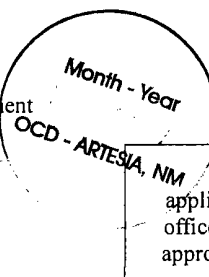


District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Minerals and Natural Resources Department
CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505



Form C-107-B
Revised June 10, 2003

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 Company, L.P.
OPERATOR ADDRESS: 20 North Broadway, Oklahoma City, Oklahoma 73102-8260
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 (Specify)
(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 (Specify)

(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 attach 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: Norvella Adams TITLE: Sr. Staff Engineering Technician DATE: May 9, 2007

TYPE OR PRINT NAME Norvella Adams TELEPHONE NO.: 405-552-8198

E-MAIL ADDRESS: norvella.adams@dvn.com

30-015-35095



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

April 26, 2007

New Mexico Oil Conservation Division
1220 S St. Francis Drive
Santa Fe, New Mexico 87505

Attn: David Catanach

Re: Application for Off-Lease Storage and Measurement (Form C-107-B)
Simpson 15A #1
Section 15 Township 18 South, Range 26 East
Eddy County, New Mexico
API # 30-015-35095

Mr. Catanach:

Devon Energy Production Company, LP requests approval for off lease storage and measurement of hydrocarbon production from the Simpson 15A #1 well located on the Simpson Lease at 330' FNL 330' FEL Section 15-18S-26E. The battery for storage and measurement is located on the existing Atoka San Andres Unit #162 well site located at 375' FNL 330' FWL Section 14, Township 18 South, Range 26 East.

Exhibit I is a schematic, which shows the current temporary equipment setup that will be utilized until the battery is completed. After the battery is completed, production will go to the permanent equipment displayed in Exhibit II. A map (Exhibit III) is enclosed that shows the location of the well, battery, and the boundaries of both leases.

Devon Energy Production Company, LP has 100% WI in the referenced well.

The reason for the proposed off lease storage and measurement is that no surface location agreement for the battery could be reached with the surface owner on the Simpson lease.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Please contact me at 405-552-8152 should you have any questions.

Sincerely,

Devon Energy Production Company, LP

Marcos Ortiz
Operations Engineer

Enclosure



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

Meg Muhlinghouse
Land Advisor

Phone: (405) 228-4416
Fax: (405) 552-8113

April 26, 2007

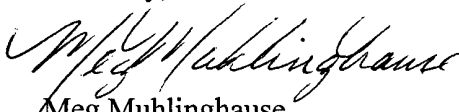
Mr. David Catanach
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

Re: Simpson 15A #1 well
330' FNL & 330' FEL
Section 15, T-18-S, R-26-E
Eddy County, New Mexico

Mr. Catanach:

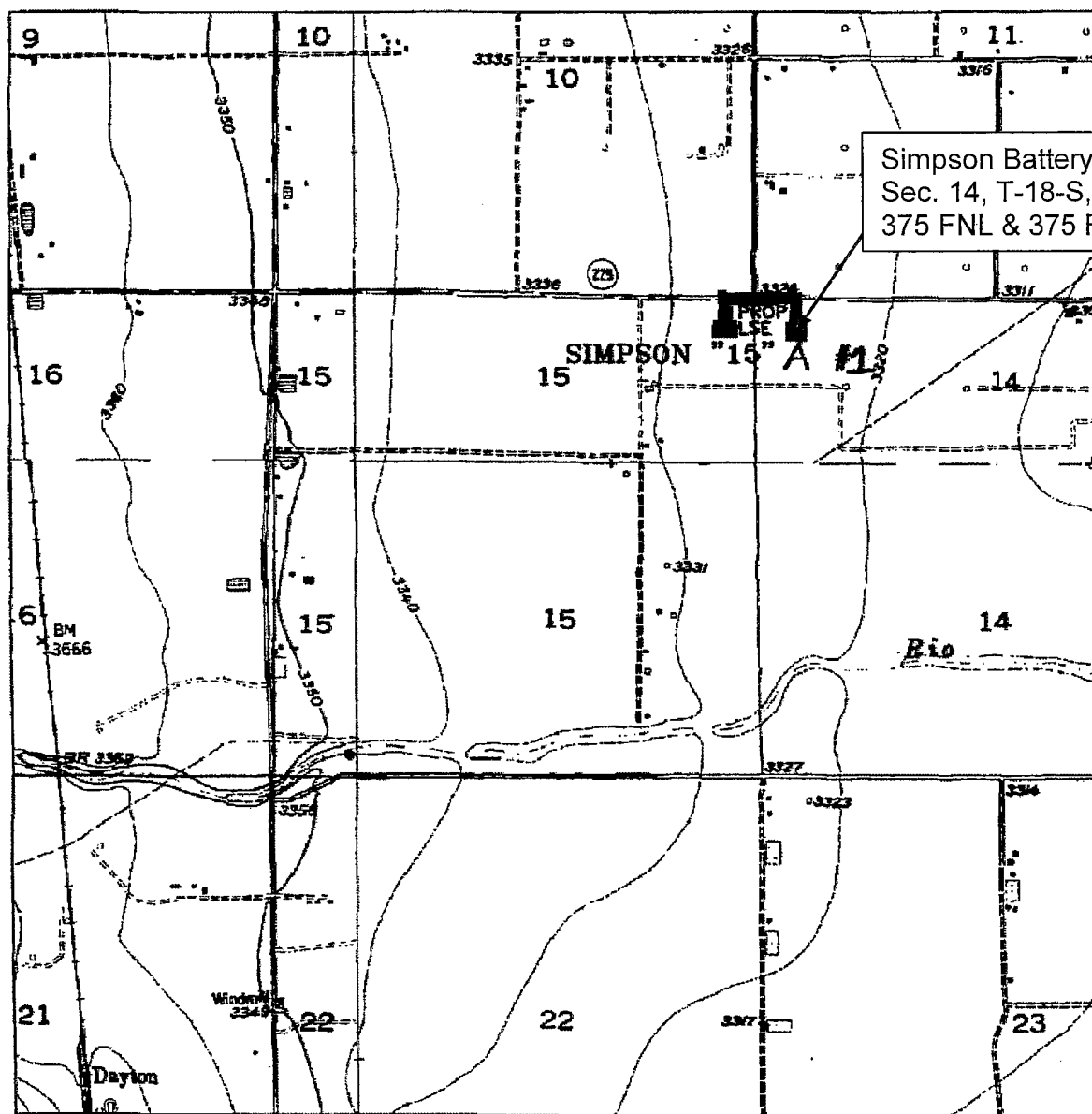
Upon review of the title information in Devon's records, please be advised that the working interest ownership in Devon's captioned well is identical to the ownership in Devon's Atoka San Andres Unit #162 well located 175' FNL & 375' FWL in Section 14, T-18-S, R-26-E, Eddy County, NM. This statement is true for the Red Lake Glorieta-Yeso Pool. Should you have any questions or need anything additional, please advise.

