

OCD-ARTESIA

Form 3160-5
(February 2005)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

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
NMNM54112

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well

☒ Oil Well☐ Gas Well☐ Other2. Name of Operator
Devon Energy Production Co., LP3a Address
20 North Broadway
OKC, OK 731023b. Phone No. (include area code)
(405)-552-78024 Location of Well (Footage, Sec, T, R., M., or Survey Description)
NWNE 1300' FNL & 1750' FEL
Sec 7-T19S-R31E

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

8 Well Name and No.
Strawberry 7 Federal 1 & 29 API Well No.
30-015-31876 & 30-015-3237510. Field and Pool or Exploratory Area
Hackberry North; Bone Springs (97056)11 Country or Parish, State
Eddy County, NM

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"/> 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 Surface Commingle;
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Off Lease Storage
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	& Measurement

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 approval to surface commingle hydrocarbons from the Strawberry 7 Federal 1 (30-015-31876) Lease # NM100561 & Strawberry 7 Federal 2 (30-015-32375) Lease # NMNM54112 from the following pool: Hackberry North; Bone Springs; Pool Code # 97056. Interest owners have been notified via certified mail. Application has been made to the OCD Santa Fe office via Form C-107-B. See attachments.

SEE ATTACHED FOR
CONDITIONS OF APPROVALSUBJECT TO LIKE
APPROVAL BY STATE

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Stephanie A. Ysasaga

Title Sr. Staff Engineering Technician

Signature

Date 06/07/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Date

APPROVED

AUG 21 2007

WESLEY W. INGRAM
PETROLEUM ENGINEER

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.

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)

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.

Stephanie A. Ysasaga

Print or Type Name

Signature

Sr. Staff Engineering Technician

Title

06/07/07

Date

Stephanie A. Ysasaga
e-mail Address

APPLICATION FOR SURFACE COMMINGLING:

Bureau of Land Management
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Devon Energy Production Company, LP requests approval for surface commingling and measurement of hydrocarbon production from the following wells on Federal **Lease No. NM100561 & Lease No. NMNM54112**; respectively.

<u>Lease Name & No:</u>	<u>UL</u>	<u>Sec</u>	<u>TWP</u>	<u>Rng</u>	<u>Formation</u>
Strawberry 7 Federal 1	C	7	19S	31E	Hackberry North; Bone Springs
Strawberry 7 Federal 2	B	7	19S	31E	Hackberry North; Bone Springs

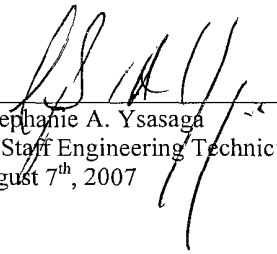
Exhibit I is a schematic, which shows the equipment that will be utilized to determine well production from each well that will contribute production to the proposed commingled facility.

Process and Flow Description: The common gas sales meter will be located at the Strawberry 7 Federal 1, Federal Lease #NMNM54112. A gas meter will be used to allocate production will be located at the Strawberry 7 Federal 1. This meter will be calibrated on a regular basis per API, NMOCD and BLM specifications. The attached facility diagrams show the proposed metering arrangement. The BLM will be notified if there is any future change in the facility location.

The overriding royalty owners, working interest owners and NMOCD have been notified of this proposal. The overriding royalty owners and working interest owners have been notified by certified mail. See attached receipt list.

The proposed commingling of production is to reduce operating expense between the two referenced wells. This will result in increasing the economic life of the wells.

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. We intend to follow the existing ROW for the gas line.

Signed: 
Name: Stephanie A. Ysasaga
Title: Sr. Staff Engineering Technician
Date: August 7th, 2007

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: 20 North Broadway, Ste 1500

APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

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 Hackberry North; Bone Springs (97056)
(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 attached sheets with the following information

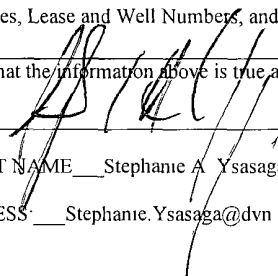
- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners

(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:  TITLE: Sr Staff Engineering Technician DATE 06/07/07

TYPE OR PRINT NAME Stephanie A Ysasaga TELEPHONE NO (405)-552-780

E-MAIL ADDRESS Stephanie.Ysasaga@dvn.com



Laboratory Services, Inc.
4015 Fleeta Drive
Hobbs, New Mexico 88240
Telephone: (505) 397-3719

