

Carlsbad Field Office
 UNITED STATES DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
OCD Artesia

FORM 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. NMNM077046
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Multiple--See Attached
9. API Well No. Multiple--See Attached
10. Field and Pool or Exploratory Area LOS MEDANOS
11. County or Parish, State EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY Contact: ERIN WORKMAN Email: Erin.workman@dvn.com	
3a. Address 6488 SEVEN RIVERS HIGHWAY ARTESIA, NM 88211	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 Off-Lease Measurement
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<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 recomplete 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 recompletion 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 Off-Lease Measurement, Sales, & Storage for the following Wells and CTB:

Maldives 15 CTB 1
 NWNW, Sec. 15-23S-31E
 Lease: NMNM405444

Kokanta 9-4 Fed Com 518H

SESE Sec. 9, T23S, R31E
 Leases: NMNM77046(sec. 9), NMNM81953 (Sec. 4) CA for BS pending approval by the BLM, submitted 04/2018

Accepted For Record
NMOCD
 6-27-2018

NM OIL CONSERVATION
 ARTESIA DISTRICT
 JUN 27 2018

RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #424841 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COMPANY, sent to the Carlsbad Committed to AFMSS for processing by DUNCAN WHITLOCK on 06/21/2018 (18DW0180SE)	
Name (Printed/Typed) ERIN WORKMAN	Title REGULATORY COMPLIANCE PROF.
Signature (Electronic Submission)	Date 06/21/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>J. D. Whitlock</u>	Title <u>TLPET</u>	Date <u>6/21/18</u>
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 <u>CFO</u>	

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 #424841 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM077046	NMNM077046	KO LANTA 9-4 FED COM 518H	30-018-44865-00-X1	Sec 9 T23S R31E 610FSL 210FEL 32.313416 N Lat, 103.774910 W Lon
NMNM077046	NMNM077046	KO LANTA 9-4 FED COM 528H	30-018-44865-00-X1	Sec 9 T23S R31E 610FSL 180FEL 32.313416 N Lat, 103.774811 W Lon

32. Additional remarks, continued

Los Medanos, BS

KO Lanta 9-4 Fed com 528H
SESE Sec. 9, T23S, R31E

Leases: NMNM77046 (sec. 9), NMNM 81953 (Sec. 4) CA for BS pending approval by the BLM, submitted 04/2018

The Maldives 15 CTB 1 is located in Sec. 1515, SWNW, T23S, R31E, Eddy Co, NM. It is Devon's intent to commingle oil, gas, and water production from the single target formations into a single production facility. The Ko Lanta wells will flow into their designated three phase separator with the production from each of the Ko Lanta 9-4 Fed Com 518H & 528H flowing through its own three phase separator with Micro Motion Coriolis to meter the oil, mag meter to meter the water, and gas allocation to meter the gas. The VRU will be allocated back to each well utilizing each wells monthly oil production.

The Maldives 15 CTB 1 will have a total of four oil tanks that will be utilized by both wells producing to this battery. Oil, gas, and water volumes from these wells will be determined using the individual three phase separator. A common Lucid gas sales meter#(will be provided upon receipt) will be utilized for both wells. Oil from all of these wells will be sold through a common LACT Meter #(Will be provided upon receipt).

Attachments: Process Flow Diagram
GIS
LR2000

APPLICATION FOR OFF-LEASE MEASUREMENT, SALES, & STORAGE

Proposal for Kolanta 9-4 F 518H & 528H to the Maldives 15 CTB 1

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

Federal Lease: NMNM77046 (Sec. 9) and NMNM81953 (Sec. 4) CA for the BS pending approval by the BLM, submitted 04/2018

Well Name	Location	API #	Pool 40295	BOPD	MCFPD	OG
Ko Lanta 9-4 Fed Com 518H	SESE Sec. 9 & 4 -23S-31E	30-015-44864	Los Medanos, BS	900	4349	50 *
Ko Lanta 9-4 Fed Com 528H	SESE Sec. 9 & 4 -23S-31E	30-015-44865	Los Medanos, BS	900	4349	50*

