Form 3160-5 (June 2015)

LINITED STATES DEF BU

UNITED STATES PARTMENT OF THE INTROCUPIES BAD TREAU OF LAND MANAGEMENT	Field C	ffice	FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018
REAU OF LAND MANAGEMENT		6 1 .0	1137.

	NOTICES AND REPORT is form for proposals to dri II. Use form 3160-3 (APD) f		rtesia 5. Lease Se NMNM 6. If Indian	rial No. 89052 , Allottee or Tribe Name		
SUBMIT IN 1	7. If Unit o	7. If Unit or CA/Agreement, Name and/or No.				
Type of Well	er		8. Well Nar APACH	ne and No. E 25 FED 6		
Name of Operator DEVON ENERGY PRODUCT	Contact: ER	IN WORKMAN @dvn.com	9. API We 30-015	II No. 5-29894		
3a. Address 33E WEST SHERIDAN AVE OKC, OK 73102 3b. Phone No. (include area Ph: 405-552-7970			10. Field and Pool or Exploratory Area QUAHADA RDIGE;DELAWARE,SE			
4. Location of Well (Footage, Sec., T.	., R., M., or Survey Description)		11. County	or Parish, State		
Sec 25 T22S R30E Mer NMP	SESE 330FSL 330FEL		EDDY	COUNTY, NM		
12. CHECK THE AP	PPROPRIATE BOX(ES) TO	INDICATE NATURE OI	F NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF	ACTION			
Nation of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/R	esume) 🗖 Water Shut-Off		
Notice of Intent ■	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	■ Well Integrity		
☐ Subsequent Report	Casing Repair	■ New Construction	□ Recomplete	Other		
☐ Final Abandonment Notice	Change Plans	☐ Plug and Abandon	☐ Temporarily Aband	lon		
	Convert to Injection	☐ Plug Back	■ Water Disposal			
If the proposal is to deepen directional Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for final Devon Energy Production Corneed to add the Apache 25 February 25	rk will be performed or provide the operations. If the operation results bandonment Notices must be filed clinal inspection. The pany LP is requesting to a	Bond No. on file with BLM/BIA s in a multiple completion or reco- only after all requirements, includ- mend the PLC-311 approve	. Required subsequent repo mpletion in a new interval, ing reclamation, have been	orts must be filed within 30 days a Form 3160-4 must be filed once completed and the operator has		
Apache 25 Fed 2 SESE, Sec. 25, T22S, R30E 30-015-27478				AM OIL CONSERVATION. ARTESIA DISTRICT		
Quahada Ridge; Delaware, SE NMNM 89052 (12.5%)				APR 27 2017		
Apache 25 Fed 5 NESE, Sec. 25, T22S, R30E				RECEIVED		
14. I hereby certify that the foregoing is	Electronic Submission #372	PRODUCTION CO.,LP, sent	to the Carlsbad			
Name (Printed/Typed) ERIN WO	RKMAN	Title REGUL	ATORY COMPLIANCE	E PROF.		
Signature (Electronic S	Submission)	Date 04/12/20	017			
	THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE			
Approved By J.D.W.	atlock 2	Title TLP	ET	Date /13/17		
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conductive th	itable title to those rights in the sul		<i>ن</i>			
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s			willfully to make to any dep	partment or agency of the United		

Additional data for EC transaction #372707 that would not fit on the form

32. Additional remarks, continued

30-015-32720 Quahada Ridge; Delaware, SE NMNM 91509 (12.5%)

Apache 25 Fed 6 SESE, Sec. 25, T22S, R30E 30-015-29894 · Quahada Ridge; Delaware, SE NMNM 89052 (12.5%)

Apache 25 Fed 9 NWSE, Sec. 25, T22S, R30E 30-015-32797 Los Medanos; Bone Spring & Los Medanos; Wolfcamp, (S) NMNM 91509 (12.5%)

Apache 25 Fed 10H SESE, Sec. 25, T22S, R30E 30-015-35597 Quahada Ridge; Delaware, SE NMNM 89052 (12.5%)

Apache 25 Fed 17H NESE, Sec. 25, T22S, R30E 30-015-41116 Los Medanos; Bone Spring NMNM <u>91509</u> (12.5%)

The central tank battery is located at the Apache 25 Fed 6 in Sec. 25, T22S, R30E, on lease NMNM89052 in Eddy County, New Mexico. The production from the Apache 25 Fed 2, 5, 6, 9, 10H, & 17H will come into a common production header with isolation lines to route each wells production. From this point one well will be on test and its production routed through the testing equipment.

