIS AVE, ONE CONCHO CENTE MIDLAND TX 797014882	LESSEE 95.0000000 LESSEE 5.0000000

Serial Number: NMNM-- 112274

Mer Twp Rng Sec	S Typ	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0190S 0310E 023	ALIQ		NNNW	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- 112274

Act Date	Code	Action	Action Remark	Pending Office
07/20/2004	299	PROTEST FILED		
07/20/2004	387	CASE ESTABLISHED	200407-034	
07/21/2004	191	SALE HELD		
07/21/2004	267	BID RECEIVED	\$30000.00	
09/23/2004	237	LEASE ISSUED		
09/23/2004	298	PROTEST DISMISSED		
09/23/2004	974	AUTOMATED RECORD VERIF	GSB	
10/01/2004	496	FUND CODE	05;145003	
10/01/2004	530	RLTY RATE 12 1/2%		
10/01/2004	868	EFFECTIVE DATE		
11/23/2004	963	CASE MICROFILMED		
04/18/2011	140	ASGN FILED	MARB0B EN/COG OPERA;1	
08/11/2011	139	ASGN APPROVED	EFF 05/01/2011;	
08/11/2011	974	AUTOMATED RECORD VERIF	JS	
09/30/2014	763	EXPIRES		

Serial Number: NMNM-- 112274

Line Nr	Remarks
0002	STIPULATION(S) ATTACHED TO LEASE:
0003	SENM-S-22 PRAIRIE CHICKENS
0004	SENM-S-25 VISUAL RESOURCE MANAGEMENT
0005	NM-11-LN SPECIAL CULTURAL RESOURCE
0006	PER ONRR RENTAL PAID THRU 10/01/2010



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

November 10, 2013

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

RE: Central Tank Battery
Aquila 22 Fed Com 1H, Aquila Fed 2H, Aquila Fed Com 4H, & Antares 23 Fed 1H & 2H
Lease: NMLC 0070242A, NMNM044594, NMNM092767, NMNM0107697, NMNM09003, &
NMNM112274
API: #30-015-40627, #30-015-40755, 30-015-41159, & 30-015-41105, & 30-015-41106
Pool: Lusk; Bone Spring, West

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 for a Central Tank Battery for the above mentioned wells.

An application has also been submitted to the BLM.

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 LISTMailing Reference: **Aquila 22 & Antares 23**

<u>Repondent Name/Address:</u>	<u>E-Certified Mailing Number:</u>
Lynx Petroleum Consultants Inc PO Box 1708 Hobbs, NM 88241-1708	91 7199 9991 7032 9874 2811
Chase Oil Corporation PO Box 1767 Artesia, NM 88211-1767	91 7199 9991 7032 9874 2828
Robert C. Chase PO Box 297 Artesia, NM 88211-0297	91 7199 9991 7032 9874 2835
McVay Drilling Company (Corp) PO Box 2450 Hobbs, NM 88241	91 7199 9991 7032 9874 2842
Larry Scott PO Box 1708 Hobbs, NM 88241	91 7199 9991 7032 9874 2859
Fonay Oil & Gas LLC 5333 Baggett Rd. Hobbs, NM 88242	91 7199 9991 7032 9874 2866
Powder Horn Investments PO Box 2503 Hobbs, NM 88241	91 7199 9991 7032 9874 2873
Kent Gabel 7407 N County Road 1440 Shallowater, TX 79363	91 7199 9991 7032 9874 2880
Dasco Energy Corporation 1401 Ave. Q Lubbock, TX 79401	91 7199 9991 7032 9874 2897
Moutray Properties LLC PO Box 1598 Carlsbad, NM 88221	91 7199 9991 7032 9874 2903
ARS Exploration LLC 2017 Heritage Park Dr. OKC, OK 73120	91 7199 9991 7032 9874 2910
South Burbank Petroleum Corp 203 W Wall St Ste 200 Midland, TX 79701-4510	91 7199 9991 7032 9874 2927
COG Operations LLC Concho Oil & Gas LLC 600 West Illinois Ave. Midland, TX 79701	91 7199 9991 7032 9874 2934

