

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTCarlsbad Field Office
OCD ArtesiaFORM APPROVED
BLM 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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.		5. Lease Serial No. NMNM0544986
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY Contact: ERIN WORKMAN Email: Erin.workman@dmv.com		7. If Unit or CA/Agreement, Name and/or No. NMNM135070
3a. Address 6488 SEVEN RIVERS HIGHWAY ARTESIA, NM 88211	3b. Phone No. (include area code) Ph: 405-552-7970	8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool, or Exploratory SAND DUNES UNDESIGNATED
		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 recomple 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 Company, LP respectfully requests approval for a Lease Commingle for the following wells:

Aldabra 25 Fed Com 1H
30-015-38612
SWSW, Sec. 25, T23S, R31E
53805 Sand Dunes; Bone Spring
Lease NMNM 0544986, NMNM 405444A, & CANNMNM135070

Aldabra 25 Fed Com 2H
30-015-38613
SWSW, Sec. 25, T23S, R31E

NM OIL CONSERVATION
ARTESIA DISTRICT

OCT 24 2016

RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #355063 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COMPANY LP, sent to the Carlsbad Committed to AFMSS for processing by DUNCAN WHITLOCK on 10/18/2016 (17DW0003SE)	
Name (Printed/Typed) ERIN WORKMAN	Title REGULATORY COMPLIANCE PROF.
Signature (Electronic Submission)	Date 10/18/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>J.D. Whitlock</u>	Title <u>TLDET</u>	Date <u>10/18/16</u>
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 <u>CFO</u>

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. False, fictitious.

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

Additional data for EC transaction #355063 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM0544986	NMNM0544986	ALDABRA 25 FEDERAL 6H	30-015-38602-00-S1	Sec 25 T23S R31E SESE Lot P 200FSL 1050FEL
NMNM0544986	NMNM0544986	ALDABRA 25 FEDERAL 3H	30-015-38614-00-S1	Sec 25 T23S R31E SESW 200FSL 2260FWL
NMNM0544986	NMNM0544986	ALDABRA 25 FEDERAL 7H	30-015-38603-00-S1	Sec 25 T23S R31E SESE Lot P 200FSL 1000FEL
NMNM135070	NMNM0405444A	ALDABRA 25 FEDERAL COM 1H	30-015-38612-00-S1	Sec 25 T23S R31E SWSW 200FSL 635FWL
NMNM135070	NMNM0405444A	ALDABRA 25 FEDERAL COM 2H	30-015-38613-00-S1	Sec 25 T23S R31E SWSW 200FSL 685FWL

32. Additional remarks, continued

53805 Sand Dunes; Bone Spring
Lease NMNM 0544986, NMNM 405444A, & CANNMNM135070

Aldabra 25 Fed 3H
30-015-38614
SESW, Sec. 25, T23S, R31E
53805 Sand Dunes; Bone Spring
Lease NMNM 0544986

Aldabra 25 Fed 6H
30-015-38602
SESE, Sec. 25, T23S, R31E
53805 Sand Dunes; Bone Spring
Lease NMNM 0544986

Aldabra 25 Fed 7H
30-015-38603
SESE, Sec. 25, T23S, R31E
53805 Sand Dunes; Bone Spring
Lease NMNM 0544986

The central tank battery is located on the shared pad of the Aldabra 25 Fed 6H & 7H in Sec. 25-SESE-T23S-R31E, Eddy County, New Mexico. The Aldabra 25 Fed 6H & 7H will flow into a common header. Both wells will be routed to a 2 phase separator with gas allocation meter to meter the gas and produced fluids will route to a Heater Treater with a turbine meter to meter oil and a flow meter to meter water. Both the Aldabra 25 Fed 6H and 7H will be shut-in once a month for a minimum of 24 hours on alternate days to meter the oil, gas, and water of each well. The Aldabra 25 Fed 1H, 2H, & 3H production will flow through each of their 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 gas will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Aldabra 25 Fed 6H & 7H battery will have four oil tanks that all five wells will utilize. The Aldabra 25 Fed 1H, 2H, & 3H have a common gas sales meter DCP CDP #728891-00 located northwest corner of CTB in Section 25, T23S, R31E. The Aldabra 25 Fed 6H & 7H will share a common gas sales meter SUG CDP #57447 located SWNW in Section 16, T23S, R31E. All five wells will share a common LACT Smith Meter TT563020HP002F.