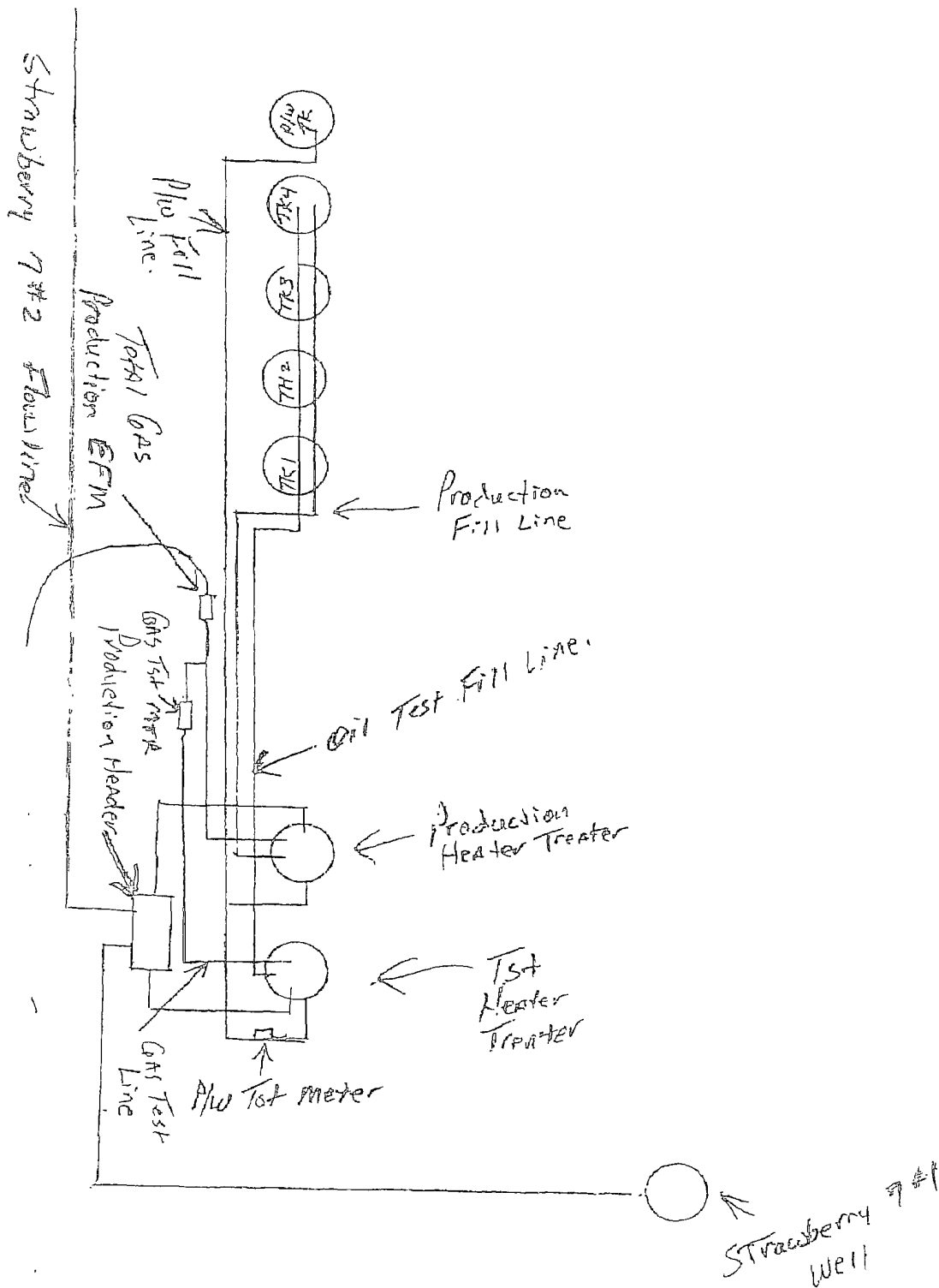
SULFUR IN CRUDE OIL

Devon Energy
P. O. Box 250
Artesia, New Mexico 88211-0250

May 10, 2004

	Total Sulfur	API Gravity @ 60° F	Specific Gravity @ 60° F
Strawberry 7 Fed. #1			
Sampled: 5/5/04 10:00 am	0.0465 wt. %	48.5	0.7861
Sampled: 5/8/04 8:00 pm	0.0612 wt. %	43.9	0.8067

Thank You,
Vickie Biggs



STRAWBERRY 7 FEDERAL 1
BATTERY FACILITY DIAGRAM
DEVON ENERGY PRODUCTION CO., LP

SURFACE COMMINGLING NOTIFICATION LIST:

#	NAME:	ATTN LINE:	STREET ADDRESS:	CITY	STATE	ZIP	CERTIFIED MAIL RECIEPT:
1	Marbob Energy Corporation		P.O. Box 227	Artesia	New Mexico	88211-0227	7004-2510-0007-2097-8611
2	Pitch Energy Corporation		P.O. Box 304	Artesia	New Mexico	88210-0304	7004-2510-0007-2097-8659
3	Todd M. Wilson		3608 South County Road 1184	Midland	Texas	79706-6468	7004-2510-0007-2097-8628
4	Cannon Exploration Company		3608 South County Road 1184	Midland	Texas	79706	7004-2510-0007-2097-8635
5	McCombs Energy, L.L.C.	Ricky Harkin	5599 San Felipe, Suite 1200	Houston	Texas	77056	7004-2510-0007-2097-8642
6	Dillard, Fisher & Dillard Partnership		415 West Wall, Suite 1510	Midland	Texas	79701	7002-2030-001-3840-2501
7	Constance B. Cartwright, Trustee	U/W/O George F. Bauerdorf - Wells Fargo Building	2444 Wilshire Blvd , Suite 401	Santa Monica	California	90403-5808	7002-2030-0001-3840-5014
8	Joint Venture Manager	OXY USA WPT LP	P.O. Box 50250	Midland	Texas	79710-0250	7002-2030-0001-3840-5021
9	Lobos Energy Partners LLC	3817 N.W. Expressway, Suite 950	3817 N.W. Expressway, Suite 950	OKC	OK	73112	7002-2030-0001-3840-5038
10	Richard K. Barr		206 Swede Creek	Boerne	Texas	78006	7002-2030-0001-3840-5045
11	Scott E. Wilson		4601 Mirador Drive	Austin	Texas	79735	7002-2030-0001-3840-5052
12	Roger T. & Holley L. Elliot		4105 Baybrook	Midland	Texas	79707	7002-2030-0001-3840-5069

