

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop Cabinet Secretary AUG 17 2007 OCD-ARTESIA Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Surface Commingling Order CTB-568

Devon Energy Production Company, LP 20 North Broadway, Suite 1500 Oklahoma City, OK 73102

Attention: Ms. Stephanie A. Ysasaga

The above-named company is hereby authorized to surface commingle oil and gas production prior to sales, originating from the following two oil wells both producing from the North Hackberry-Bone Spring Pool (97056) and located in BLM Leases NM100561 and NMNM54112 located in Eddy County, New Mexico:

Strawberry 7 Federal Well No. 1 (API No. 30-015-31876) in BLM Lease NM100561 40 Acre Spacing and Proration Unit: Unit C, Section 7, Township 19 South, Range 31 East, NMPM

Strawberry 7 Federal Well No. 2 (API No. 30-015-32375) in BLM Lease NMNM54112 40 Acre Spacing and Proration Unit: Unit B, Section 7, Township 19 South, Range 31 East, NMPM

Due to the diversity of ownership between these two leases or between these two wells, oil and gas production from each of the above-described wells shall be continuously and separately metered prior to commingling and sales. Allocation of oil and gas production shall be determined using data gathered from the sales and allocation meters and the subtraction method shall be used.

NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Artesia district office of the Division prior to implementation of commingling operations.

DONE at Santa Fe, New Mexico, on this 9th day of August, 2007.

Mark E. Fesmire, PE

Director

MEF/wvjj

cc:

Oil Conservation Division – Artesia Bureau of Land Management - Carlsbad