Federal Lease: NMNM405444

Well Name	Location
Maldives 15 CTB 1	NWNW, Sec. 15-23S-31E

***These are proposed numbers from offset wells, actual production will be provided upon receipt.**

Attached is a map that displays the federal leases and wells located in Section 9 & 4, T23S, R31E

The BLM's interest in both wells is 12.5%

Oil & Gas Metering:

The Maldives 15 CTB 1 is located in Sec. 15, ~~N~~W^NW, T23S, R31E, Eddy County, New Mexico. It is Devon's intent to commingle oil, gas and water production from the single target formations into a single production facility. The Kolanta wells will flow into their designated three phase separator with the production from each of the Kolanta 9-4 Fed Com 518H & 528H flowing through its 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. The VRU will be allocated back to each well utilizing each wells monthly oil production.

The Maldives 15 CTB 1 will have a total of four oil tanks that will be utilized by both wells producing to this battery. Oil, gas, and water volumes from these wells will be determined using the individual three phase separator. A common Lucid gas sales meter #(will be provided upon receipt) will be utilized for both wells. . Oil from all of these wells will be sold through a common LACT Meter (**Number will be provided upon receipt**).

The Kolanta 9-4 Fed Com 518H will flow into its own three phase separator, where after separation, the gas is routed to its designated gas allocation meter (number provided upon receipt), combines with gas from the Kolanta 9-4 Fed Com 528H, then through the Lucent Sales Meter (**Number will be provided upon receipt**). Produced oil and water are separated, the oil flows into a heater\treater is metered with a Micro Motion Coriolis Meter (**Number will be provided upon receipt**), combines with the oil from the Kolanta 9-4 Fed Com 528H and flows into one of the 1000bbl. oil tanks. The water is measured with a mag mater and combines with the water from the other well and flows into a gun barrel, then into one of the 500 bbl water tanks.

The Kolanta 9-4 Fed Com 528H will flow into its own three phase separator, where after separation, the gas is routed to its designated gas allocation meter (number provided upon receipt), combines with gas from the Kolanta 9-4 Fed Com 518H, then through the Lucent Sales Meter (**Number will be provided upon receipt**). Produced oil and water are separated, the oil flows into a heater\treater is metered with a Micro Motion Coriolis Meter (**Number will be provided upon receipt**, combines with the oil from the Kolanta 9-4 Fed Com 518H and flows into one of the 1000bbl. oil tanks. The water is measured with a mag mater and combines with the water from the other well and flows into a gun barrel, then into one of the 500 bbl water tanks.

