

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018SUNDRY NOTICES AND REPORTS ON WELLS
OCD Artesia

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.
Multiple--See Attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Multiple--See Attached8. Well Name and No.
Multiple--See Attached9. API Well No.
Multiple--See Attached10. Field and Pool or Exploratory Area
HACKBERRY-BONE SPRING
UNKNOWN

11. County or Parish, State

EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

DEVON ENERGY PRODUCTION COMPANY

Contact: ERIN WORKMAN

Mail: Erin.workman@devn.com

3a. Address

333 WEST SHERIDAN AVENUE
OKLAHOMA, OK 73102

3b. Phone No. (include area code)

Ph: 405-552-7970

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

Multiple--See Attached

12. CHECK THE 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"/> Hydraulic Fracturing	<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	Off-Lease Measuremen t
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 to amend the approved CTB\OLM, Sales, & Storage approved on 01/10/2015 for the Rigel 20 Fed Com 3H Battery. This corrective action is in response to the Notice of Written Order 18MB067W received from Michael Balliett on 01/11/2018.

Rigel 10 Fed Com 3H (30-015-39725)
NWSW Sec. 20, T19S, 31E
Hackberry; BS
NMNM0557729 (12.5%) NMNM63642A (12.5%), NMNM129587 (CA)

Rigel 20 Fed Com 4H
NWSW Sec. 20, T19S, 31E

RECEIVED

NOV 06 2018

Gc 11-8-18
Accepted for record - NMOC

DISTRICT II-ARTESIA O.C.D.

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

Electronic Submission #405115 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION COMPANY LP, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 04/19/2018 (18DLM0102SE)

Name (Printed/Typed) ERIN WORKMAN

Title REGULATORY COMPLIANCE PROF.

Signature (Electronic Submission)

Date 02/20/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

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

Additional data for EC transaction #405115 that would not fit on the form

5. Lease Serial No., continued

NMNM0557729
NMNM63362

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

NMNM129425
NMNM129578
NMNM129587

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM129587	NMNM0557729	RIGEL 20 FEDERAL COM 3H	30-015-39728-00-S1	Sec 20 T19S R31E NWSW 1800FSL 330FWL
NMNM129425	NMNM63362	RIGEL 20 FED COM 6H	30-015-41513-00-S1	Sec 20 T19S R31E SWNW 1699FNL 265FWL
NMNM129578	NMNM0557729	RIGEL 20 FEDERAL COM 4H	30-015-39728-00-S1	32.648478 N Lat, 103.899144 W Lon
				Sec 20 T19S R31E NWSW 1750FSL 330FWL

32. Additional remarks, continued

Hackberry; BS
NMNM0557729 (12.5%) NMNM63642A (12.5%), NMNM129587 (CA)

Rigel 20 Fed Com 6H
SWNW 20, T19S, 31E
Hackberry; BS
NMNM0557729 (12.5%) NMNM63362(sliding scale) NMNM129425 (CA)

Devon will measure each wells production products (gas, oil & water) individually, so that the commingling issues are resolved at this battery. The VRU production will be allocated back to each well based on the oil production from each well on a monthly basis. Below is the proposed production path, along with the attached updated process flow diagram.

Attachments: Description of the changes made to the battery
Process Flow Diagram

DECISION & CORRECTIVE ACTION IN RESPONSE TO NOWO 18MB067W & AMENDMENT TO THE APPROVED CTB, OLM, SALES & STORAGE ON 01/10/2015

Federal Lease: NMNM0557729 (12.5%) NMNM63642A (12.5%) NMNM129587 (CA)

Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU
Rigel 20 Fed Com 3H	NWSW Sec 20, T19S, 31E	30-015-39725	Hackberry; BS	38	*	101	1266.6

Federal Lease: NMNM0557729 (12.5%) NMNM63642A (12.5%) NMNM129578 (CA)

Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU
Rigel 20 Fed Com 4H	NWSW Sec 20, T19S, 31E	30-015-39726	Hackberry; BS	35	*	104	1262.7

Federal Lease: NMNM0557729 (12.5%) NMNM63362 (Sliding scale) NMNM129425 (CA)

Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU
Rigel 20 Fed Com 6H	SWNW Sec 20, T19S, 31E	30-015-41513	Hackberry; BS	31	*	256	1262.7

*Unable to capture at this time, will provide upon receipt

Devon will measure each wells production products (gas, oil, & water) individually, so that the commingling issues are resolved at this battery. The VRU production will be allocated back to each well based on the oil production from each well on a monthly basis. Below is the proposed production path, along with the attached updated process flow diagram.

Oil & Gas general production path by well:

The central tank battery is located at the Rigel 20 Fed Com 3H battery in Sec. 20, T19S, R31E, in Eddy County, New Mexico.