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 1990-A & 2232.

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

ATTACHMENTS: SENT TO DUNCAN WHITLOCK

APPLICATION FOR COMMINGLING AT A CENTRAL TANK BATTERY\OFF LEASE MEASUREMENT SALES, & STORAGE

Proposal for Aldabra 25 Federal 1H, 2H, 3H, 6H, & 7H

Devon Energy Production Company, LP is requesting approval for a Central Tank Battery\Off-Lease measurement, sales, and storage for the following wells:

Federal Lease NMNM 0544986 (12.5%)					Oil		
Well Name	Location	API #	Pool 53805	BOPD	Gravities	MCFPD	BTU
Aldabra 25 Fed 3H	SESW, Sec 25, T23S, R31E	30-015-38614	Sand Dunes; Bone Spring, South	220	45	820	1195.4
Federal Lease NMNM 0544986(12.5%)					Oil		
Well Name	Location	API #	Pool 53805	BOPD	Gravities	MCFPD	BTU
Aldabra 25 Fed 6H	SESE, Sec 25, T23S, R31E	30-015-38602	Sand Dunes; Bone Spring: South	25	44	180	1180.9
Aldabra 25 Fed 7H	SESE, Sec 25, T23S, R31E	30-015-38603	Sand Dunes; Bone Spring: South	11	44	45	1187.6
Federal Lease NMNM 0544986 & NMNM405444A CA NMNM135070 (12.5%)					Oil		
Well Name	Location	API #	Pool 53805	BOPD	Gravities	MCFPD	BTU
Aldabra 25 Fed Com 1H	SWSW, Sec 25, T23S, R31E	30-015-38612	Sand Dunes; Bone Spring: South	178	43.4	755	1291
Aldabra 25 Fed Com 2H	SWSW, Sec 25, T23S, R31E	30-015-38613	Sand Dunes; Bone Spring: South	103	43.4	439	1291

Attached is a map that displays the federal leases and well locations in Section 25-T23S-R31E.

The BLM's interest in all five wells is 12.5%

Oil & Gas metering:

The central tank battery is located on the shared pad of the Aldabra 25 Fed 6H & 7H in Sec. 25-SESE-T23S-R31E, Eddy County, New Mexico. The Aldabra 25 Fed 6H & 7H will flow into a common header. Both wells will be routed to a 2 phase separator with gas allocation meter to meter the gas and produced fluids will route to a Heater Treater with a turbine meter to meter oil and a flow meter to meter water. Both the Aldabra 25 Fed 6H and 7H will be shut-in once a month for a minimum of 24 hours on alternate days to meter the oil, gas, and water of each well. The Aldabra 25 Fed 1H, 2H, & 3H production will flow through each of their 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 gas will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The Aldabra 25 Fed 6H & 7H battery will have four oil tanks that all five wells will utilize. The Aldabra 25 Fed 1H, 2H, & 3H have a common gas sales meter DCP CDP #728891-00 located northwest corner of CTB in Section 25, T23S, R31E. The Aldabra 25 Fed 6H & 7H will share a common gas sales meter SUG CDP #57447 located SWNW in Section 16, T23S, R31E. All five wells will share a common LACT Smith Meter TT563020HP002F.

The Aldabra 25 Fed 1H well will have its own three phase test separator, where after separation gas is routed to the gas test meter #390-49-281, then to the DCP CPD #728891-00. Produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis Meter #14405881, flows into an oil production line where it is combined with the Aldabra 25 Fed 2H & 3H oil and then flows into the Production heater/treater, and into one of the 500 bbl. oil tanks. The water is metered using a mag meter #0392319, combines with water from the Aldabra 25 Fed 2H & 3H, flows into the FWKO. The FWKO oil is metered with a turbine meter, then combines with the oil from the Aldabra 25 Fed 1H, 2H, & 3H separators, and flows to the production heater/treater, then into one of the 500 bbl oil tanks. The water dumps and combines with produced water from the production and test heater/treater, then is routed to either one of the 500 bbl. produced water tanks.