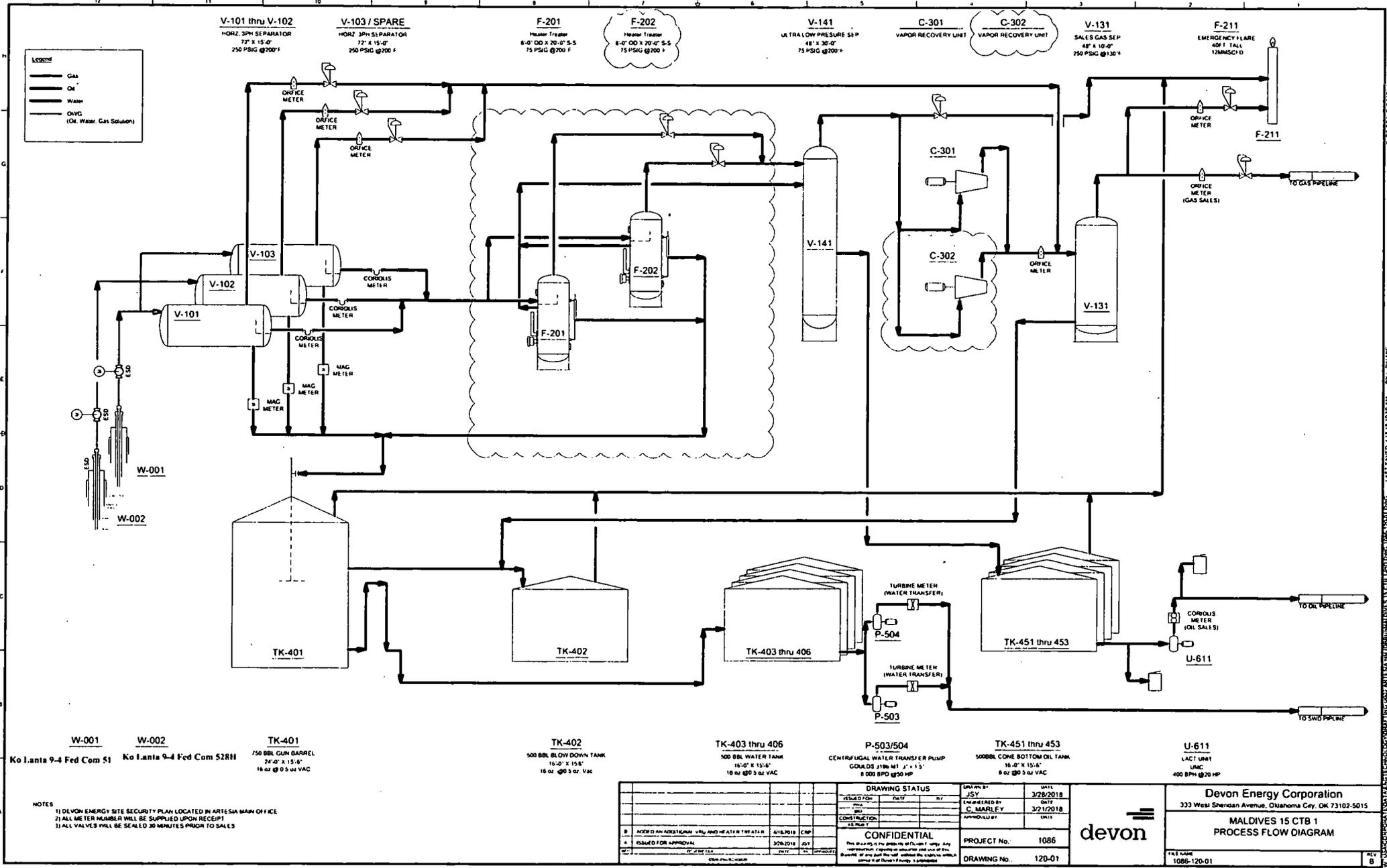
Oil Production from the Kolanta 9-4 Fed Com 518H & 528H will be allocated on a daily basis based on the Coriolis Test Meter, Mag Meter & EFM located downstream of their dedicated three phase separator. Devon will continue to operate and maintain the Micro Motion Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regards to proving the Micro Motion Coriolis Meter to meet applicable BLM standards. Gas production from the Kolanta 9-4 Fed Com 518H & 519H wells will be allocated on a daily basis using the gas allocation meter. The gas production from the production equipment & gas meters from the Kolanta 9-4 Fed

Com 518H & 528H will commingle into a common production line, and flow into Federal Measurement Point Meter **(Number will be provided upon receipt)**. The gas production from the production equipment & gas meters from the Kolanta 9-4 Fed Com 518H & 528H, commingle into a common production line, and flow into Federal Measurement Point Meter **(Number will be provided upon receipt)**.

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 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.



W-001 Ko I.anta 9-4 Fed Com 51
 W-002 Ko I.anta 9-4 Fed Com 52RH
 TK-401 750 BBL GUN BARREL
 24'-0" x 15'-6"
 16 oz @ 0.5 oz VAC

TK-402 500 BBL BLOW DOWN TANK
 16'-0" x 15'-6"
 16 oz @ 0.5 oz VAC

TK-403 thru 406 500 BBL WATER TANK
 16'-0" x 15'-6"
 16 oz @ 0.5 oz VAC

P-503/504 CENTRIFUGAL WATER TRANSFER PUMP
 6000 BPD @ 50 MP

TK-451 thru 453 500BBL CONE BOTTOM OIL TANK
 16'-0" x 15'-6"
 8 oz @ 0.5 oz VAC

U-611 LACT UNIT
 400 BPH @ 70 MP

- NOTES**
- 1) DEVON ENERGY SITE SECURITY PLAN LOCATED IN ARTESIAN MANHOLE OFFICE
 - 2) ALL METER NUMBERS WILL BE SUPPLIED UPON RECEIPT
 - 3) ALL VALVES SHALL BE SEALED 30 MINUTES PRIOR TO SALES