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 ■ Print your name and address on the reverse so that we can return the card to you.
 ■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

SCOTT E WILSON
 4601 MIRADOR DR
 AUSTIN TX 78735

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Scott E Wilson*☒ Agent☐ Addressee

B. Received by (Printed Name)

SCOTT WILSON

C. Date of Delivery

*6-15-07*D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail ☐ Express Mail☐ Registered ☐ Return Receipt for Merchandise☐ Insured Mail ☐ C.O.D.4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

(Transfer from service label)

7002 2030 0001 3840 5052

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

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 ■ Print your name and address on the reverse so that we can return the card to you.
 ■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RICKY HAIKIN
 MCCOMBS ENERGY LLC
 5599 SAN FELIPE STE 1200
 HOUSTON TX 77056

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Ricky Haikin*☒ Agent☐ Addressee

B. Received by (Printed Name)

SHIRAZ DONALD

C. Date of Delivery

*6-18-07*D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail ☐ Express Mail☐ Registered ☐ Return Receipt for Merchandise☐ Insured Mail ☐ C.O.D.4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

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7004 2510 0007 2097 8642

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 ■ Print your name and address on the reverse so that we can return the card to you.
 ■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RICHARD K BARR
 206 SWEDE CREEK
 BOERNE TX 78006

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Beverly Barr*☐ Agent☐ Addressee

B. Received by (Printed Name)

Beverly Barr

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail ☐ Express Mail☐ Registered ☐ Return Receipt for Merchandise☐ Insured Mail ☐ C.O.D.4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

(Transfer from service label)

7002 2030 0001 3840 5045

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SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

MARBOB ENERGY CORP
P O BOX 227
ARTESIA NM 88211-0217

2. Article Number

(Transfer from service label)

7004 2510 0007 2097 8611

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*☐ Agent☐ Addressee

B. Received by (Printed Name)

[Signature]

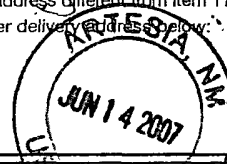
C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

PITCH ENERGY CORPORATION
P.O. BOX 304
ARTESIA, NEW MEXICO 88210-0304

2. Article Number

(Transfer from service label)

7004 2510 0007 2097 8659

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102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*☐ Agent☐ Addressee

B. Received by (Printed Name)

[Signature]

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*☐ Agent☐ Addressee

B. Received by (Printed Name)

[Signature]

C. Date of Delivery

*[Signature]*D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

CONSTANCE B CARTWRIGHT TRUSTEE
UM/O GEORGE F BAUERDORF
WELLS FARGO BUILDING
2444 WILSHIRE BLVD STE 401
SANTA MONICA CA 90403-5808

2. Article Number

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 ■ Print your name and address on the reverse so that we can return the card to you.
 ■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

DILLARD, FISHER & DILLARD
 415 W WALL STE 1510
 MIDLAND TX 79701

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
 X *[Signature]*

B. Received by (Printed Name) ☐ Agent ☐ Addressee
[Signature]

C. Date of Delivery
 2-11-04

D. Is delivery address different from item 1? ☒ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

(Transfer from service label)

7002 2030 0001 3840 2501

PS Form 3811, February 2004

Domestic Return Receipt

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SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 ■ Print your name and address on the reverse so that we can return the card to you.
 ■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

TODD M WILSON
 CANNON EXPLORATION COMPANY
 3608 S COUNTRY RD 1184
 MIDLAND TX 79706-6468

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee
[Signature]

B. Received by (Printed Name) ☐ Agent ☐ Addressee
[Signature]

C. Date of Delivery
 2-11-04

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

(Transfer from service label)

7004 2510 0007 2097 8628

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 ■ Print your name and address on the reverse so that we can return the card to you.
 ■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CANNON EXPLORATION CO
 3608 S COUNTY ROAD 1184
 MIDLAND TX 79706

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee
 X *[Signature]*

B. Received by (Printed Name) ☐ Agent ☐ Addressee
[Signature]

C. Date of Delivery
 2-11-04

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

(Transfer from service label)

7004 2510 0007 2097 8635

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

LOBOS ENERGY PARTNERS LLC
3817 N W EXPRESSWAY STE 950
OKLAHOMA CITY, OK 73112

2. Article Number

(Transfer from service label)

7002 2030 0001 3840 5038

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ROGER T & HOLLY ELLIOTT
4105 BAYBROOK DR
MIDLAND TX 79707

2. Article Number

(Transfer from service label)

7002 2030 0001 3840 5069

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Clara E. Olson* ☒ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

6-13-07

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Robert Wallace* ☒ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

6-13-07

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

JOINT VENTURE MANAGER
OXY USA WTP LP
P O BOX 50250
MIDLAND TX 79710-0250

2. Article Number

(Transfer from service label)

7002 2030 0001 3840 5021

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

APPLICATION FOR SURFACE COMMINGLING:

Bureau of Land Management
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Devon Energy Production Company, LP requests approval for surface commingling and measurement of hydrocarbon production from the following wells on Federal **Lease No. NM100561 & Lease No. NMNM54112**; respectively.

Well Name & No:	UL	Sec	TWP	Rng	Formation
Strawberry 7 Federal 1	C	7	19S	31E	Hackberry North; Bone Springs
Strawberry 7 Federal 2	B	7	19S	31E	Hackberry North; Bone Springs

Surface Commingling Proposal for Strawberry 7-1 and Strawberry 7-2:

Devon proposes to surface commingle two producing wells; the Strawberry 7 Federal 1 and Strawberry 7 Federal 2, into a common surface facility called the Strawberry 7-1 production facility. This commingling will eliminate the need for two production facilities and will in effect lessen the disturbance and impact on the environment and reduce operating expense between the two referenced wells. This will result in increasing the economic life of the wells. The BLM will be notified if there is any future change in the facility location.