The Aldabra 25 Fed 2H well will have its own three phase test separator, where after separation gas is routed to the gas test meter #390-49-282, then to the DCP CPD #728891-00. Produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis Meter 14405873, flows into an oil production line where it is combined with the Aldabra 25 Fed 1H & 3H oil and then flows into the Production heater/treater, and into one of the 500 bbl. oil tanks. The water is metered using a mag meter #0394259, combines with water from the Aldabra 25 Fed 1H & 3H, flows into the FWKO. The FWKO oil is metered with a turbine meter, then combines with the oil from the Aldabra 25 Fed 1H, 2H, & 3H separators, and flows to the production heater/treater, then into one of the 500 bbl. produced water tanks.

one of the 500 bbl oil tanks. The water dumps and combines with produced water from the production and test heater/treater, then is routed to either one of the 500 bbl. produced water tanks.

The Aldabra 25 Fed 3H well will have its own three phase test separator, where after separation gas is routed to the gas test meter # **#390-49-283**, then to the DCP CPD **#728891-00**. Produced water and oil are separated, the oil is then metered with a Micro Motion Coriolis Meter **#14405890**, flows into an oil production line where it is combined with the Aldabra 25 Fed 1H & 2H oil and then flows into the Production heater/treater, and into one of the 500 bbl. oil tanks. The water is metered using a mag meter **#03924257**, combines with water from the Aldabra 25 Fed 1H & 2H, flows into the FWKO. The FWKO oil is metered with a turbine meter, then combines with the oil from the Aldabra 25 Fed 1H, 2H, & 3H separators, and flows to the production heater/treater, then into one of the 500 bbl oil tanks. The water dumps and combines with produced water from the production and test heater/treater, then is routed to either one of the 500 bbl. produced water tanks.

The Aldabra 25 Fed 6H & 7H, under normal operation flows into a common header, then both wells' produced fluid is routed to the test 2 phase vessel. Gas from the 2 phase is routed to the gas allocation meter # **390-49-131**, then flows to the SUG CPD **#57447** due to CO2 in the 6H & 7H gas. Produced water and oil are routed to the Test Heater Treater Separator. Produced water and oil are separated, the oil is then metered with a Turbine Meter **#365360**, then flows into an oil production line where it is combined with the other wells oil, and then to the 500 bbl oil tank. The water is metered using a turbine meter, then flows to the 500 bbl. produced water tank, along with the water from the other wells. Once a month for a period of no less than 24 hours the Aldabra 25-6 is shut-in while the Aldabra 25-7 remains in production. Also, once a month for a period of no less than 24 hours the Aldabra 25-7 is shut-in while the Aldabra 25-6 remains in production. Each well's 24 hour test is then used to allocate that months produced volumes.

Oil production from the Aldabra 25 Fed 1H, 2H, & 3H will be allocated on a daily basis based on the Coriolis Test meter located downstream of the three phase separator. Oil production from the Aldabra 25 Fed 6H & 7H will be allocated on a monthly basis, based on the turbine meter located downstream of the heater/treater. The Coriolis 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. Gas production from the Aldabra 25 Fed 1H, 2H, & 3H wells will be allocated on a daily basis using the gas allocation meter and will flow through DCP CDP **#728891-00**. Gas production from the Aldabra 25 Fed 6H & 7H wells will be allocated on a monthly basis using the gas allocation meter and will flow through SUG CDP **#57447**. The gas off the VRU allocation meter will flow to the DCP CDP **#728891-00**. 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:

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, 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 **1990-A & 2232**.