The Apache 25 Fed 6 battery will have four oil tanks that all six wells. Total oil production will be truck hauled from this location. Two common gas sales meters, Duke Energy #74086-00 and what gas DCP is not able to take, is routed to the Devon?s Point of Royalty Measurement Meter #390-33-227 on location in the southwest corner of the battery. Oil, gas, and water volumes from each well producing to this battery will be determined by utilizing a test separator/heater treater at the proposed facility so that one of the wells is always producing through the testing equipment. Daily production will be allocated on a daily basis based on the most recent individual well test of oil, gas, and water. Well test for each well will be conducted at least once per month for a minimum of 24 hours.

Devon is the record title owner of the leases to be commingled and the owner of 100% WI in the commingled wells. The ownership of all interest is uniform in both leases and all of the wells involved in this application. Therefore, no additional notification should be necessary.

Attachment: Deliverables

APPLICATION FOR POOL\LEASE COMMINGLING

Proposal for the Apache 25 Fed 2, 5, 6, 9, 10H, & 17H

Devon Energy Production Company, LP is requesting to amend the PLC-311 approved on 07/30/2008. We need to add the Apache 25 Fed 17H to this PLC.

Federal Lease NMNM 89052 (12.5%)

Well Name	Location	API#	Pool	BOPD	OG	MCFPD	BTU
Apache 25 Fed 2	SESE, Sec. 25, T22S, R30E	30-015-27478	40295 Quahada Ridge; Delaware, Southeast	5	44	29	1231.8
Apache 25 Fed 6	SESE, Sec. 25, T225, R30E	30-015-29894	50443 Quahada Ridge; Delaware, Southeast	25	46	65	1260.1
Apache 25 Fed 10H	SESE, Sec. 25, T22S, R30E	30-015-35597	50443 Quahada Ridge; Delaware, Southeast	16	45	56	1219.0
Apache 25 Fed 17H	NESE, Sec. 25, T225, R30E	30-015-41116	40295 Los Medanos; Bone Spring	46	43	220	1319.9
Federal Lease NMN	NM 91509 (12.5%)						
Well Name	Location	API#	Pool	BOPD	OG	MCFPD	BTU
Apache 25 Fed 5	NESE, Sec. 25, T22S, R30E	30-015-32720	50443 Quahada Ridge; Delaware, Southeast	4	42	15	1297.9
Federal Lease NMN	NM90990 (12.5%)						
Well Name	Location	API#	Pool	BOPD	OG	MCFPD	BTU
Apache 25 Fed 9	NWSE, Sec. 25, T22S, R30E	30-015-32797	40295 Los Medanos; Bone Spring 96336 Los Medanos; Wolfcamp, (S)	11	41	29	1299.7

(Apache 25 Fed 9 Bone Spring and Wolfcamp already approved to downhole commingle, allocated 60% to Wolfcamp and 40% To Bone Spring. CA includes Federal Leases NMNM91509 & NMNM89052, which are both 12.5% Royalty Rate. Allocation to each lease is, 75% to NMNM89052 and 25% to NMNM91509.)

Attached is a map that displays the federal leases and well locations in Section 25-T23S-R31E. Although there are two leases listed above the ownership for all the wells are identical.

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

Oil & Gas metering:

The central tank battery is located at the Apache 25 Fed 6 in Sec. 25, T22S, R30E, on lease NMNM89052 in Eddy County, New Mexico. The production from the Apache 25 Fed 2, 5, 6, 9, 10H, & 17H will come into a common production header with isolation lines to route each wells production. From this point one well will be on test and its production routed through the testing equipment.

The Apache 25 Fed 6 battery will have four oil tanks that all six wells. Total oil production will be truck hauled from this location. Two common gas sales meters, Duke Energy #74086-00 and what gas DCP is not able to take, is routed to the Devon's Point of Royalty Measurement Meter #390-33-227 on location in the southwest corner of the battery. Oil, gas, and water volumes from each well producing to this battery will be determined by utilizing a test separator/heater treater at the proposed facility so that one of the wells is always producing through the testing equipment. Daily production will be allocated on a daily basis based on the most recent individual well test of oil, gas, and water. Well test for each well will be conducted at least once per month for a minimum of 24 hours.

