

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.
NMLC069464A

6. If Indian, Allottee or Tribe Name

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

8. 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

E-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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Hydraulic Fracturing☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Surface Commingling

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 Co., LP respectfully requests an amendment to the approved for a LC|OLM on 08/04/2012 to add the Sirius 17 Fed Com 7H, 8H, & Arcturus 18 Fed 7H wells. The following are the wells included:

Sirius 17 Fed Com 3H

30-015-38481

Sec. 17, NWSW, T19S, R31E

Hackberry; Bone Spring, NW

CA NMNM127858 - 12.5% (NMNM006370 & NMNM099040 - 12/5%)

Sirius 17 Fed Com 4H

30-015-38478

RECEIVED

APR 01 2019

DISTRICT II-ARTESIA O.C.D

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

Electronic Submission #455040 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 02/19/2019 (19DW0044SE)

Name (Printed/Typed) ERIN WORKMAN

Title REGULATORY COMPLIANCE PROF.

Signature

(Electronic Submission)

Date 02/18/2019

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 #455040 that would not fit on the form

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

NMNM127858
NMNM128482

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM127858	NMNM06370	SIRIUS 17 FEDERAL COM 3H	30-015-38481-00-S1	Sec 17 T19S R31E NWSW 1980FSL 340FWL
NMNM127858	NMNM06370	SIRIUS 17 FED COM 7H	30-015-41762-00-S1	Sec 17 T19S R31E NWSW 2080FSL 70FWL 32.658863 N Lat, 103.899815 W Lon
NMLC069464A	NMLC069464A	ARCTURUS 18 FED 7H	30-015-42618-00-S1	Sec 17 T19S R31E NWSW 2080FSL 20FWL 32.658863 N Lat, 103.899978 W Lon
NMNM128482	NMNM06370	SIRIUS 17 FED COM 8H	30-015-41888-00-S1	Sec 17 T19S R31E SWSW 962FSL 200FWL 32.631140 N Lat, 103.900020 W Lon
NMNM128482	NMNM06370	SIRIUS 17 FEDERAL COM 4H	30-015-38478-00-S1	Sec 17 T19S R31E SWSW 450FSL 340FWL

32. Additional remarks, continued

Sec. 17, T19S, R31E
Hackberry; Bone Spring, NW
CA NMNM128482 - 12.5% (NMNM006370 & NMNM099040- 12.5%)

Sirius 17 Fed Com 7H (Well added, lease already approved)
30-015-41762
Sec. 17, T19S, R31E
Hackberry; Bone Spring, NW
CA NMNM127858 - 12.5% (NMNM006370 & NMNM099040 - 12.5%)

Sirius 17 Fed Com 8H (Well added, lease already approved)
30-015-41888
Sec. 17, T19S, R31E
Hackberry; Bone Spring, NW
CA NMNM128482 - 12.5% (NMNM006370 & NMNM099040- 12.5%)

Arcturus 18 Fed 7H (Well added)
30-015-42618
Sec. 18, T19S, R31E
Hackberry; Bone Spring, NW
NMLC0069464-A (Locked at 12.5% per royalty determination letter dated 06/29/1993)

The Sirius 17 Fed Com 3H Facility Diagram has been updated to reflect additional wells flowing into the facility. The five wells flowing into the facility are: Sirius 17 Fed Com 3H, Sirius 17 Fed Com 4H, Sirius 17 Fed Com 7H, Sirius 17 Fed Com 8H, Arcturus 18 Fed 7. Production from all wells is commingled prior to sales. Royalty interest is the same for all wells.

The Sirius 17 Fed Com 3H CTB is in Sec. 17, T19S, R31E in Eddy Co., NM. The Sirius 17 Fed Com 3H & 4H flow into a common header with isolation lines to route each wells production. One well will be routed to the test side and one routed to the production side. The well test method will be utilized, once a month for a minimum of 24 hours. The Sirius 17 Fed Com 7H, 8H, & Arcturus 18 Fed 7H production will flow through their own three phase separator with Micro Motion Coriolis to meter the oil, mag meter to meter the water, and gas allocation meter to meter the gas. VRU volumes will be allocated back to each well utilizing a percentage of each wells monthly oil production.

Production for the Sirius 17 Fed Com 3H & 4H will be allocated based on the most recent well test for oil, gas, and water. The Production for the Sirius 17 Fed Com 7H, 8H, and Arcturus 18 Fed 7H will be allocated back based on the oil, gas, and water allocation meters downstream of the 3-phase separator. Devon will continue to operate and maintain the Micro Motion Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regard to proving the Micro Motion Coriolis Meter to meet applicable BLM standards. The BLM and OCD will be notified of any future changes to the facilities.