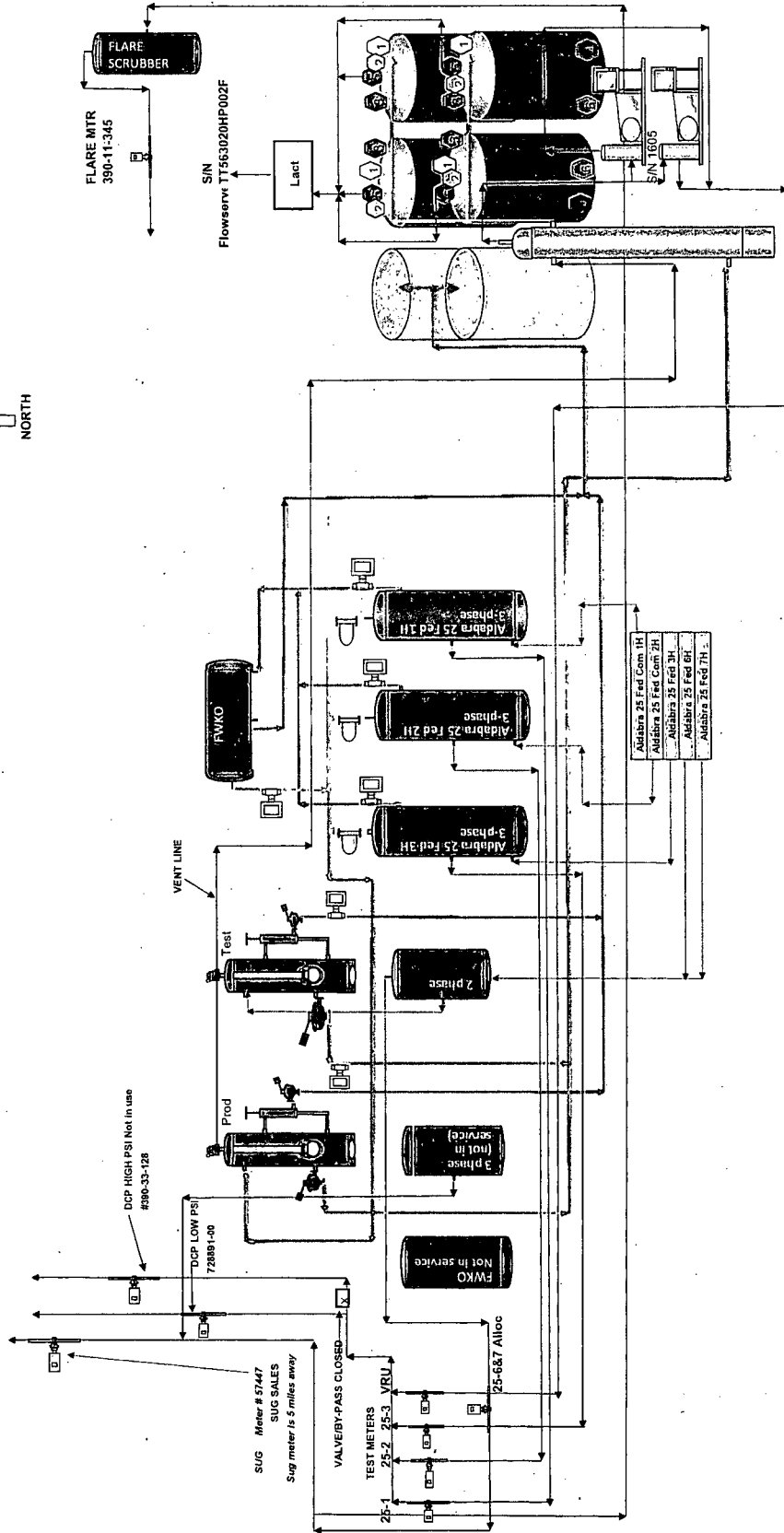
Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

Signed: _____
Printed Name: Brent Schroeder
Title: Production Engineer
Date: 08.24.16

Aldabra 25 Fed 6H
 Sec. 25, T23S, R31E
 200 FSL, 1050 FEL
 Eddy County, New Mexico
 API: #30-015-37362

Production System: Closed

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



Alloc meters
 25-1 meter # 390-49-281
 25-2 meter # 390-49-282
 25-3 Meter # 390-49-283
 25-6&7 Alloc # 390-49-131
 VRU Mtr # 390-00-284

Coriolis Meter S/N #s
 25-1 14405881
 25-2 14405873
 25-3 14405890
 Model # for all is Below
 F200S418CQBAEZZZZ

Test Heater Oil Meter- #365360
 Test Heater Water Meter- #69900A
 25-1 Mag Meter- #0392319
 25-2 Mag Meter- #0394259
 25-3 Mag Meter- #0394257
 FWKO Turbine Meter - Supply upon receipt

