

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Hobbs

HOBBS OCD

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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.*

MAY 06 2011

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

RECEIVED

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC062391
2. Name of Operator DEVON ENERGY Contact: MELANIE CRAWFORD E-Mail: melanie.crawford@devon.com		6. If Indian, Allottee or Tribe Name
3a. Address 20 NORTH BROADWAY CT 3:058 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-552-4524	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 5 T18S R33E		8. Well Name and No. KACHINA 5 FEDERAL 3
		9. API Well No. 30-025-31517
		10. Field and Pool, or Exploratory CORBIN; BS & WOLFCAMP
		11. County or Parish, and State LEA COUNTY COUNTY, NM

**12. CHECK 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
	<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 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 Company, L.P. respectfully requests approval for a Pool Surface Commingle for the following wells:

Kachina 5 Federal 2	API: 30-025-31277	Pool: 13155 - Corbin; Bone Spring
(recompletion from Wolf Camp to Bone Spring)		
Kachina 5 Federal 3	API: 30-025-31517	Pool: 13320 - Corbin; Wolf Camp, South
Kachina 5 Federal 4	API: 30-025-31690	Pool: 13155 - Corbin; Bone Spring
Kachina 5 Federal 5	API: 30-025-32038	Pool: 13320 - Corbin; Wolf Camp, South

A central tank battery is located at the Kachina 5 Fed 1 P&A well location in section 5, T18S, R33E. The Kachina 5 Federal 2, 3, 4, & 5 are the only wells producing to the facility. The gas production from all the wells will flow to the Frontier CDP Sales Meter 6075365 which is also

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

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

**Electronic Submission #105780 verified by the BLM Well Information System  
For DEVON ENERGY, sent to the Hobbs**

Name (Printed/Typed) MELANIE CRAWFORD	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 04/04/2011

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

Approved By <i>J.D. A. L. L. L.</i>	Title LPE 7	Date 5/3/11
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	PETROLEUM ENGINEERING MAY 09 2011

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.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #105780 that would not fit on the form**

**32. Additional remarks, continued**

located at the Kachina 5 Fed 1 P&A well.

The working royalty and overriding interest for all wells is not uniformed; parties have been notified via certified mail (see attached).

ROW will or has already been obtained.

## APPLICATION FOR CENTRAL TANK BATTERY, POOL SURFACE COMMINGLE

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

### Pool commingling proposal for Kachina leases:

Devon Energy Production Company, LP is requesting approval for Central Tank Battery, Pool Commingle from the following wells and pools:

#### Federal Lease NMLC-062391

Well Name	Location	API #	Pool - 13320	BOPD	Oil Gravity	MCFPD	BTU
Kachina 5 Fed 3	Sec 5-T18S-R33E	30-025-31517	Corbin; Wolf Camp, South	2	38.1	5.27	1450
Kachina 5 Fed 5	Sec 5-T18S-R33E	30-025-32038	Corbin; Wolf Camp, South	3	39.4	3.16	1638

#### Federal Lease NMLC-062391

Well Name	Location	API #	Pool - 13155	BOPD	Oil Gravity	MCFPD	BTU
Kachina 5 Fed 2	Sec 5-T18S-R33E	30-025-31277	Corbin; Bone Spring	120	33.0	79.03	1407
Kachina 5 Fed 4	Sec 5-T18S-R33E	30-025-31690	Corbin; Bone Spring	2	42.3	10.54	1411

A map is enclosed showing the Federal leases and well locations in Section 5-T18S-R33E. The working interest, royalty interest and overriding royalty interest owners are not identical; parties have been notified via certified mail (see attached).

### Oil & Gas metering:

A central tank battery is located at the Kachina 5 Fed 1 P&A well location in section 5, T18S, R33E. The Kachina 5 Federal 2, 3, 4, & 5 are the only wells producing to the facility. The gas production from all the wells will flow to the Frontier CDP Sales Meter 6075365 which is also located at the Kachina 5 Fed 1 P&A well. Production from the Kachina 5 Federal 3, 4, & 5 wells will flow to a Production/Test header before flowing to the tank battery. Production from the Kachina 5 Federal 2 well will flow separately to the tank battery during testing.

Consequently the month's total oil, gas, and water are allocated back to the individual wells based on their test for the month of production reported.