The well which is on test production flows to the test separator, where after separation gas is routed to the gas test meter #390-49-037, then into a production line with other wells gas and then to Duke Energy gas sales meter #74086-00, and what gas DCP is not able to take, is routed to Devon's Point of Royalty Measurement Meter #390-33-227. Produced water and oil flow into the heater\treater where after separation, oil is metered by the Micro Motion Coriolis Meter \$/N#14492141, then combines with the oil from the production heater/treater and flows to one of the 400 bbl oil tanks. The produced water is measured with a turbine meter downstream of the heater/treater, combines with the water from the production heater/treater & FWKO, then is metered with a turbine meter and flows to one of the 500 bbl water tanks.

Oil production will be allocated on a daily basis based on the Micro Motion Coriolis Test Meter located downstream of the test 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 for these wells will be allocated on a daily basis based on the subtraction method. The DCP CDP #74086-00 or Devon's Point of Royalty Measurement #390-33-227 minus the VRU Meter #390-00-220 volumes, then subtract the test for each well's production from the gas allocation meter #390-49-037. The gas production from the production equipment, VRU allocation meter, and the test gas meter will commingle and flow through Duke Energy CDP #74086-00 or if DCP unable to take the gas production, it will flow to the Devon's Point of Royalty Measurement #390-33-227. 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:

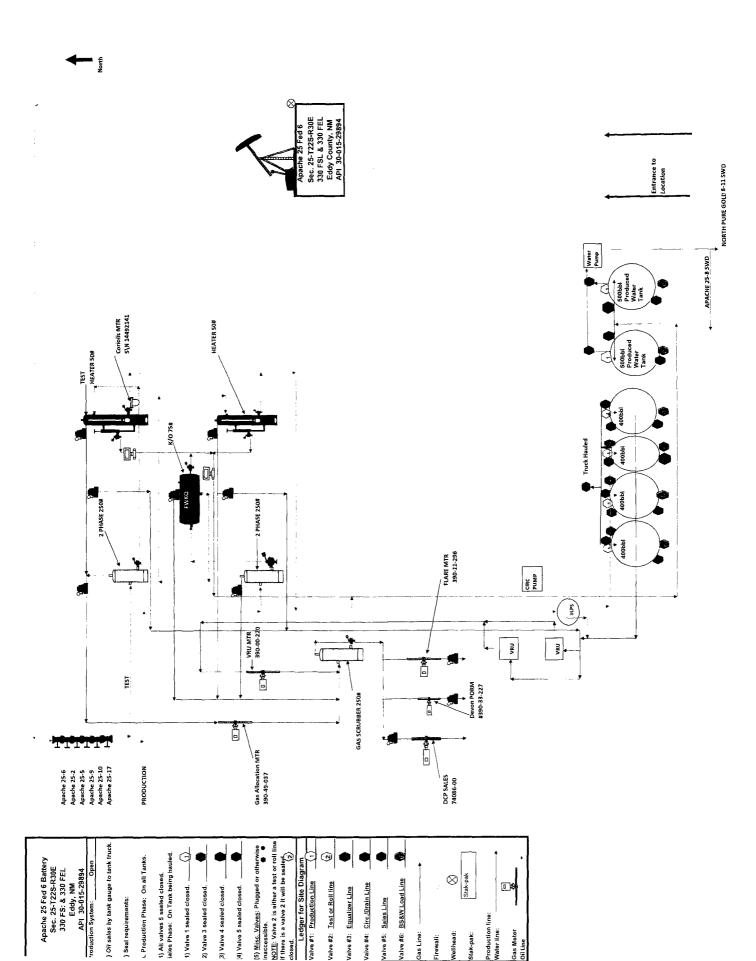
The flow of produced fluids is shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter. The proposed commingling is appropriate based on the BLM's guidance in IM 2013-152. The 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.