Economic Justification Report

Aldabra 25 Fed 6H & 7H Battery

Value (bbl): \$27.83

Value (mcf): \$2.17

Well Name & Number	Type	Fede Lease 1	Royalty Rate	Fed Lease 2 (if applicable)	Royalty Rate	Fed Lease 3 (if applicable)	Royalty Rate	BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
Aldabra 25 Fed Com 1H	Sweet	NMNM 544896	12.50%	NMNM 405444A	12.50%	NMNM135070	12.50%	131	43.4	454	1291
Aldabra 25 Fed Com 2H	Sweet	NMNM 544896	12.50%	NMNM 405444A	12.50%	NMNM135070	12.50%	90	43.4	190	1291
Aldabra 25 Fed 3H	Sweet	NMNM 544896	12.50%					58	45	192	1195.4
Aldabra 25 Fed 6H	Sweet	NMNM 544896	12.50%					15	44	77	1180.9
Aldabra 25 Fed 7H	Sweet	NMNM 544896	12.50%					22	44	65	1187.6

Econ
A1

Signed: *Erin Workman*

10/18/2016

Printed Name: Erin Workman

Regulatory Analyst

Economic Combined Production

BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
316.0	43.8	978.0	1256.7

There are no material quality differences in oil or gas production from the wells in this application, therefore there will be no impact on the royalty value from an oil or gas marketing perspective.



ALDABRA 25 FED 1H, 2H, 3H, 6H, & 7H EDDY COUNTY, NEW MEXICO

USA NMNM
0 405444

USA NMNM
0 405444

USA NMNM 0
533177 A

533177 A

533177 A

533177 A

19

USA NMNM 0
405444 A

USA NMNM 0
405444 A

26

Legend

PROJECT AREAS

USA NMNM 0 405444 A

USA NMNM 0 544986

Other Devon Leases

ST OF NM
K0 0952

ST OF NM
K0 0952

ST OF NM
K0 0952

36

USA NMNM 0
405444 A

USA NMNM 0
405444 A

23S-31E

USA NMNM
0 544986

USA NMNM
0 544986

USA NMNM
0 544986

1H

2H

3H

USA NMNM
0 544986

USA NMNM
0 544986

USA NMNM
0 544986

6H

7H

USA NMNM
14157

30

23S-32E

USA NMNM
14157

devon

Map for Grand Staircase-Escalante National Monument
Made for: Eddy, New Mexico
Date: 11-13-13
County: Eddy, NM

Scale: 1:12,500

North Arrow

Legend

USA NMNM 0 405444 A

USA NMNM 0 544986

Other Devon Leases

This map is for illustrative purposes only and is not intended to be used as a title, deed, or guarantee of any kind regarding the map.

NMNM 01848 019

NMNM 014157 030

NMNM 010040 031

NMNM 0533177A

024

NMNM 040655

025

NMNM 0544986

036

NMNM 0405444 023

NMNM 0405444A

026

NMNM 019199 035

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

Run Date/Time: 10/18/16 08:45 AM

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

Case Type 311111: O&G LSE NONCOMP PUB LAND

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris:

Total Acres

600.000

Serial Number

NMNM-- 0 544986

Serial Number: NMNM-- 0 544986

Name & Address	Int Rel	%Interest
DEVON ENERGY PROD CO LP 333 W SHERIDAN AVE OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.000000000
MARATHON OIL CO PO BOX 3128 HOUSTON TX 772533128	LESSEE	100.000000000
XTO ENERGY INC 810 HOUSTON ST #2000 FT WORTH TX 761026298	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- 0 544986

Mer Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0230S	0310E	025	ALIQ		NE,E2NW,SWNW,S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM 0544986

Relinquished/Withdrawn Lands

23 0230S 0310E 701	FF	01	ALL ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0310E 712	FF	01	ALL ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0310E 731	FF	01	W2NE,W2SE,SESE WDN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0310E 731	FF	02	NESE ASGN;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 544986