Gas metering:

Both wells will flow into an electronic flow meter (EFM) located at the Strawberry Federal #1 facility. Gas from the Strawberry 7-2 will be metered separately and the allocated gas volume for the Strawberry 7-1 will be calculated by subtracting the Strawberry 7-2 gas (which is metered separately) from the total volume at the EFM measuring gas from both wells (Strawberry 7-1 and Strawberry 7-2). The gas meter will be calibrated on a regular basis per API, NMOCD and BLM specifications.

Oil metering:

Oil and water volumes produced from both wells will be determined by using a test separator at the proposed facility so that one of the wells is always producing through the testing equipment. The oil and water volumes from the well that is not producing through the test equipment will be determined by subtracting out the volumes from the well in test.

Please see attached diagram for the "current" facilities set up and "proposed" Strawberry 7-1 production facility. The "proposed schematic" shows the equipment that will be utilized to measure well production from each well that will contribute production to the proposed commingled facility.

For facilities questions please call Roger Hernandez at (505)-748-0169.

The overriding royalty owners, working interest owners and NMOCD have been notified of this proposal. The overriding royalty owners and working interest owners have been notified by certified mail. See attached receipt list.

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. We intend to follow the existing ROW for the gas line.

Signed: _____

Name: Stephanie A. Ysasaga

Title: Sr. Staff Engineering Technician

Date: August 7th, 2007

RECEIVED

2007 JUL 10 PM 12:46

BUREAU OF LAND MGMT
OFFICE
S

Strawberry 7 Federal #1
 Sec7,T19S,R31E
 710FNL & 1090FWL
 Eddy, N.M
 API# 30-015-31876

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. ①

(2) Valve 3 sealed closed. ③

(3) Valve 4 sealed closed. ④

(4) Valve 5 sealed closed. ⑤

(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. ②

Ledger for Site Diagram

Valve #1: Production Line ①

Valve #2: Test or Roll line ②

Valve #3: Equilizer Line ③

Valve #4: Circ./Drain Line ④

Valve #5: Sales Line ⑤

Valve #6: BS&W Load Line ⑥

Buried Lines: -----

Firewall: [Hatched Box]

Wellhead: ⊗

Stak-pak: [Stak-pak Box]