DRAWING STATUS				DRAWN BY		DATE	
DESIGNED BY	DATE	BY		JSY	3/28/2018		
CHECKED BY				ENGINEERED BY	3/21/2018		
CONSTRUCTION				C. MARLEY			
AS BUILT				APPROVED BY			
CONFIDENTIAL <small>This drawing is the property of Devon Energy. Any reproduction (copying or otherwise) and use of this drawing, in any part, without the express written consent of Devon Energy, is prohibited.</small>				PROJECT No.		1086	
				DRAWING No.		120-01	

Devon Energy Corporation
 333 West Sheridan Avenue, Oklahoma City, OK 73102-5015

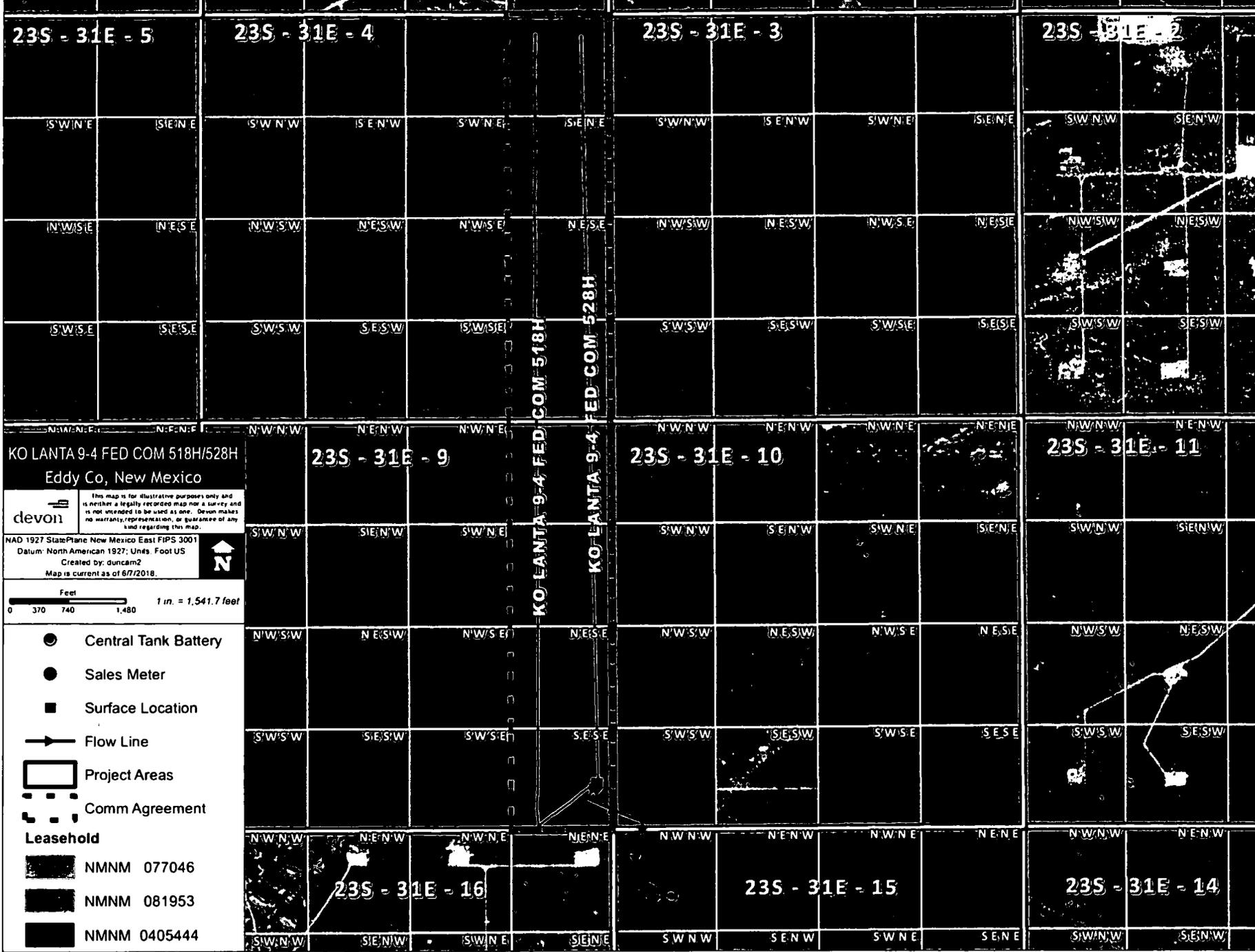
devon

**MALDIVES 15 CTB 1
 PROCESS FLOW DIAGRAM**

FILE NAME: 1086-120-01

REV: 8

PLOT SCALE 0.1001" = 1'-0" (1/10")
 LAST SAVED: 4/18/18 10:30 AM
 PLOT SCALE 0.1001" = 1'-0" (1/10")



NMNM 0002887A

NMNM 0004473
006

NMNM
0002883A

005

004

003

NMNM 081953

NMNM 121955

NMNM 121955

NMNM 121955

NMNM 121955

NMNM 077046

010

NMNM
121955

NMNM 077046

NMNM 0002887B

NMLC 0071988B

KO LANTA 9-4 FED
COM 528H
KOM 518H

NMNM 121955

NMNM
121955

NMNM
121955

★
FAC.

NMNM 0002887A

016

015

NMNM 0405444

NMNM 045235

NMNM 0546237

NMNM 038464

NMNM 0405444A

019

NMNM 038463

020

021

022

DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 CASE RECORDATION
 (MASS) Serial Register Page

Run Date/Time: 6/19/2018 12:40 PM

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01 12-22-1987;101STAT1330;30USC181 ET SEQ
 Case Type 312021: O&G LSE COMP PD -1987
 Commodity 459: OIL & GAS
 Case Disposition: AUTHORIZED

Total Acres:
 1,320.000

Serial Number

NMNM-077046

Serial Number: NMNM-- - 077046

Name & Address				Int Rel	% Interest