Act Date	Code	Action	Action Remarks	Pending Office
03/22/1964	387	CASE ESTABLISHED		
03/23/1964	888	DRAWING HELD		
04/14/1964	237	LEASE ISSUED		
04/23/1964	131	APLN WITHDRAWN IN PART		
05/01/1964	496	FUND CODE	05;145003	
05/01/1964	530	RLTY RATE - 12 1/2%		
05/01/1964	868	EFFECTIVE DATE		
06/01/1964	570	CASE SEGREGATED BY ASGN	INTO NMNM0544986-A;	
08/01/1964	570	CASE SEGREGATED BY ASGN	INTO NMNM0544986-B;	
01/16/1970	315	RENTAL RATE DET/ADJ	\$2.00;	
04/03/1975	235	EXTENDED	THRU 04/30/76;	
04/10/1975	650	HELD BY PROD - ACTUAL		
10/21/1975	102	NOTICE SENT-PROD STATUS		
03/13/1978	817	MERGER RECOGNIZED	MISSION/GETTY OIL	
03/13/1978	817	MERGER RECOGNIZED	SKELLY OIL/GETTY OIL	
03/29/1983	909	BOND ACCEPTED	EFF 03/10/83;NM0490	
05/04/1983	140	ASGN FILED	CALDER/CPC EXPL	
05/04/1983	140	ASGN FILED	CPC EXPL/CALDER	
09/26/1983	269	ASGN DENIED	CALDER/CPC EXPL	
09/26/1983	269	ASGN DENIED	CPC EXPL/CALDER	
09/29/1983	932	TRF OPER RGTS FILED	(1)	
09/29/1983	932	TRF OPER RGTS FILED	(2)	
09/29/1983	932	TRF OPER RGTS FILED	(3)	
09/29/1983	932	TRF OPER RGTS FILED	(4)	
11/07/1983	932	TRF OPER RGTS FILED		
03/20/1985	933	TRF OPER RGTS APPROVED	(1)EFF 12/01/81;	
03/20/1985	933	TRF OPER RGTS APPROVED	(2)EFF 12/01/81;	
03/20/1985	933	TRF OPER RGTS APPROVED	EFF 06/01/79;	

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

**NO WARRANTY
FOR USE OF
DATA FOR PURPOSES NOT
INTENDED BY BLM**

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

Run Date/Time: 10/18/16 08:47 AM

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01 02-25-1920;041STAT0437;30USC181ETSEQ
Case Type 311211: O&G LSE SIMO PUBLIC LAND
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED Case File Juris:

Total Acres
1,240.000

Serial Number
NMNM-- 0 405444A

Serial Number: NMNM-- 0 405444A

Name & Address	Int Rel	%Interest
CHEVRON USA INC 6301 DEAUVILLE	MIDLAND TX 797062964	OPERATING RIGHTS 0.000000000
DEVON ENERGY PROD CO LP 333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS 0.000000000
HARKEN EXPLORATION CO PO BOX 619024	DALLAS TX 75261	OPERATING RIGHTS 0.000000000
MARATHON OIL CO PO BOX 3128	HOUSTON TX 772533128	LESSEE 100.000000000
MID-CONTINENT ENERGY 100 W 5TH ST #450	TULSA OK 741034287	OPERATING RIGHTS 0.000000000
PETROHAWK PROPERTIES LP 1100 LOUISIANA #4400	HOUSTON TX 77002	OPERATING RIGHTS 0.000000000
RIVERBEND PRODUCTION LP 500 DALLAS ST #2835	HOUSTON TX 77002	OPERATING RIGHTS 0.000000000
XTO ENERGY INC 810 HOUSTON ST #2000	FT WORTH TX 761026298	OPERATING RIGHTS 0.000000000

Serial Number: NMNM-- 0 405444A

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0230S	0310E	022	ALIQ	ALL;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	025	ALIQ	NWNW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	026	ALIQ	E2,SW,S2NW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 405444A