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

ATTACHMENTS: Narrative, GIS\Lease Map, Process Flow Diagram

AMENDEDMENT TO THE APPROVED CENTRAL TANK BATTERY, LEASE COMMINGLING & OFF-LEASE MEASUREMENT, SALES & STORAGE

Lease commingling proposal for Sirius 17 Fed Com 3H, 4H, 7H, 8H, & Arcturus 18 Fed 7H wells:

Devon Energy Production Company, LP is requesting for approval of a Lease Commingle\Off Lease Measurement, Sales & Storage for the following wells:

Federal Lease: NMNM99040, NMNM06370, & CA NMNM127858 (12.5%)

Well Name	Location	API #	Pool 97020
Sirius 17 Fed Com 3H	Sec 17-NWNW-T19S-R31E	30-015-38481	Hackberry; Bone Spring, NW
Sirius 17 Fed Com 7H	Sec. 17-NWNW-T19S-R31E	30-015-41762	Hackberry; Bone Spring, NW

Federal Lease: NMNM99040, NMNM06370, & CA NMNM128482 (12.5%)

Well Name	Location	API #	Pool 97020
Sirius 17 Fed Com 4H	Sec 17-SWSW-T19S-R31E	30-015-38478	Hackberry; Bone Spring, NW
Sirius 17 Fed Com 8H	Sec. 17-SWSW-T19S-R31E	30-015-41888	Hackberry; Bone Spring, NW

Federal Lease: NMLC0069464-A (Locked at 12.5% per royalty determination letter dated 06/29/1993)

Well Name	Location	API #	Pool 97020
Arcturus 18 Fed 7H	Sec 17-NWNW-T19S-R31E	30-015-42618	Hackberry; Bone Spring, NW

The Sirius 17 Fed Com 3H Facility Diagram has been updated to reflect additional wells flowing into the facility. The five wells flowing into the facility are: Sirius 17 Fed Com 3H, Sirius 17 Fed Com 4H, Sirius 17 Fed Com 7H, Sirius 17 Fed Com 8H, Arcturus 18 Fed 7H. Production from all wells are commingled prior to sales. Royalty interest is the same for all wells.

Oil & Gas Metering

The Sirius 17 Fed Com 3H CTB is in Sec. 17, T19S, R31E. in Eddy Co., NM. The Sirius 17 Fed Com 3H & 4H flow into a common header with isolation lines to route each wells production. One well will be routed to the test side and one routed to the production side. The well test method will be utilized, once a month for a minimum of 24 hours for each well. The Sirius 17 Fed Com 7H, 8H, & Arcturus 18 Fed 7H production will flow through their own three phase separator with Micro Motion Coriolis to meter the oil, mag meter to meter the water, and gas allocation meter to meter the gas. VRU volumes will be allocated back to each well utilizing a percentage of each wells monthly oil production.

The production from the Sirius 17 Fed Com 3H and Sirius 17 Fed Com 4H flow into a common production header. Oil, gas, and water volumes from each of these wells will be determined by using a test separator/heater treater at the proposed facility, so that one of these is always producing through the test equipment. A production Separator and Heater/Treater are used while either well is not testing. After separation, gas is measured utilizing an orifice meter S/N 677-49-143. The liquids are separated and measured in the Test Heater/Treater. The oil is measured through a Micro Motion Coriolis Meter S/N: 14512789 and water measured through a mag meter S/N 7931000370. The oil from both wells are combined into the oil tanks prior to being sold through an oil LACT unit S/N P655654018. The gas is comingled with the other facility gas and sold to DCP S/N 726968-00. These two wells are the original wells producing to the facility.

The Sirius 17 Fed Com 7H produces into a dedicated 2 phase test separator, then into a dedicated 3 phase tester. All gas is measured using an orifice test meter S/N 677-49-159 before being comingled with the other facility gas and sold to DCP S/N: 726968-00. The liquids from the test separator flow to the dedicated 3 phase separator. The oil is measured using a Micro Motion Coriolis Meter S/N 14481733, the water using a mag meter S/N 0413674. The oil is comingled into the oil tanks prior to being sold through an oil LACT unit S/N P655654018.

The Sirius 17 Fed Com 8H produces into a dedicated 2 phase test separator, then into a dedicated 3 phase tester. All gas is measured using an orifice test meter S/N 677-49-150 before being comingled with the other facility gas and sold to DCP S/N 726968-00. The liquids from the test separator flow to the dedicated 3 phase separator. The oil is measured using a Micro Motion Coriolis Meter S/N 14433958, the water using a mag meter S/N 0410801. The oil is comingled into the oil tanks prior to being sold through an oil LACT unit S/N P655654018.

The Arcturus 18 Fed 7H produces into a dedicated 2 phase test separator, then into a dedicated 3 phase tester. All gas is measured using an orifice test meter S/N 677-49-215 before being comingled with the other facility gas and sold to DCP S/N: 726968-00. The liquids from the test separator flow to the dedicated 3 phase separator. The oil is measured using a Micro Motion Coriolis Meter S/N 14481733, the water using a mag meter S/N 0427214. The oil is comingled into the oil tanks prior to being sold through an oil LACT unit S/N P655654018.

Production for the Sirius 17 Fed Com 3H & 4H will be allocated based on the most recent well test for oil, gas, and water. The Production for the Sirius 17 Fed Com 7H, 8H, and Arcturus 18 Fed 7H will be allocated back based on the oil, gas, and water allocation meters downstream of the 3-phase separator. Devon will continue to operate and maintain the Micro Motion Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regard to proving the Micro Motion Coriolis Meter to meet applicable BLM standards. The BLM and OCD will be notified of any future changes to the facilities.