E-CERTIFIED MAILING LISTMailing Reference: **Aquila 22 & Antares 23**

<u>Repondent Name/Address:</u>	<u>E-Certified Mailing Number:</u>
Watson O & G Properties LLC PO Box 10 Hobbs, NM 88241	91 7199 9991 7032 9874 2941
Alexander Oil & Gas LLC 1401 Ave Q Lubbock, TX 79401	91 7199 9991 7032 9874 2958
Beasley Oil Company 2017 Heritage Park Dr. OKC, OK 73120-7500	91 7199 9991 7032 9874 2965
Gerene Dianne Chase Fersuson PO Box 693 Artesia, NM 88211	91 7199 9991 7032 9874 2972
Glenda Gibson Byrd Cook 6732 Hillwood LN Dallas, TX 75248-5031	91 7199 9991 7032 9874 2989
ONRR PO Box 25627 Denver, CO 80225-0627	91 7199 9991 7032 9874 2996
Scully Land Inc. 11004 Maple Grove OKC, OK 73120-5110	91 7199 9991 7032 9874 3009
KRCN LLC 1617 Eagle Ridge Dr. Corinth, TX 76210	91 7199 9991 7032 9874 3516
Tron Resources LLC 9237 E 80th Place Tulsa, OK 74133	91 7199 9991 7032 9874 3523
Shackleford Oil Company 203 W. Wall St. Ste 200 Midland, TX 79701	91 7199 9991 7032 9874 3530
Harry Teague PO Box 1500 Hobbs, NM 88241	91 7199 9991 7032 9874 3547
SES Energy LTD PO Box 10250 Midland, TX 79702	91 7199 9991 7032 9874 3554
Jerry D Barnes 1657 LIV 510 Chillicothe, MO 64601	91 7199 9991 7032 9874 3561

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

Erin Workman
 Signature

Regulatory Compliance Assoc.
 Title

11/20/13
 Date

Erin.Workman@dvn.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 Avenue, Oklahoma City, OK 73102
APPLICATION TYPE:
☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

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
Aquila 22 Fed Com 1H	35/1306.6				
Aquila 22 Fed 2H	34/1412.4				
Aquila 22 Fed Com 4H	35/1412.4				
Antares 23 Fed 1H	35/1358.9				
Antares 23 Fed 2H	35/1358.9				

- (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 (Coriolis 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 (Coriolis Test Method)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and B.

(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 Assoc. DATE: 11/10/13

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

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

TC

Precision Gas Measurement, Inc. Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	ANTERES 23-4 TEST
Location ID	67749
Sample Date	11/15/2013
WATER	
Method Name	BTUH2S.met
Injection Date	2013-11-19 15:39:26
NGA Phys. Property Data Source	GPA Standard 2145-09 (FPS)

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.)
H2S	0.0003	0.0	0.0	0.00000	0.000
NITROGEN	3.3021	0.0	0.0	0.03194	0.365
CARBON DIOXIDE	0.2749	0.0	0.0	0.00418	0.047
METHANE	65.8955	667.1	655.5	0.36500	11.219
ETHANE	17.1512	304.2	298.9	0.17806	4.606
PROPANE	8.9183	224.9	221.0	0.13578	2.487
I-BUTANE	0.9433	30.7	30.2	0.01893	0.310
N-BUTANE	2.1058	68.9	67.7	0.04226	0.667
I-PENTANE	0.4433	17.8	17.5	0.01104	0.163
N-PENTANE	0.3895	15.7	15.4	0.00970	0.142
C6+	0.5758	29.6	29.1	0.01853	0.251
Water	0.0000	0.0	0.0	0.00000	0.000
Total	100.0000	1358.9	1335.2	0.81542	20.236

Results Summary

Result	Dry	Sat.
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	75.0	
Flowing Pressure (psia)	25.0	
Water Mole%	-	1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1358.9	1335.2
Gross Heating Value (BTU / Real cu.ft.)	1365.0	1341.8
Relative Density (G), Real	0.8187	0.8157
Compressibility (Z) Factor	0.9955	0.9951
Total GPM	20.236	19.993

ML

Natural Gas Analysis Report

AKM Measurement Services

Sample Information

Sample Information	
Sample Name	Aquilla 22 Fed CDP(13135416)
Injection Date	2013-10-11 16:14:52

Component Results

Component Name	Norm%	GPM (Dry) (Gal. / 1000 cu.ft.)
Nitrogen	2.9753	0.000
Methane	66.9093	0.000
CO2	0.2499	0.000
Ethane	14.6612	3.939
H2S	0.0000	0.000
Propane	8.6279	2.388
iso-Butane	1.0690	0.351
n-Butane	2.7657	0.876
iso-Pentane	0.7085	0.260
n-Pentane	0.6816	0.248
Hexanes Plus	1.3516	0.589
Water	0.0000	0.000
Total	100.0000	8.652