Act Date	Code	Action	Action Remarks	Pending Office
06/14/1963	387	CASE ESTABLISHED		
07/01/1963	496	FUND CODE	05;145003	
07/01/1963	530	RLTY RATE - 12 1/2%		
07/01/1963	868	EFFECTIVE DATE		
08/01/1963	553	CASE CREATED BY ASGN	OUT OF NMNM0405444;	
12/12/1969	500	GEOGRAPHIC NAME	UNDEFINED FLD;	
12/12/1969	510	KMA CLASSIFIED		
12/12/1969	650	HELD BY PROD - ACTUAL		
01/16/1970	315	RENTAL RATE DET/ADJ	\$2.00;	
03/01/1970	246	LEASE COMMITTED TO CA	SW-557;	
03/03/1970	102	NOTICE SENT-PROD STATUS		
12/09/1970	512	KMA EXPANDED		
09/09/1973	500	GEOGRAPHIC NAME	JAMES RANCH FLD;	
09/09/1973	512	KMA EXPANDED		
04/01/1975	246	LEASE COMMITTED TO CA	SRM-1296;	
10/15/1981	932	TRF OPER RGTS FILED		
10/07/1982	140	ASGN FILED	MARATHON PETRO/OIL	
03/29/1983	909	BOND ACCEPTED	EFF 03/10/83;NM0490	
03/30/1983	139	ASGN APPROVED	EFF 11/01/82;	
05/02/1983	932	TRF OPER RGTS FILED	(1)	
05/02/1983	932	TRF OPER RGTS FILED	(2)	
09/26/1983	558	TRF OPER RGTS RET UNAPPV		
09/29/1983	932	TRF OPER RGTS FILED	(1)	
09/29/1983	932	TRF OPER RGTS FILED	(2)	
09/29/1983	932	TRF OPER RGTS FILED	(3)	

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

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NO

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

Run Date/Time: 10/18/16 08:49 AM

Page 1 of 1

01 02-25-1920;041STAT0437;30USC181

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

160.000

NMNM-- - 135070

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 135070

Name & Address	Int Rel	%Interest
BLM CARLSBAD FO	OFFICE OF RECORD	0.000000000
DEVON ENERGY CORP	OPERATOR	100.000000000

Serial Number: NMNM-- - 135070

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0230S	0310E	025	ALIQ	W2W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 135070

Act Date	Code	Action	Action Remarks	Pending Office
10/01/2013	387	CASE ESTABLISHED		
10/01/2013	516	FORMATION	BONE SPRING	
10/01/2013	526	ACRES-FED INT 100%	160;100%	
10/01/2013	868	EFFECTIVE DATE	30-015-38612	
08/29/2014	654	AGRMT PRODUCING	/1/	
08/29/2014	658	MEMO OF 1ST PROD-ACTUAL	/1/30-015-38612	
09/10/2015	643	PRODUCTION DETERMINATION	/1/	

Line Nr Remarks

Serial Number: NMNM-- - 135070

0001	RECAPITULATION EFFECTIVE OCTOBER 1, 2013			
0002	TRACT #	LSE SERIAL #	AC COMMITTED	PCT INT
0003	1	NMNM0405444A	40.00	25.00
0004	2	NMNM0544986	120.00	75.00
0005		TOTAL	160.00	100.00

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

WARRANT
? USE O
PC. NO



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

October 18, 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Central Tank Battery
Aldabra 25 Fed 1H, Aldabra 25 Fed 2H, Aldabra 25 Fed 3H, Aldabra 25 Fed 6H, &
Aldabra 25 Fed 7H
Sec 25-T23S, R31E
NMNM0544986, NMNM405444A, & NMNM103507
API: #30-015-38612, 30-015-38613, 30-015-38614, 30-015-38602, & 30-015-38603
Pool: (53805) Sand Dunes; Bone Spring, South

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 an Central Tank Battery/Off Lease Measurement, Sales, & Storage for the above mentioned wells.

A copy of our application submitted to the Division & the BLM's approval are 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.