Rigel 20 Fed Com 3H - The Rigel 20 Fed Com 3H will flow through a two phase separator (2PS-1) and then to a heater/treater (HT-1). Gas is metered off of the two phase separator (2PS-1) with a gas test meter (FMP) and oil is metered through a Micro Motion Coriolis Meter (FMP) off the 3H's designated heater/treater (HT-1) and a turbine meter to meter the water. Oil is then is routed from the 3H's heater/treater (HT-1) to the ULPS (ultra-low pressure separator) and then to the oil tanks.

Rigel 20 Fed Com 4H - The Rigel 20 Fed Com 4H production will flow through its own three phase separator with a Micro Motion Coriolis Meter (FMP) to meter the oil, a mag meter to meter the water, and gas test meter (FMP) to meter the gas. Oil is then routed from the heater/treater (HT-2) to the ULPS (ultra-low pressure separator) and then to the oil tanks.

Rigel 20 Fed Com 6H - The Rigel 20 Fed Com 6H production will flow through its own three phase separator with a Micro Motion Coriolis Meter (FMP) to meter the oil, a mag meter to meter the water, and gas test meter (FMP) to meter the gas. Oil is then routed from the heater/treater (HT-2) to the ULPS (ultra-low pressure separator) and then to the oil tanks.

Oil, Gas & Water detailed metering methodology:

The **Rigel 20 Fed Com 3H** production flows into its own two phase separator (2PS-1). After separation, the gas flows to the **gas test meter (FMP) #67749167**. The produced fluids from the Rigel 20 FC 3H is then routed to its own heater/treater (HT-1) where oil is metered with a **Micro Motion Coriolis Meter (FMP) #14311872** after flowing through its own heater/treater (HT-1). The produced water from the Rigel 20 FC 3H is metered utilizing a turbine meter **#131865** off the heater/treater (HT-1). Produced water then flows into one of two 500 bbl. water tank on site.

The **Rigel 20 Fed Com 4H** production flows from the well into its own 3 phase separator located at the Rigel 20 Fed Com 3H facility. Gas exits the 3 phase separator and is routed to the **gas test meter (FMP) #67749136**. The produced oil exits the 3 phase separator and is metered with a **Micro Motion Coriolis Meter (FMP) #14455216** and then flows into the heater/treater (HT-2). The produced water from the Rigel 20 FC 4H is metered utilizing a water mag meter **#0413683** off the three phase separator. Produced water then flows into one of two 500 bbl. water tank on site.

The **Rigel 20 Fed Com 6H** production flows into the Rigel 20 FC 3H facility directly from the 6H's production flow line from the well into its own 3 phase separator located at the Rigel 20 FC 3H facility. Gas exits the 3 phase separator and is routed to the **gas test meter (FMP) #6774913**. The produced oil exits the 3 phase separator and is metered with a **Micro Motion Coriolis Meter (FMP) #14420343** and then flows into the heater/treater (HT-2). The produced water from the Rigel 20 FC 6H is metered utilizing a water mag meter **#0402228** off of the 3 phase separator. Produced water then flows into one of two 500 bbl.

Oil production for each well will be measured, on a daily basis, at the specifically identified Micro Motion Coriolis (FMP) meter for each well. Devon will continue to operate and maintain the Micro Motion Coriolis meter per the applicable BLM regulations, notwithstanding further guidance from the BLM in regards to proving the Micro Motion Coriolis Meter (FMP) to meet applicable

BLM guidelines. The gas production from the Rigel 20 Fed Com 3H, 4H, 7 6H and the VRU #67700052 gas test meters (FMP's) will flow to the DCP #726982-00. The BLM and OCD will be notified of any future changes at the facilities.

Production System:	Open
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- 1) Oil sales by tank gauge to tank truck.
- 2) Seal requirements:

A. Production Phase: On all Tanks.

(1) All valves 5 sealed closed.

Sales Phase: On Tank being hauled.

(1) Valve 1 sealed closed.

(2) Valve 3 sealed closed.

(3) Valve 4 sealed closed.

(4) Valve 5 sealed closed.

**{5} Misc. Valves: Plugged or otherwise
unaccessible.**

NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed.

Ledger for Site Diagram

Valve #1: Production Line

Valve #2: Test or Roll line

Valve #3: Equilizer Line

Valve #4: Circ./Drain Line

Valve #5: Sles Line

Valve #6: BS&W Load Line

Buried Lines:

Firewall:

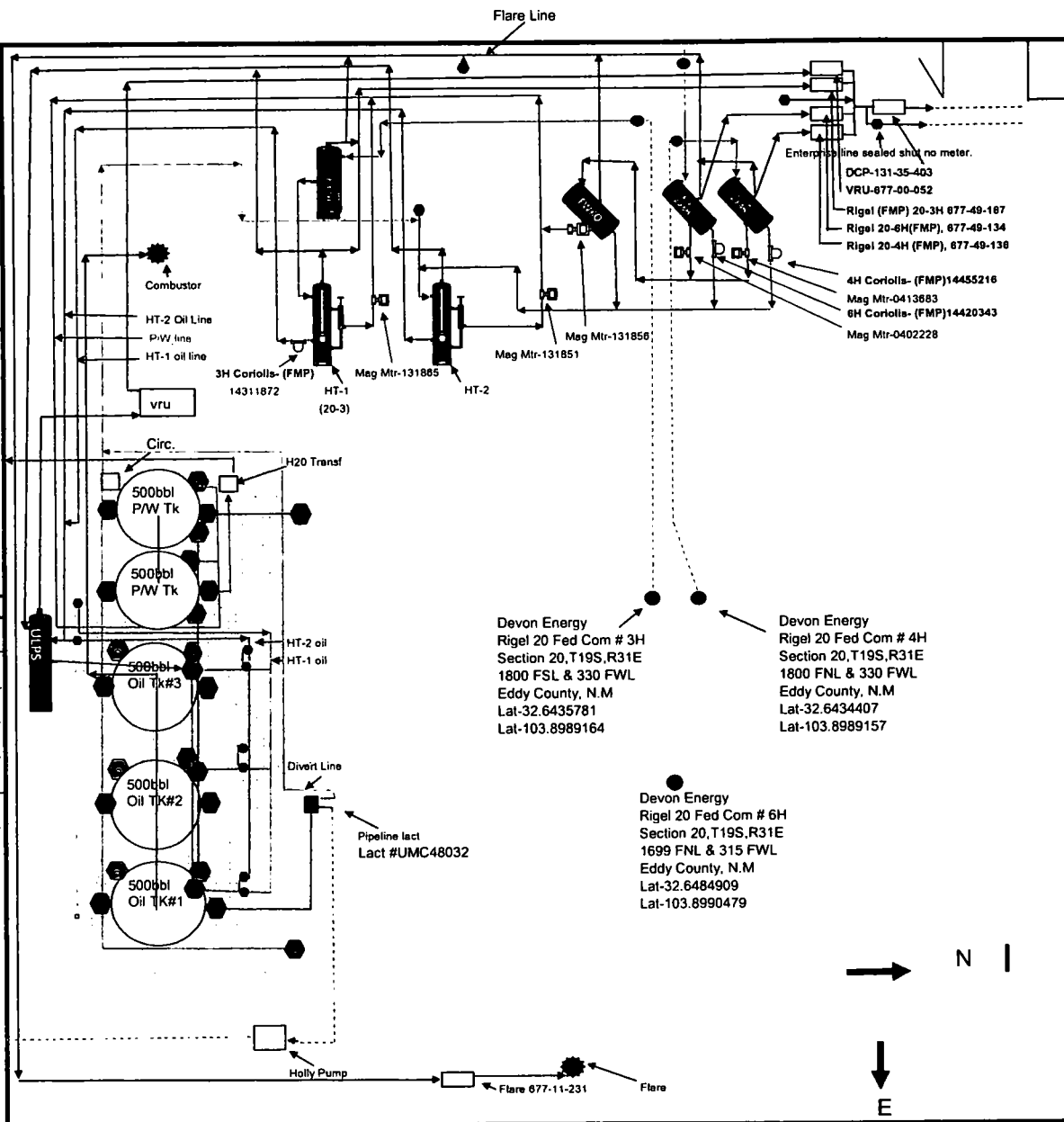
Wellhead:

Stak-pak:

Production line:

Water line:

Gas Meter



NMNM 129458

NMNM 028328

NMNM 0557729

NMNM 063362

NMNM 034657

NMNM 090534

NMNM 13549

020

021

NMLC 0063642A

NMNM 0557729

019

030

NMNM 0006814

NMNM 112930

NMNM 112930

029

NMNM 112930

NMNM 129458

NMLC 0063622

028

NMNM 11099

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

**Off-Lease/CA Storage, Measurement and Sales of production
Conditions of Approval
October 24, 2018**

**Devon Energy Production Co.
Rigel 20 Fed Com 3H, 4H, 6H**

3001539725, 3001539726, 3001541513

**Rigel 20 Fed Com 3H associated with CA-NMNM129587 are on CA,
Rigel 20 Fed Com 4H associated with CA-NMNM129578 is off CA
Rigel 20 Fed Com 6H associated with CA-NMNM129425 is off CA**

Approval of off-lease/CA measurement is subject to the following conditions of approval:

1. This agency shall be notified of any change in sales method or location of the Sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A. No gas may be vented/flared without proper measurement and prior approval. Any gas vented must be flared.
3. 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 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.
DC 33 = Flared gas – royalty due
DC 63 = Vented gas – royalty due
4. 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 and/or product accountability.
5. This approval is subject to like approval by the New Mexico Oil Conservation Division.
6. Additional wells require additional approvals.
7. This approval does not constitute right-of-way approval for any off-lease/Unit activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
8. Approval for off-lease/CA from various sources is a privilege which is granted to lessees/operators 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.
9. VRU gas will be commingled and allocated back based on oil production as per write-up attached to request. This is also approved, with this approval. Gas vapors normally would be vented or flared.