Production line: _____

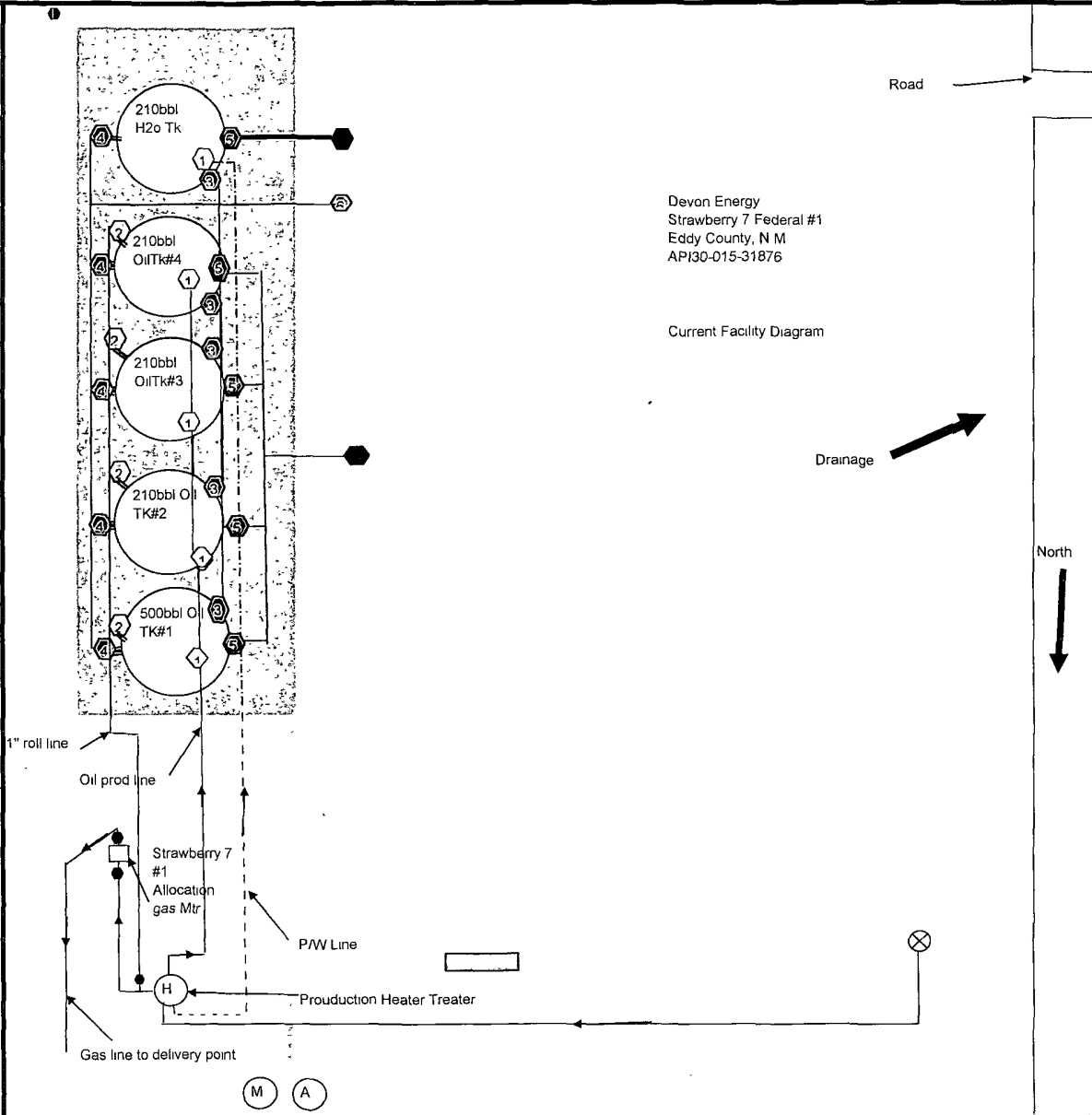
Water line: -----

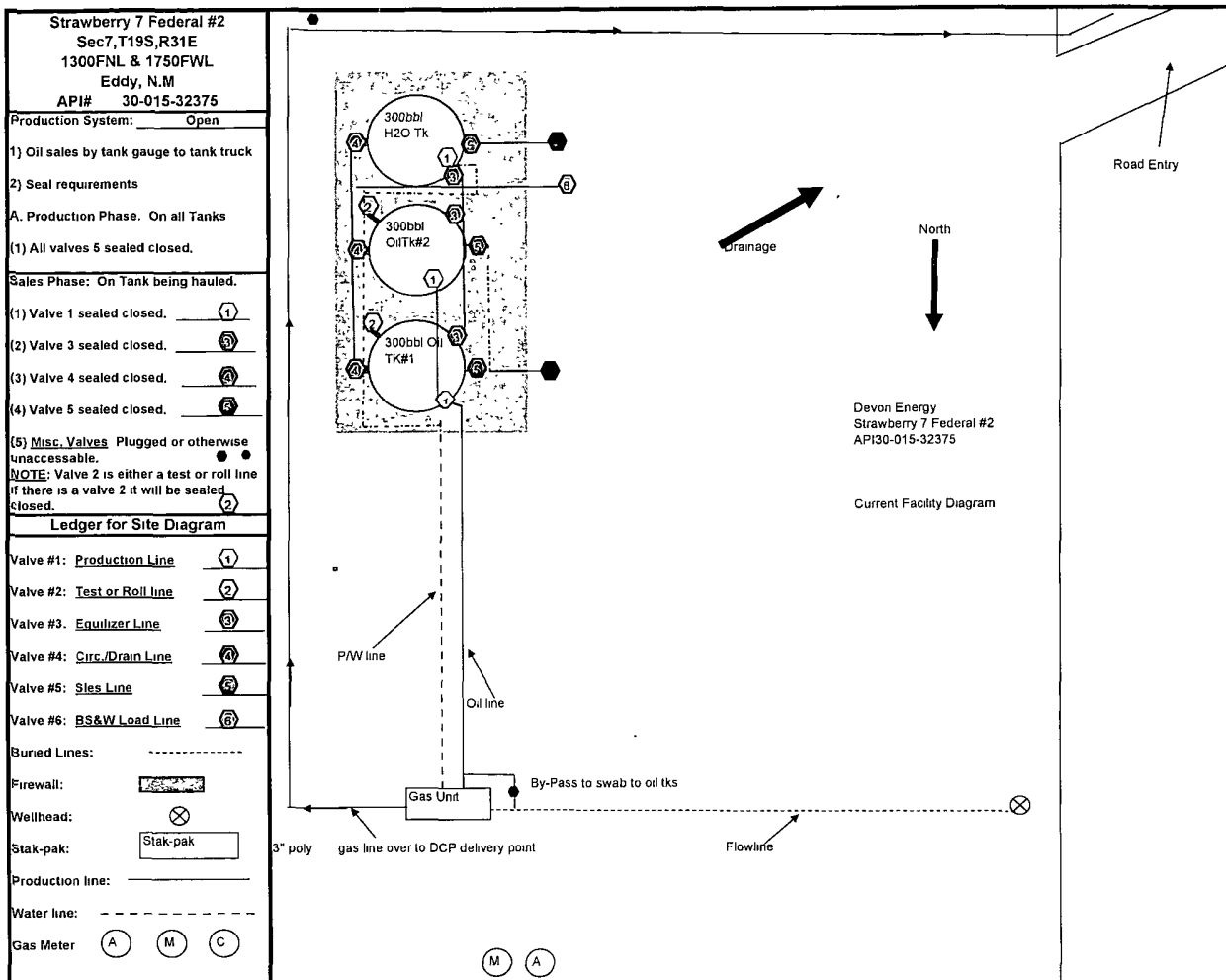
Gas Meter

A