MEC DEVELOPMENT LTD	PO BOX 4000	THE WOODLANDS	TX 773804000	OPERATING RIGHTS	0.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY	OK 731025010	LESSEE	100.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY	OK 731025010	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 077046

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0230S	0310E	008	ALIQ			E2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	009	ALL			ENTIRE SECTION	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	010	ALIQ			NW,W2SW,N2SE,SWSE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- - 077046

Serial Number: NMNM-- - 077046

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
08/16/1988	387	CASE ESTABLISHED		
08/17/1988	191	SALE HELD		
08/17/1988	267	BID RECEIVED	\$85800.00;	
08/18/1988	111	RENTAL RECEIVED	\$1980.00;1YR/88-89	
08/29/1988	237	LEASE ISSUED		
09/01/1988	496	FUND CODE	05;145003	
09/01/1988	530	RLTY RATE - 12 1/2%		
09/01/1988	868	EFFECTIVE DATE		
09/23/1988	974	AUTOMATED RECORD VERIF	LO/LVM	
02/15/1989	600	RECORDS NOTED		
02/16/1989	963	CASE MICROFILMED/SCANNED	CNUM 566,299	
07/27/1989	111	RENTAL RECEIVED	\$1980.00;1YR/89-90	
02/09/1990	575	APD FILED	SANTA FE ENERGY CJ	
03/06/1990	576	APD APPROVED	N.PURE GOLD 8 FED 1	
06/08/1990	140	ASGN FILED	SAFENE/MITCHELL-SIETE	
07/04/1990	643	PRODUCTION DETERMINATION	/1/	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 CASE RECORDATION
 (MASS) Serial Register Page

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01 12-22-1987;101STAT1330;30USC181 ET SEQ
 Case Type 312021: O&G LSE COMP PD -1987
 Commodity 459: OIL & GAS
 Case Disposition: AUTHORIZED