Process and Flow Descriptions:

The flow of produced fluids is described above and 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 NMPO 2013-02 & 43 CFR 3173.14. 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.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail

Date: 02/11/19

Sirius 17 Federal Com 3H
NW/4 SW/4, S17,T19S,R31E
1980' FSL & 340' FWL
Eddy County, N.M
API 30-015-38481
NMNM06370

Production System: Open

- 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: Stes Line
- Valve #6: BS&W Load Line

Buried Lines:

Firewall:

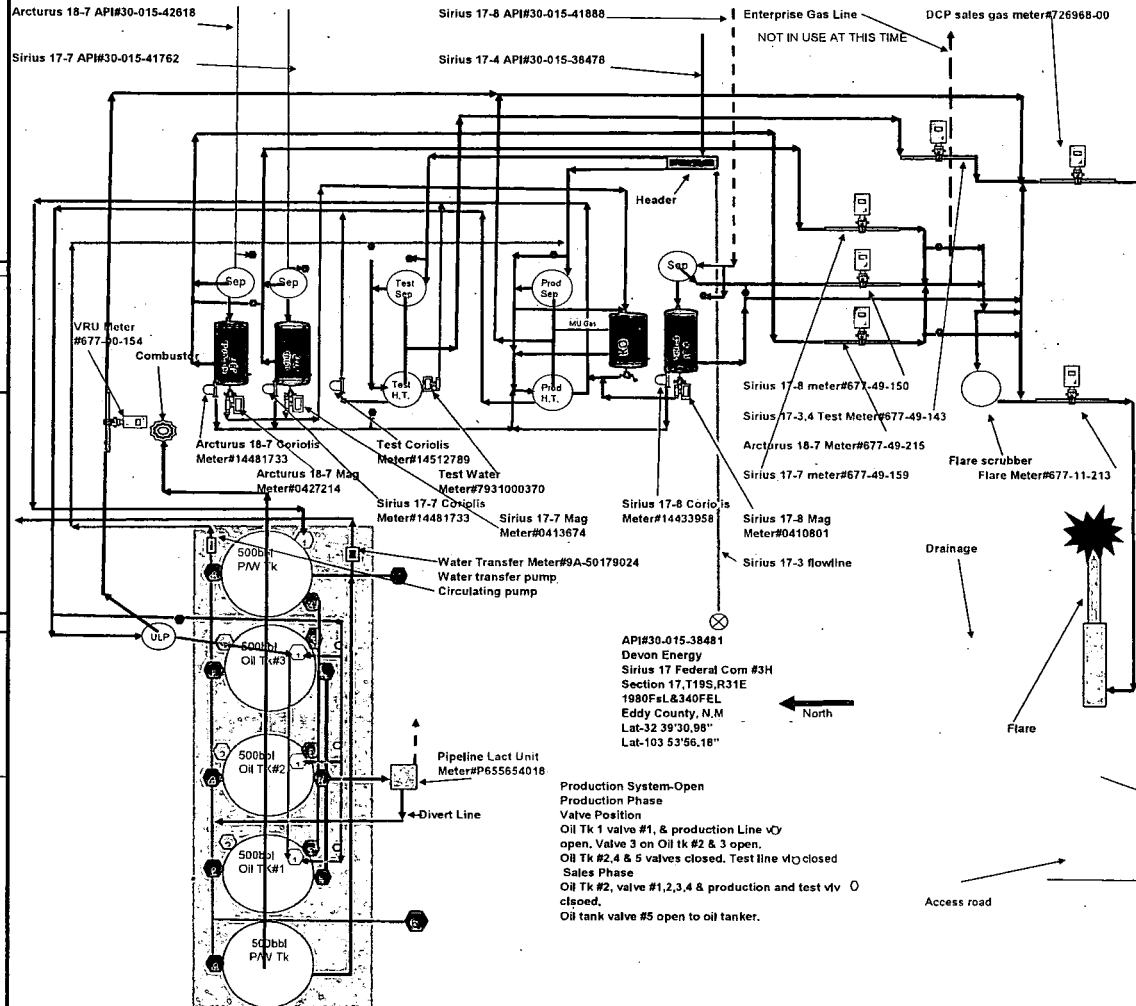
Wellhead:

Stak-pak:

Production line:

Water line:

Gas Meter



API#30-015-38481
Devon Energy
Sirius 17 Federal Com #3H
Section 17,T19S,R31E
1980F&L&340FEL
Eddy County, N.M
Lat-32 39'30.98"
Lat-103 53'56.18"

Production System:Open
Production Phase
Valve Position
Oil Tk 1 valve #1, & production Line vcy
open, Valve 3 on Oil Tk #2 & 3 open,
Oil Tk #2,4 & 5 valves closed, Test line vcy closed
Sales Phase
Oil Tk #2, valve #1,2,3,4 & production and test vcy
closed,
Oil tank valve #5 open to oil tanker.