M

C



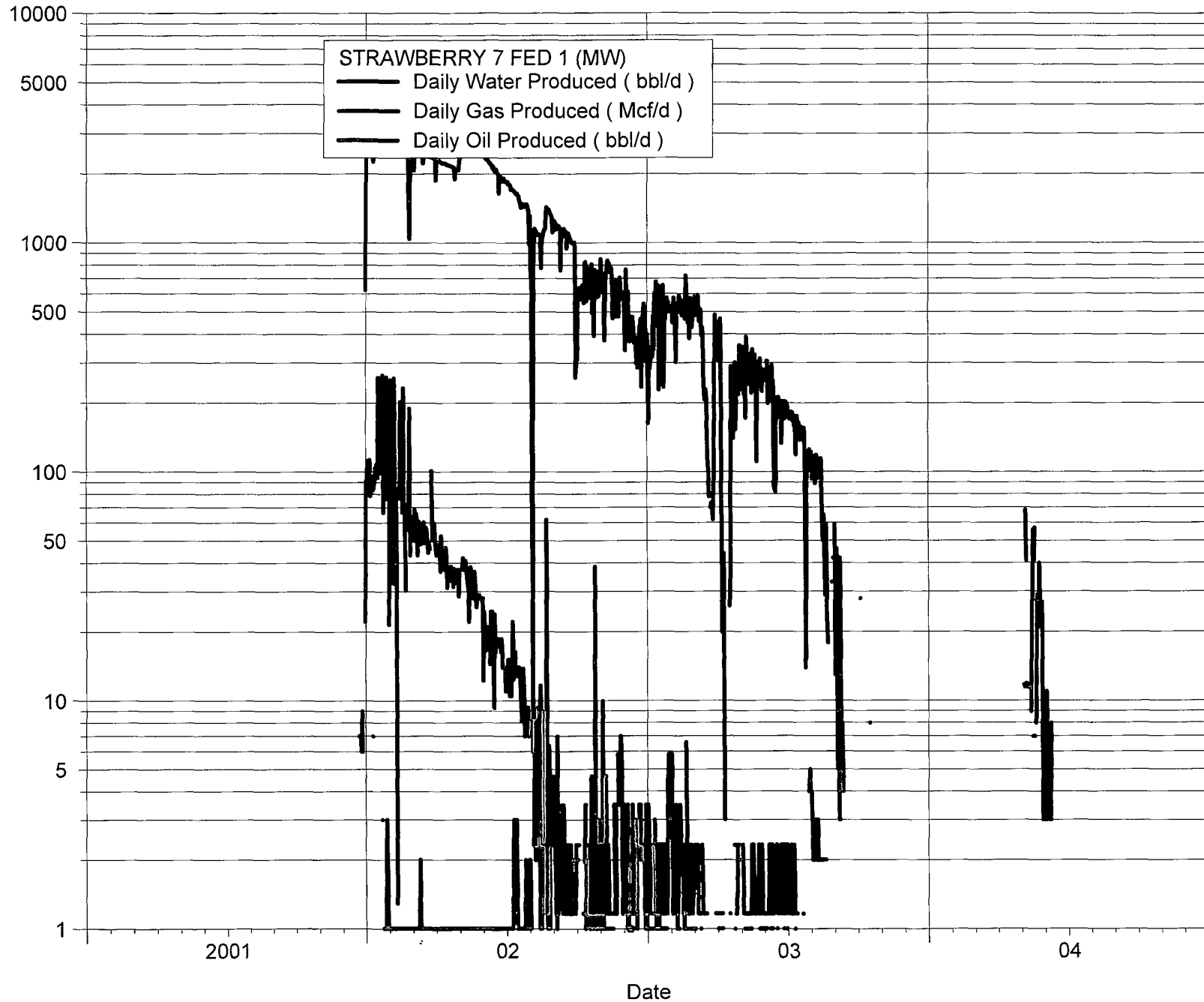


Field Group: HACKBERRY
Lease: STRAWBERRY 7 FED
Well Type: GAS

STRAWBERRY 7 FED 1 (MW)