Erin Workman
Regulatory Compliance Analyst

Enclosure

la

psure

CERTIFIED MAILING LIST**Mailing Reference:** Aldabra 25 Fed 6H & 7H Battery

<u>Repondent Name/Address:</u>	<u>Certified Mailing Number:</u>
Albert H. Spencer 608 E. Coronado Way Payson, AZ 85541	9214 8901 5271 8100 1836 00
Alfred Giles IV P.O. Box 50360 Austin, TX 78763-0360	9214 8901 5271 8100 1836 17
Bascom Mitchell Family Partnership LP 1 Live Oak Drive Midland, TX 79705	9214 8901 5271 8100 1836 24
Catherine M. Grace 6031 Interstate 20W, Suite 251LB Arlington, TX 76017	9214 8901 5271 8100 1836 31
CBR Oil Properties, LLC P.O. Box 1518 Roswell, NM 88202	9214 8901 5271 8100 1836 48
Figure 4 Investment Trust 11010 Crestmore Street Houston, TX 77096	9214 8901 5271 8100 1836 55
George Karabatsos 2220 Bering Drive, Apt #30 Houston, TX 77057	9214 8901 5271 8100 1836 62
Georgia B. Bass 6203 Alden Bridge Drive, Apt #7201 The Woodlands, TX 77382-5135	9214 8901 5271 8100 1836 79
Hoover & Betty Wright Living Trust P.O. Box 2312 Santa Fe, NM 87504	9214 8901 5271 8100 1836 86
Jay Lee Touchstone Trust 10000 Memorial Drive, Suite 650 Houston, TX 77024-3417	9214 8901 5271 8100 1836 93
Joe N. Gifford P.O. Box 51187 Midland, TX 79710-1187	9214 8901 5271 8100 1837 09
John Geoffrey Giles 2600 Escondido CV Austin, TX 78703-1610	9214 8901 5271 8100 1837 16
John L. Anderson, Jr. 4067 Mattison Avenue Fort Worth, TX 76107-2408	9214 8901 5271 8100 1837 23
L. Edward Innerarity, Jr. P.O. box 2113 Midland, TX 79702	9214 8901 5271 8100 1837 30
Linda Kay Neighbors 1711 Douglas Avenue Midland, TX 79701	9214 8901 5271 8100 1837 47
Mabee Flynt Lease Trust 11010 Crestmore Street Houston, TX 77096-6120	9214 8901 5271 8100 1837 54
Marathon Oil Company 14194 Collection Center Drive Chicago, IL 60693	9214 8901 5271 8100 1837 61

CERTIFIED MAILING LIST**Mailing Reference:** Aldabra 25 Fed 6H & 7H Battery

<u>Reponent Name/Address:</u>	<u>Certified Mailing Number:</u>
Mary Margaret Olson Trust 6031 Interstate 20W, Suite 251 Arlington, TX 76017	9214 8901 5271 8100 1837 85
Mary Patricia Dougherty Trust P.O. Box 226270 Dallas, TX 75222-6270	9214 8901 5271 8100 1837 92
Miranda Energy Corp 24 Smith Road, Suite 601 Midland, TX 79705-4403	9214 8901 5271 8100 1838 08
Nortex Corporation 1415 Louisiana Street, Suite 3100 Houston, TX 77002	9214 8901 5271 8100 1838 15
Obie & Company P.O. Box 99084 Fort Worth, TX 76199-0084	9214 8901 5271 8100 1838 22
ONRR P.O. Box 25627 Denver, CO 80225-0627	9214 8901 5271 8100 1838 46
Otto E. Schroeder, Jr. 915 N. Fielder Road, Apt #1101 Arlington, TX 76012	9214 8901 5271 8100 1838 39
Patricia Kay Lorenz 32 Chaparral Drive #16 Kerrville, TX 78028	9214 8901 5271 8100 1838 53
Shenandoah Petroleum Prop Inc. 24 Smith Road, Suite 601 Midland, TX 79705	9214 8901 5271 8100 1838 60
TEK Properties, Ltd. 4705 Miramont Circle Bryan, TX 77802	9214 8901 5271 8100 1838 77
Truman Estes Touchstone Trust 10000 Memorial Drive, Suite 650 Houston, TX 77024-3417	9214 8901 5271 8100 1838 84
XTO Energy, Inc. P.O. Box 730586 Dallas, TX 75373-0586	9214 8901 5271 8100 1838 91

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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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 Prof 09.08.16
 Title Date

Erin.Workman@dvnm.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 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

- (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 (Well Test Method & Coriolis Test)

(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 Prof. DATE 09.08.16

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

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

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

Devon Energy Production Co.

October 2, 2016

Condition of Approval

Surface commingling, off lease storage measurement and sales, and alternate method of measurement.

Aldabra 25 Fed Com 1H, Aldabra 25 Fed Com 2H, Aldabra 25 Fed 3H, Aldabra 25 Fed 6H, Aldabra 25 Fed 7H

3001538612, 3001538613, 3001538614, 3001538602 & 3001538603

Lease NM0544986, NM0405444A & CA NM135070

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
7. 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.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. Approval for alternate method of measurement for oil production. Coriolis meters will be used off 3 phase separators for allocation of oil production and oil will be sold through a common LACT meter at facility.