Sincerely,



Meg Muhlinghouse
Land Advisor

* ALL Leases are Fee Leases.

**SIMPSON "15" A #1**

Located at 330' FNL AND 330' FEL
 Section 15, Township 18 South, Range 26 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

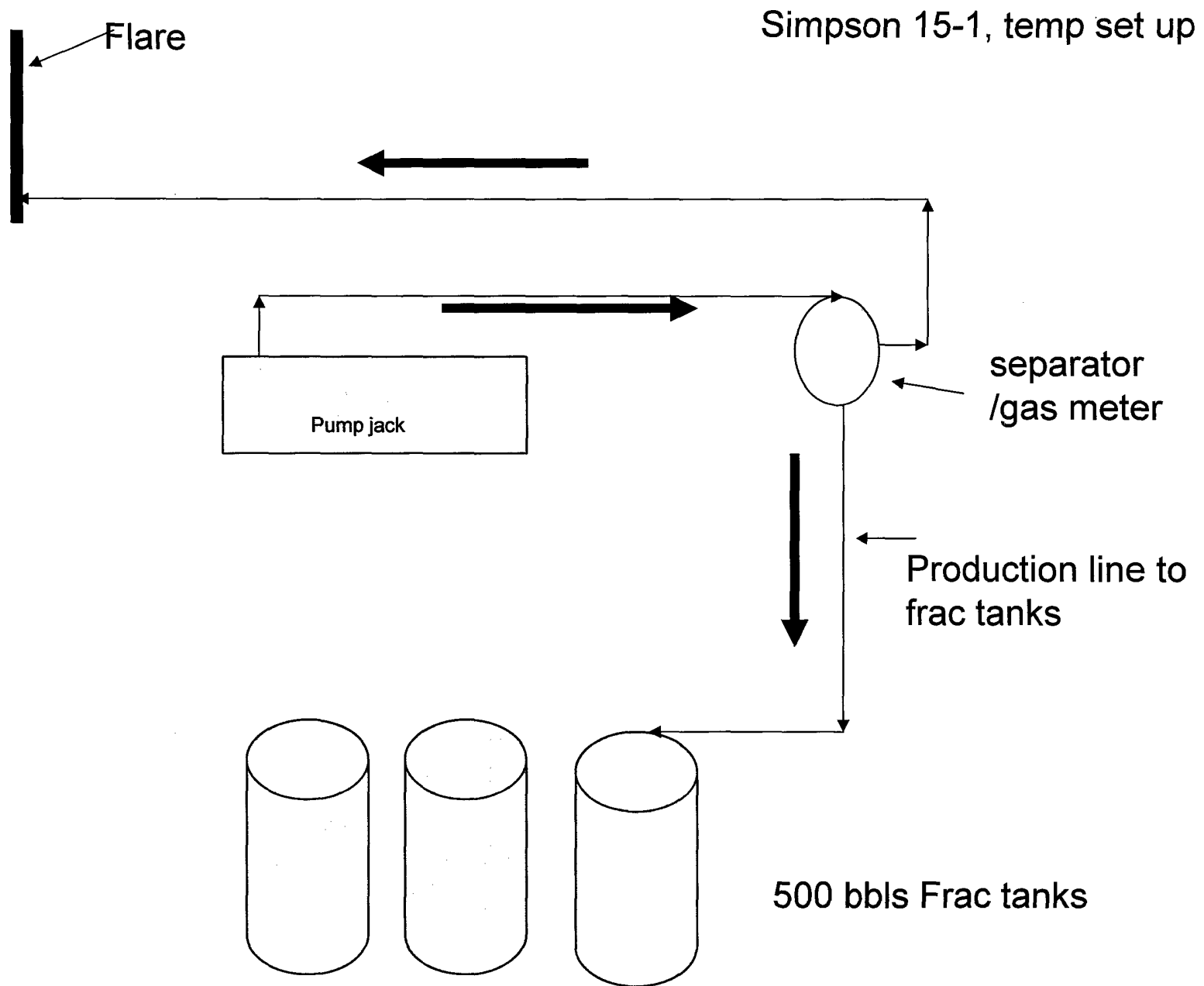
W.O. Number: 6498AA - JMS

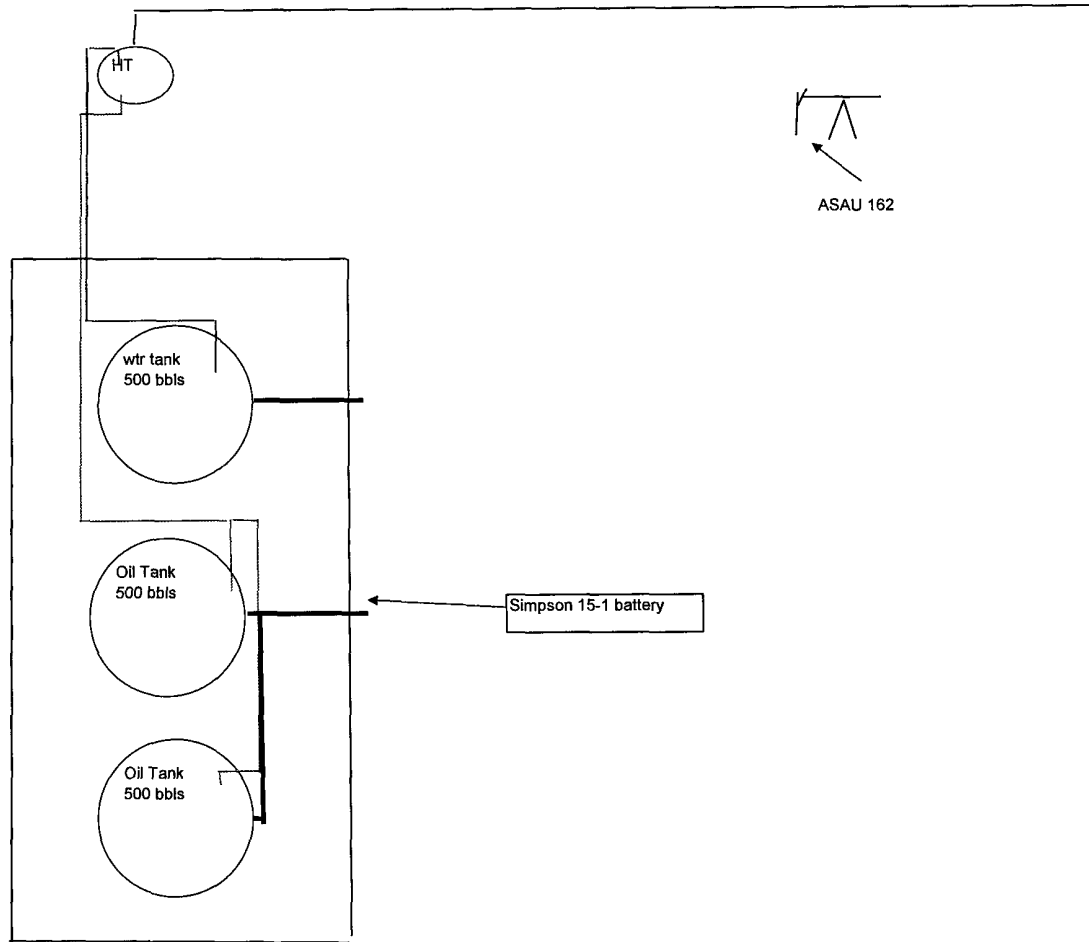
Survey Date: 04-17-2006

Scale: 1" = 2000'

Date: 04-19-2006

DEVON ENERGY
PROD. CO., L.P.





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