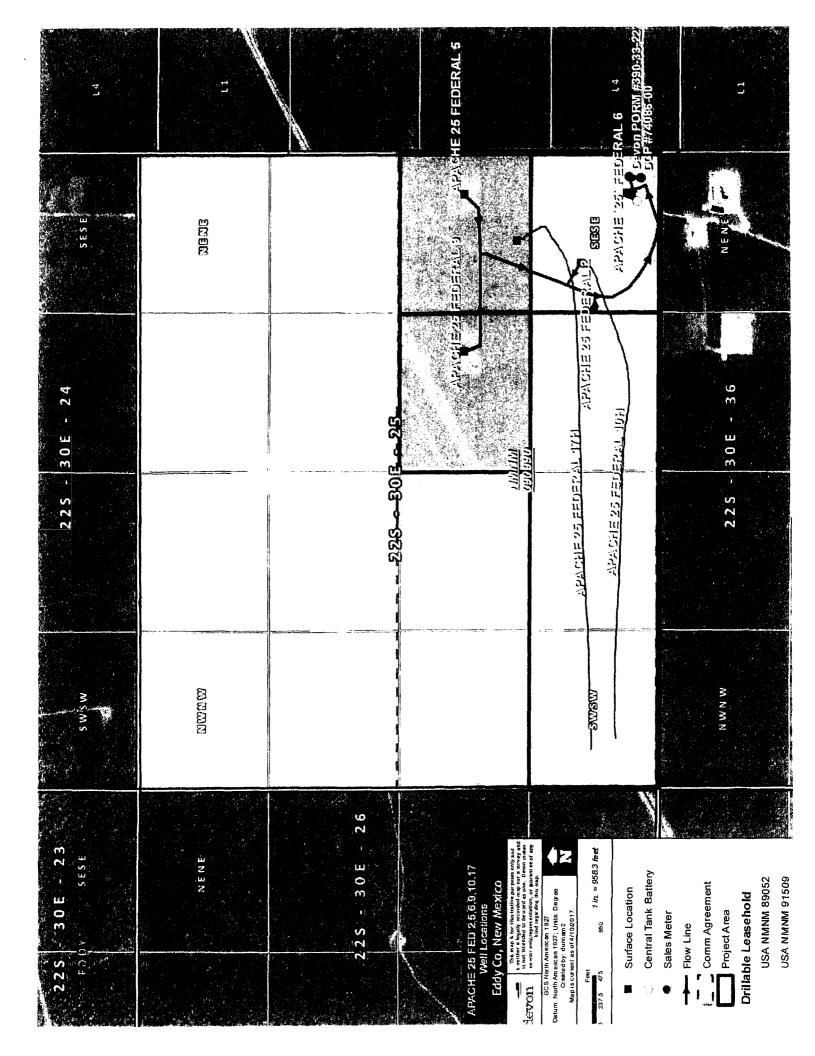
Devon is the record title owner of the leases to be commingled and the owner of 100% WI in the commingled wells. The ownership of all interest is uniform in both leases and all of the wells involved in this application. Therefore, no additional notification should be necessary.

Printed Name: Erin Workman

Title: Regulatory Compliance Professional

Date: 04/11/2017





DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** CASE RECORDATION

Run Time:

01:44 PM

Page 1 of 2

Run Date:

05/21/2014

(MASS) Serial Register Page

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

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

OIL & GAS

Total Acres 560.000

Serial Number

NMNM-- - 089052

Serial Number: NMNM-- - 089052

Name & Address

Commodity 459:

Int Rel % Interest

DEVON ENERGY PROD CO LP

Case Disposition: AUTHORIZED

333 W SHERIDAN AVE

OKLAHOMA CITY OK 731025010

LESSEE

100.000000000

Serial Number: NMNM-- - 089052

Mer Twp Rng Sec

STyp SNr Suff Subdivision

District/Field Office

County

Mgmt Agency

23 0220\$ 0300E 025 ALIQ N2,SW,S2SE; CARLSBAD FIELD OFFICE **EDDY**

BUREAU OF LAND MGMT

Serial Number: NMNM-- - 089052

			Octial Hallin	Ci. Minimin 003002
Act Date	Code	Action	Action Remark	Pending Office
08/27/1982	909	BOND ACCEPTED	EFF 07/16/82;C00042	
04/21/1992	387	CASE ESTABLISHED	9204082	
04/22/1992	191	SALE HELD		
04/22/1992	267	BID RECEIVED	\$355600.00;	
04/22/1992	392	MONIES RECEIVED	\$1120.00;	
04/30/1992	392	MONIES RECEIVED	\$354480.00;	
05/27/1992	237	LEASE ISSUED		
05/27/1992	974	AUTOMATED RECORD VERIF	AR/LR	!
06/01/1992	496	FUND CODE	05;145003	
06/01/1992	530	RLTY RATE - 12 1/2%		
06/01/1992	868	EFFECTIVE DATE		
07/07/1992	600	RECORDS NOTED		
12/03/1992	575	APD FILED	MITCHELL ENERGY; BM	I.
12/18/1992	575	APD FILED	MITCHELL ENERGY;	
04/05/1993	111	RENTAL RECEIVED	\$840.00;21/40320	
04/06/1993	575	APD FILED	APACHE 25 FED #1; BM	
06/11/1993	576	APD APPROVED	#2 APACHE 25 FED;	
09/22/1993	246	LEASE COMMITTED TO CA	NMNM90990;	
10/27/1993	575	APD FILED	MITCHELL ENERGY CORP	
12/02/1993	575	APD FILED	MITCHELL ENERGY CORP	
12/16/1993	575	APD FILED	MITCHELL ENERGY CORP	
12/20/1993	650	HELD BY PROD - ACTUAL	; 0900mmm	
12/20/1993	974	AUTOMATED RECORD VERIF	MV/MV	
01/19/1994	576	APD APPROVED	3 APACHE 25 FED	
01/19/1994	576	APD APPROVED	4 APACHE 25 FED	
01/19/1994	576	APD APPROVED	6 APACHE 25 FED	
03/10/1994	576	APD APPROVED	10 APACHE 25 FED	
03/11/1994	576	APD APPROVED	8 APACHE 25 FED	
03/15/1994	576	APD APPROVED	7 APACHE 25 FED	
9/15/1997	575	APD FILED		
10/15/1997	576	APD APPROVED	#6 APACHE "25" FED	
05/16/2002	940	NAME CHANGE RECOGNIZED	MITCHELL/DEVON ENE	
01/27/2003	140	ASGN FILED	DEVON/DEVON ENE PROD	
02/26/2003	139	ASGN APPROVED	EFF 02/26/03;	
02/26/2003	974	AUTOMATED RECORD VERIF	ANN	

DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** CASE RECORDATION

01:53 PM

Page 1 of 1

Run Date:

05/21/2014

(MASS) Serial Register Page

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

Case Type 312021: O&G LSE COMP PD -1987 Commodity 459:

OIL & GAS

Case Disposition: AUTHORIZED

Total Acres

Serial Number

80.000

NMNM-- - 091509

Serial Number: NMNM-- - 091509

% Interest

Name & Address DEVON ENERGY PROD CO LP

333 W SHERIDAN AVE

OKLAHOMA CITY OK 731025010

LESSEE

Run Time:

100,000000000

Serial Number: NMNM-- - 091509

Mer Twp Rng Sec 23 0220S 0300E 025 STyp

ALIQ

SNr Suff Subdivision N2SE;

District/Field Office CARLSBAD FIELD OFFICE County EDDY

Mgmt Agency

BUREAU OF LAND MGMT

Serial Number: NMNM-- - 091509

			Serial futfiber, friedrim 051505		
Act Date	Code	Action	Action Remark	Pending Office	
07/20/1993	387	CASE ESTABLISHED	9307093		
07/21/1993	191	SALE HELD			
07/21/1993	267	BID RECEIVED	\$128000.00;		
07/21/1993	392	MONIES RECEIVED	\$160.00;		
07/29/1993	392	MONIES RECEIVED	\$127840.00;		
08/25/1993	237	LEASE ISSUED			
08/25/1993	974	AUTOMATED RECORD VERIF	AR/I	LBO	
09/01/1993	496	FUND CODE	05;145003		
09/01/1993	530	RLTY RATE - 12 1/2%			
09/01/1993	868	EFFECTIVE DATE			
09/03/1993	600	RECORDS NOTED			
09/22/1993	246	LEASE COMMITTED TO CA	NMNM90990;		
09/30/1993	963	CASE MICROFILMED	CNUM 570,010	PR	
10/25/1993	111	RENTAL RECEIVED	\$120.00;11/MULTIPLE	3	
10/27/1993	575	APD FILED	MITCHELL ENERGY COR	RP	
10/27/1993	651	HELD BY PROD - ALLOCATED	NMNM90990;		
10/27/1993	660	MEMO OF 1ST PROD-ALLOC	/1/NMNM90990;		
12/16/1993	575	APD FILED	MITCHELL ENERGY COF	RP	
12/20/1993	974	AUTOMATED RECORD VERIF	MV/	/MV	
01/19/1994	576	APD APPROVED	5 APACHE 25 FED		
03/11/1994	576	APD APPROVED	9 APACHE 25 FED		
05/16/2002	940	NAME CHANGE RECOGNIZED	MITCHELL/DEVON ENE		
01/27/2003	140	ASGN FILED	DEVON/DEVON		
02/27/2003	139	ASGN APPROVED	EFF 02/01/03;		
02/27/2003	974	AUTOMATED RECORD VERIF	MV		
04/09/2014	974	AUTOMATED RECORD VERIF	ANN		
ine Nr	Romar		Serial Nun	nber: NMNM 091509	