Results Summary

Result	Dry	Sat.
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	0.0	
Flowing Pressure (psia)	0.0	
Gross Heating Value (BTU / Real cu.ft.)	1412.4	1388.5
Relative Density (G), Real	0.8456	0.8421
Total GPM	8.652	8.605
Total Molecular Weight	24.382	24.271

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121

Lab Team Leader - Sheila Hernandez
(432) 495-7240

ANALYTICAL REPORT

Company:	DEVON ENERGY CORPORATION	Report Date:	07/31/13
Region:	PERMIAN BASIN	Date Range:	7/30/12 - 8/1/13
Area:	ARTESIA, NM	Sales RDT:	33521.1
Lease/Platform:	ANATARES LEASE	Account Manager:	GENE ROGERS (575) 910-1022
Entity (or well#):	4	Analysis Cost: (Per Reading)	\$15.00
Formation:	UNKNOWN		

Sample Point	Sample Date	Item	Reading	Units
WELLHEAD	07/15/13	API GRAVITY	35	@ 60°F

Precision Gas Measurement, Inc.
Natural Gas Report

Sample Information

Sample Information	
Company Name	DEVON ENERGY
Lease Name	AQUILLA 22-1
Location ID	67749062
Sample Date	3/26/2013
WATER	
Method Name	BTUH2S.met
Injection Date	2013-03-28 09:46:14

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.)
H2S	0.0000	0.0	0.0	0.00000	0.000
NITROGEN	3.0705	0.0	0.0	0.02970	0.339
CARBON DIOXIDE	0.1999	0.0	0.0	0.00304	0.034
METHANE	72.5101	734.0	721.3	0.40163	12.340
ETHANE	12.7513	226.2	222.2	0.13238	3.423
PROPANE	6.7951	171.4	168.4	0.10346	1.879
I-BUTANE	0.8299	27.0	26.6	0.01665	0.273
N-BUTANE	2.0437	66.8	65.7	0.04101	0.647
I-PENTANE	0.5215	20.9	20.5	0.01299	0.191
N-PENTANE	0.4853	19.5	19.2	0.01209	0.177
C6+	0.7927	40.8	40.0	0.02551	0.345
Water	0.0000	0.0	0.0	0.00000	0.000
Total:	100.0000	1306.6	1283.9	0.77846	19.648

Results Summary

Result	Dry	Sat
Total Normalized Mole%	100.0000	100.0000
Pressure Base (psia)	14.730	
Flowing Temperature (Deg. F)	79.0	
Flowing Pressure (psia)	50.0	
Water Mole%		1.7407
Gross Heating Value (BTU / Ideal cu.ft.)	1306.6	1283.9
Gross Heating Value (BTU / Real cu.ft.)	1312.0	1289.7
Relative Density (G), Real	0.7813	0.7789
Compressibility (Z) Factor	0.9959	0.9955
Total GPM	19.648	19.414
Wobbe Index	1484.3	1461.3

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ANALYTICAL REPORT

Company:	DEVON ENERGY CORPORATION	Report Date:	07/31/13
Region:	PERMIAN BASIN	Date Range:	7/30/12 - 8/1/13
Area:	ARTESIA, NM	Sales RDT:	33521.1
Lease/Platform:	AQUILLA LEASE	Account Manager:	GENE ROGERS (575) 910-1022
		Analysis Cost: (Per Reading)	\$15.00

Location	Sample Point	Sample Date	Item	Reading	Units
22-1	WELLHEAD	07/15/13	API GRAVITY	35 @ 60°F	
22-2	WELLHEAD	07/15/13	API GRAVITY	34 @ 60°F	

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

Aquila 22 Fed Com 1H, Leases: NM44594 and LC070242A - **CA- NM131438**

Aquila 22 Fed 2H, Lease: NM44594

Aquila 22 Fed Com 4H, Leases: NM44594 and NM92767 - **CA - Not yet issued**

Antares 23 Fed Com 1H, Leases: NM0107697, NM09003 and NM112274 - **CA - Not yet issued**

Antares 23 Fed 2H, Lease: NM0107697

Devon Energy Production Co.

April 1, 2014

**Condition of Approval
Commingling 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.
11. Gas Test meter numbers and oil Micro Motion Coriolis meter numbers to be provided upon installation of meters.
12. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
13. Supply production totals with oil gravity and gas BTU upon completion of wells.