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OCD-ARTESIA

Form 3160-5  
(February 2005)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No 1004-0137  
Expires March 31, 2007

PM

**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.*

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator  
Devon Energy Production Co., LP

3a Address  
20 North Broadway  
OKC, OK 73102

3b Phone No (include area code)  
(405)-552-7802

4 Location of Well (Footage, Sec, T, R, M, or Survey Description)  
See below

5 Lease Serial No

NM-66437 & NM-100561

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

Hackberry 6 Federal 1 / Strawberry 7 Federal 1

9 API Well No

30-015-31020 & 30-015-31876

10 Field and Pool or Exploratory Area

Hackberry; Bone Springs, North (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 checked="" 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 Correct Chart
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Recorder Location
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	on Strawberry Location

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., LLP respectfully advises for record keeping purposes a typo was entered onto the original "lease commingle, off lease gas sales & measurement" sundry.

The original approved sundry read the following:

A chart recorded will be used on the Hackberry 18 Federal 1 to measure and verify the gate rate on the Hackberry 6 Federal 1

But should read the following:

A chart recorded will be used on the Strawberry 7 Federal 1 to measure and verify the gate rate on the Hackberry 6 Federal 1.

(Original BLM sundry attached for quick reference. NMOCD approval correctly reflects measurement at the Strawberry 7 Federal 1)

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)  
Stephanie A. Ysasaga

Title Sr. Staff Engineering Technician

Signature

Date 05/28/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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)

ACCEPTED FOR RECORD

Date

JUN 8 2010

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

UNITED STATES **OPERATOR'S COPY**  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No 1004-0137  
Expires March 31, 2007

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**SUBMIT IN TRIPLICATE - Other instructions on page 2.**

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator  
Devon Energy Production Co., LP

3a. Address  
20 North Broadway  
OKC, OK 73102

3b Phone No. (include area code)  
(405)-552-7802

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

See below

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NM-66437 & NM-100561

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8 Well Name and No  
Hackberry 6 Federal 1 / Strawberry 7 Federal 1

9 API Well No  
30-015-31020 & 30-015-31876

10. Field and Pool or Exploratory Area  
Hackberry; Bone Springs, North (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 Lease Commingle.
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Off-Lease Gas
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Sales & 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., LLP respectfully requests approval for lease commingle and off lease storage and measurement of gas hydrocarbon production from the following wells:

- \* Hackberry 6 Federal 1: API # 30-015-31020 Sec 6-T19S-R31E Lease NM-66437 Hackberry; Bone Spring, North (97056)
- \* Strawberry 7 Federal Com 1: API # 30-015-31876 Sec 7-T19S-R31E Lease NM-100561 Hackberry; Bone Spring, North (97056)

Each location has its' own tank battery. The Subtraction Method will be used to allocate production back to the wells after commingling, instead of metering both locations, to save on costs. Gas allocation meter located at Strawberry 7 Federal 1. A common gas sales meter associated with a Frontier central delivery point (CDP) is located in Sec 18-T19S-R31E approximately 1 mile south of the Strawberry 7 Federal Com 1. After subtracting Strawberry 7 Federal 1 gas volumes from the Frontier gas sales meter, gas volumes are given to the Hackberry 6 Federal 1. A chart recorded will be used on the Hackberry 18 Federal 1 to measure and verify the gate rate on the Hackberry 6 Federal 1. Waste is not induced and no correlative rights are impaired.

Working, royalty, and overriding interest owners have been notified via certified mail (see attached)

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

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

Name (Printed/Typed)  
Stephanie A. Ysasaga

Title Sr. Staff Engineering Technician

Signature

Date 11/20/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

LPE-7

Date

1/5/2010


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

CFO

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)



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Jon Goldstein**  
Cabinet Secretary

**Jim Noel**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



## Surface Commingling Order CTB-610

February 11, 2010

Devon Energy Production Company  
20 North Broadway – CT 3.056  
Oklahoma City, Oklahoma 73102-8260

Attention: Stephanie Ysasaga:

Devon Energy Production Company is hereby authorized to surface commingle gas production from the Hackberry; Bone Spring, North Pool (97056) from the following leases and wells.

Lease: **Federal Lease No. NM-66437**

Wells: Hackberry 6 Fed. Well No.1 (API No. 30-015-31020) NW/4SE/4, Sect. 6, T-19-S,  
R-31-E

Lease: **Federal Lease No. NM-100561**

Well: Strawberry 7 Fed. Well No. 1 (API No. 30-015-31876) NE/4NW/4 Sect. 7, T-19-S,  
R-31-E.

### All in NMPM, Eddy County, New Mexico

Commingled gas production from the wells detailed above shall be measured and sold at the Frontier Central Delivery Point (CDP), located in Section 18, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico.

Gas production from the Strawberry 7 Federal Well No. 1 shall be measured by gas allocation meter, and the Subtraction Method shall be used to allocate production back to the Hackberry 6 Federal Well No.1. The gas allocation meter shall be calibrated quarterly.

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.

FURTHER: The operator shall notify the Artesia District office of the Division prior to implementation of commingling operations.

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Oil Conservation Division \* 1220 South St. Francis Drive

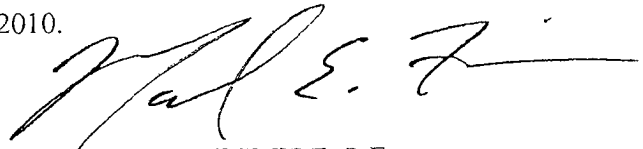
\* Santa Fe, New Mexico 87505

\* Phone: (505) 476-3440 \* Fax (505) 476-3462\* <http://www.emnrd.state.nm.us>



February 11, 2010  
Page 2

DONE at Santa Fe, New Mexico, on February 11, 2010.

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal line extending to the right.

MARK E. FESMIRE, P.E.,  
Acting Division Director

MEF/re

cc: Oil Conservation Division – Artesia  
Bureau of Land Management (BLM) - Carlsbad



EXHIBIT C

HACKBERRY STRAWBERRY LEASE COMMINGLE

HACKBERRY 8 FEDERAL 1

EDDY  
COUNTY

STRAWBERRY 7 FEDERAL COM 1

FRONTIER CDP