Remarks Line Nr

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

Run Date/Time: 04/04/17 03:06 PM

Page 1 of 1

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

318310: Case Type

Total Acres

Serial Number

Commodity 410:

O&G COMMUNITZATION AGRMT

320.000

NMNM-- - 090990

Case Disposition:

NATURAL GAS

AUTHORIZED

Case File Juris:

Serial Number: NMNM-- - 090990

Serial Number: NMNM-- - 090990

Serial Number: NMNM-- - 090990

Name & Address

Mer Twp Rng Sec

23 0220S 0300E 025

Int Rel

%Interest

BLM ROSWELL FO

2909 W 2ND ST

ROSWELL NM 88201

OFFICE OF RECORD

0.000000000

DEVON ENERGY PROD CO LP

333 W SHERIDAN AVE

OKLAHOMA CITY OK 731025010

OPERATOR

100.000000000

SType ALIQ

Nr Suff Subdivision

S2:

District/Resource Area CARLSBAD FIELD OFFICE County **EDDY**

Mgmt Agency BUREAU OF LAND MGMT

CASE ESTABLISHED 387

09/22/1993 FORMATION 09/22/1993 516 FORMATION

09/22/1993 516 FORMATION 09/22/1993 516

ACRES-FED INT 100% 09/22/1993 526 09/22/1993 EFFECTIVE DATE 868 PROPOSAL RECEIVED 09/28/1993 580

AGRMT APPROVED 10/06/1993 334 AUTOMATED RECORD VERIF 974 10/12/1993

AGRMT PRODUCING 10/27/1993 654 11/08/1993 963 CASE MICROFILMED/SCANNED

RECORDS NOTED 12/16/1993 600 NAME CHANGE RECOGNIZED 08/01/2001 940

NAME CHANGE RECOGNIZED 05/16/2002 940 MERGER RECOGNIZED 11/17/2004 817 FORMATION 10/09/2007 516

LEASE SERIAL NO

ATOK; ATOKA

MRRW06: MORROW WCAP; WOLFCAMP

320.00;100.00%

/A/ CA RECD

> MO/MO NMNM89052,2 APACHE 25

CNUM 536,781

MITCHELL ENE CORP/LP MITCHELL ENE/DEVONENE DEVON OP/DEVON PROD

/B/STRN06; STRAWN

Remarks Line Nr

1

2

0002

0003

0004

0005

0006

0007

/A/ RECAPITULATION EFFECTIVE 09/22/1993 AC COMMITTED % INTEREST

NMNM 89052 240.00 NMNM 91509 TOTAL

80.00 320.00

75.0000 25.0000 100.0000

/B/AGREEMENT AMENDED TO INCLUDE THE STRAWN FORMATION

Samuel Walker Landman Devon Energy Corporation 333 West Sheridan Ave. Oklahoma City, Oklahoma 73102-8260 Office: (405) 228-4342 Fax: (405) 234-2634

June 05, 2015

New Mexico Oil Conservation Divison 1220 South St. Francis Drive Santa Fe, NM 87505

: (Bislo) - North Heilin - Heiling Heilin

Re:

Well Commingle Section 6-T25S-R32E Lea County, NM

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") recently reviewed its files covering the ownership of the following wells and has determined that the ownership of the working interest, royalty interest and overriding royalty interest in the following wells are uniform with respect to Devon's application for Well Comingling:

Apache 25 Fed 2	API: 30-015-27478
Apache 25 Fed 5	API: 30-015-32720
Apache 25 Fed 6	API: 30-015-29894
Apache 25 Fed 9	API: 30-015-32797
Apache 25 Fed 10H	API: 30-015-35597
Apache 25 Fed 17H	API: 30-015-41116

If there are any questions, or if any additional information is required, feel free to call me at (405) 228-4342.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

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

Apache 25 Federal 2, 5, 6, 9, 10H, & 17H 3001527478, 3001532720, 3001529894, 3001532797, 3001535597, & 3001541116 Leases NMNM89052, NMNM91509 and CA- NMNM90990

Devon Energy Production Company April 13, 2017 Condition of Approval Surface commingling, off lease storage measurement and sales.

- 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 or product accountability.
- 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 Federal Regulations, AGA and API requirements 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.