Sand Name: MORROW
MORROW

cv.OilCum : 10764.83
cv.GasCum : 677913.00 M
cv.WaterCum : 569.00

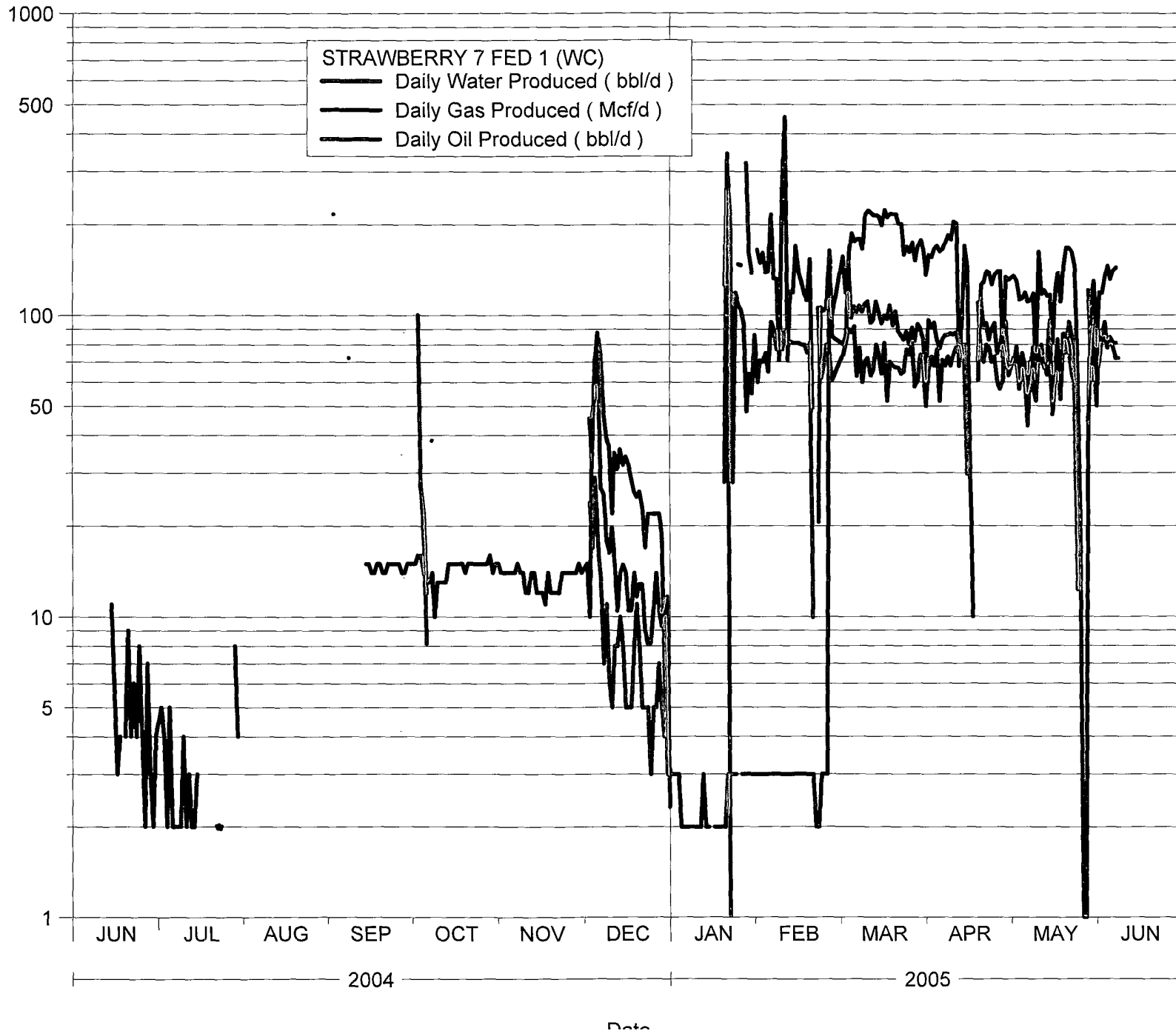


Field Group: HACKBERRY
Lease: STRAWBERRY 7 FED
Well Type: GAS

STRAWBERRY 7 FED 1 (WC)