Total Acres:
 1,716.940

Serial Number
~~NMNM-081953~~

Serial Number: NMNM-- - 081953

Name & Address		Int Rel	% Interest
CAMTERRA RES PTNRS	2615 E END BLVD S MARSHALL TX 75670	LESSEE	6.25000000
DEVON ENERGY PRODUCTION CO LP	333 W SHERIDAN AVE OKLAHOMA CITY OK 731025010	LESSEE	93.75000000

Serial Number: NMNM-- - 081953

Mer	Twp	Rng	Sec	S	Type	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0230S	0310E	003		LOTS			1-4;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	003		ALIQ			S2N2,S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	004		ALIQ			S2N2,S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	004		LOTS			1-4;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	005		ALIQ	02		SE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	005		LOTS			1,2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	005		ALIQ	01		S2NE,SENW,E2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- - 081953

Serial Number: NMNM-- - 081953

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
06/20/1989	387	CASE ESTABLISHED	PARCEL #266	
06/21/1989	191	SALE HELD		
06/21/1989	267	BID RECEIVED	\$3434.00;	
06/21/1989	392	MONIES RECEIVED	\$3434.00;	
06/22/1989	111	RENTAL RECEIVED	\$2575.50;1YR/89-90	
08/30/1989	237	LEASE ISSUED		
08/30/1989	974	AUTOMATED RECORD VERIF	SSP/TJM	
09/01/1989	496	FUND CODE	05;145003	
09/01/1989	530	RENT RATE 12.4/2%		
09/01/1989	868	EFFECTIVE DATE		
09/22/1989	111	RENTAL RECEIVED	\$2575.50;21/923370663	
10/23/1989	140	ASGN FILED	YATES/SF ENE OPER	
11/17/1989	139	ASGN APPROVED	EFF 11/01/89;	

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Date/Time: 6/20/2018 10:30 AM

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01 02-25-1920;041STAT0437;30USC181ETSEQ
Case Type 311211: O&G LSE SIMO PUBLIC LAND
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED

Total Acres:
1,320.000

Serial Number
NMNM 0405444

Serial Number: NMNM-- 0 405444

Name & Address				Int Rel		% Interest
XTO HOLDINGS LLC	810 HOUSTON ST	FORT WORTH TX	761026203	LESSEE		100.000000000
COX & PERKINS EXPL	6363 WOODWAY DR STE 1100	HOUSTON TX	770571796	OPERATING RIGHTS		0.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK	731025010	OPERATING RIGHTS		0.000000000
AENEAS ENERGY CORP	600 ATLANTIC AVE	BOSTON MA	022102203	OPERATING RIGHTS		0.000000000

Serial Number: NMNM-- 0 405444

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0230S	0310E	010	ALIQ			SESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	015	ALIQ			ALL;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	023	ALIQ			ALL;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- 0 405444

23	0230S	0310E	722	FF			ALL ASGN;	PECOS DISTRICT OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	725	FF			NWNW ASGN;	PECOS DISTRICT OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0310E	726	FF			E2,SW,S2NW ASGN;	PECOS DISTRICT OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 405444

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
05/23/1963	387	CASE ESTABLISHED	PARCEL #N/A	
05/24/1963	888	DRAWING HELD		
06/14/1963	237	LEASE ISSUED		
07/01/1963	496	FUND CODE	05;145003	
07/01/1963	530	RENTAL RATE - 12 9/10%		
07/01/1963	868	EFFECTIVE DATE		
08/01/1963	570	CASE SEGREGATED BY ASGN	INTO NMNM0405444-A;	
12/12/1969	500	GEOGRAPHIC NAME	UNDEFINED FLD;	
12/12/1969	510	KMA CLASSIFIED		
01/16/1970	315	RENTAL RATE DET/ADJ	\$2.00;	
12/09/1970	512	KMA EXPANDED		
03/12/1973	650	HELD BY PROD - ACTUAL		

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

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

**Off-Lease Storage, Measurement and Sales of production
Conditions of Approval
June 21, 2018
Devon Energy Production Company
Ko Lanta 9-4 Fed Com 518H & 528H
NMNM077046**

Approval of off-lease 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".
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 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.