Sand Name: WOLFCAMP
WOLFCAMP

cv.OilCum : 13814.64
cv.GasCum : 16418.00 M
cv.WaterCum : 21.00

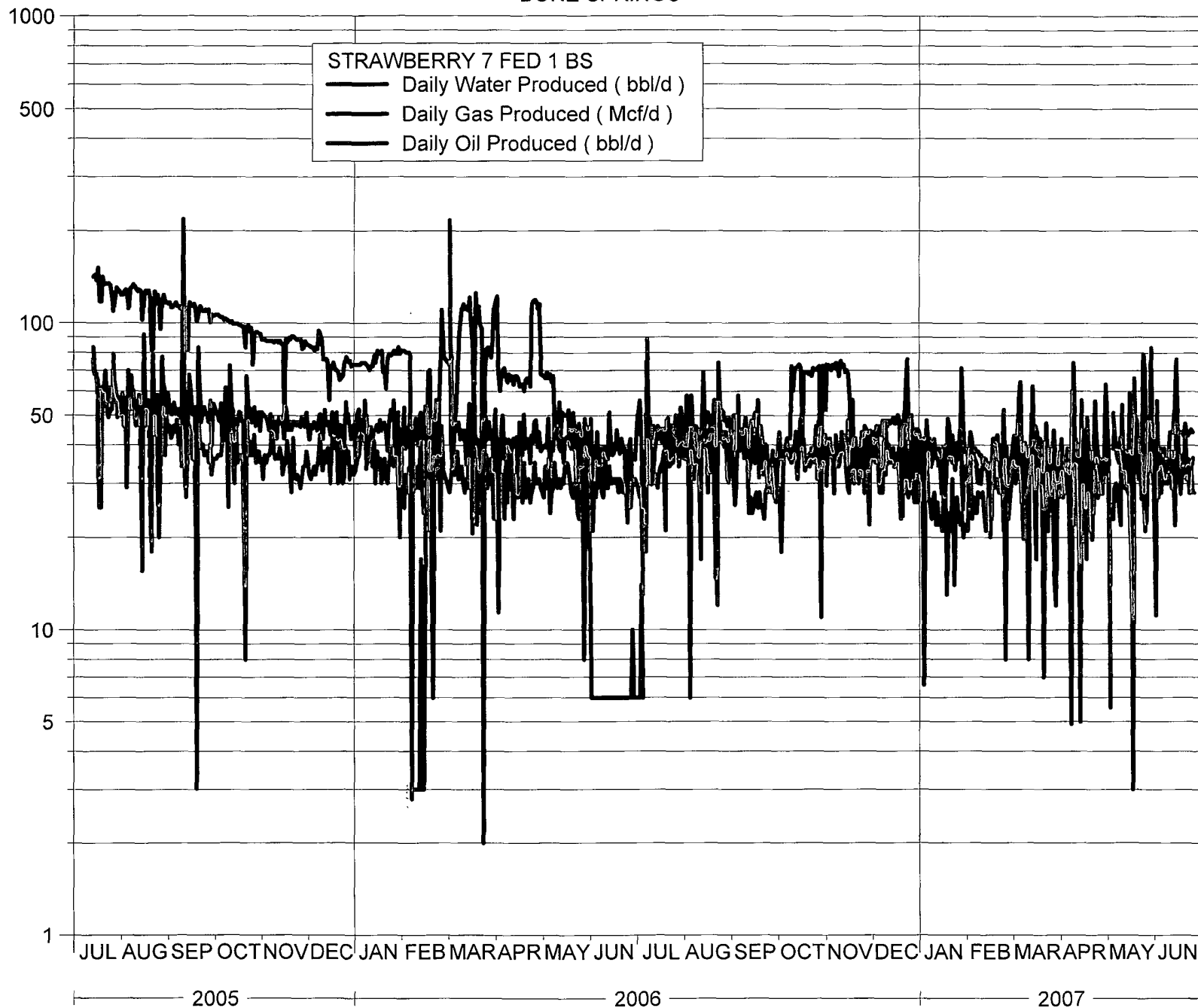


Field Group: HACKBERRY
Lease: STRAWBERRY 7 FED
Well Type: GAS

STRAWBERRY 7 FED 1 BS

Sand Name: BONE SPRING
BONE SPRINGS

cv.OilCum : 29450.95
cv.GasCum : 42245.00 M
cv.WaterCum : 37019.00



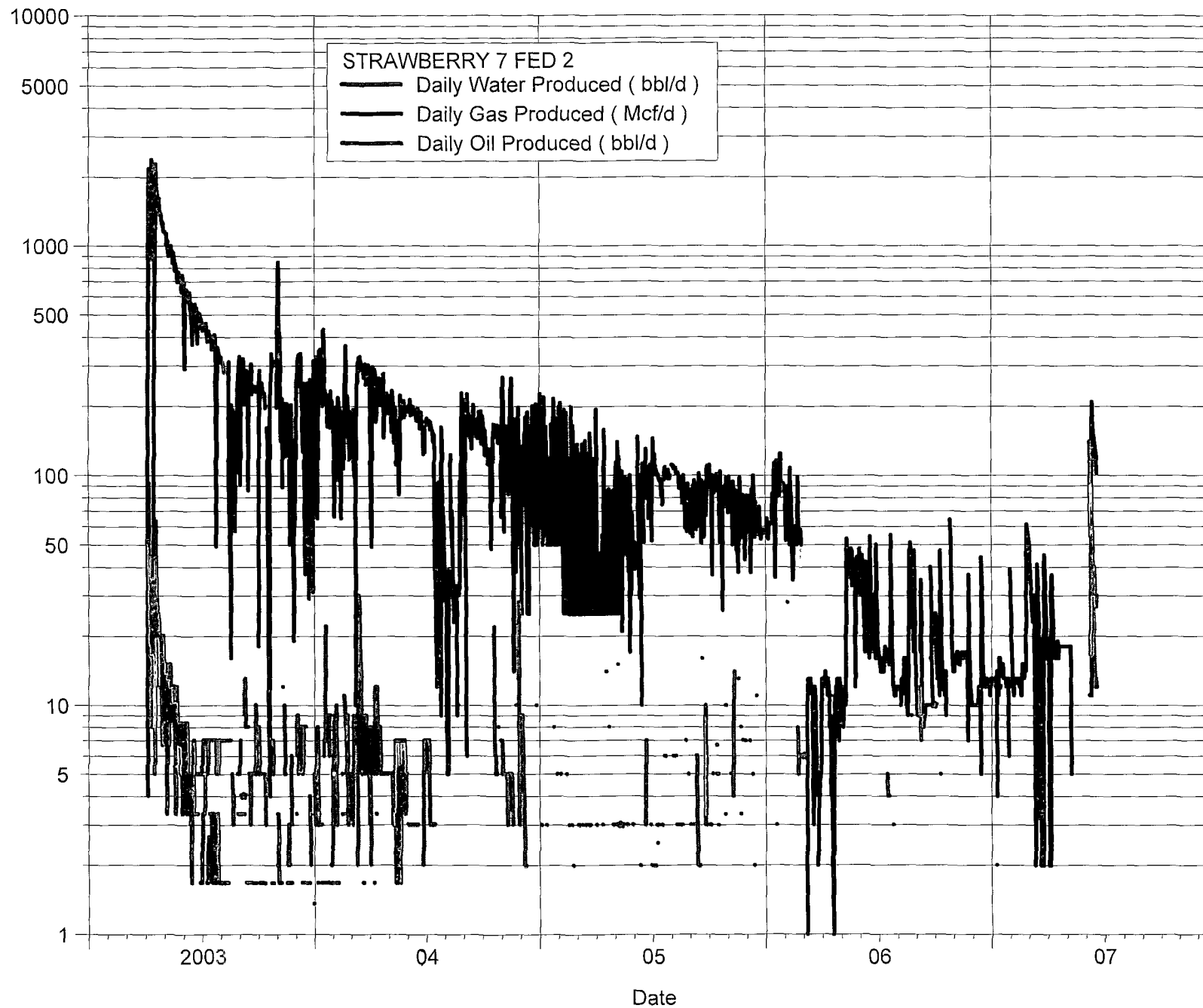
Date

Field Group: HACKBERRY
Lease: STRAWBERRY 7 FED
Well Type: GAS

STRAWBERRY 7 FED 2

Sand Name: MORROW
MORROW

cv.OilCum : 1757.88
cv.GasCum : 218728.00 M
cv.WaterCum : 3624.00



**Strawberry 7 Federal 1& 2
Devon Energy Production Co., LP
August 21, 2007
Surface Commingling
Conditions of Approval**

- 1. A map showing the lease numbers and location of the leases and wells that will contribute production to the proposed commingling is still needed.**
- 2. Estimated monthly production from Strawberry #2 with gravity.**
- 3. Completion report for Strawberry #2 Bone Spring completion.**

WWI 082107