The BLM's interest in these wells, are the same and the BTU's are equivalent. Waste is not induced and no correlative rights are impaired. These meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

### Process and Flow Descriptions:

Please see attached diagram for the "proposed" Kachina 5 Federal 1's production facility. The flow of produced fluids is shown in detail along with a description of each vessel. From the common production header, one well is on test and its production leaves the production header and enters the Test Separator.

The benefit of surface commingling is that all the wells are approximately ½ a mile from the production facility, one facility will handle the production for all the wells. Reduced liability with primary exposure to one facility and reduced lease road/location maintenance due to time/wear-n-tear needing spent at each well's location. This will also lessen the surface disturbance due to having all the production at one facility.

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. Additionally, Devon Energy Production Co., LP will submit within 30 days, an application for right-of-way approval to the BLM and NMOCD section in your office, if we have not already done so.

Signed: Melanie Crawford  
Printed Name: Melanie Crawford  
Title: Regulatory Analyst  
Date: 4/20/11

**Kachina 5 Federal Battery**  
 Sec-5,T18S,R33E  
 330'FSL&1980FEL  
 Lea County, N.M  
 Lease #LC062391

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.

(2) Valve 3 sealed closed.

(3) Valve 4 sealed closed.

(4) Valve 5 sealed closed.

(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.

**Ledger for Site Diagram**

Valve #1: Production Line

Valve #2: Test or Roll line

Valve #3: Equilizer Line

Valve #4: Circ./Drain Line

Valve #5: Sies Line

Valve #6: BS&W Load Line

Buried Lines:

Firewall:

Wellhead:

Stak-pak:

Production line:

Water line:

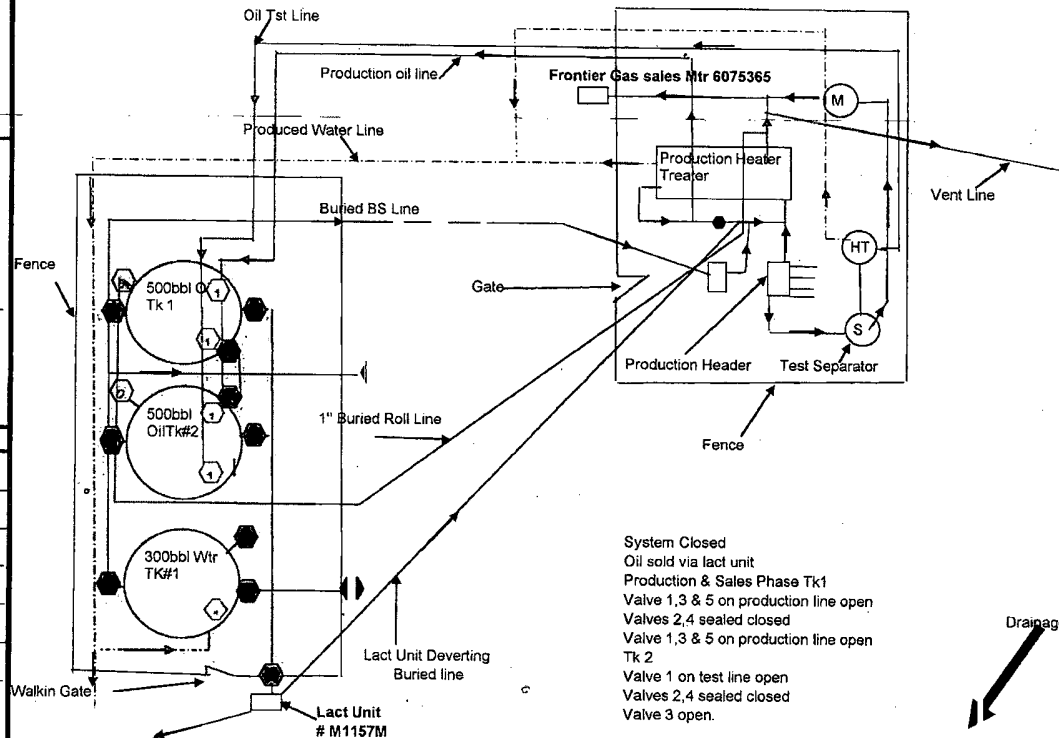
Gas Motor

A

M

C

Devon Energy  
 Kachina 5 Federal Battery  
 Unit0, Sec5,T18S,R33E  
 Lease #062391  
 Lea County, New Mexico



System Closed  
 Oil sold via lact unit  
 Production & Sales Phase Tk1  
 Valve 1,3 & 5 on production line open  
 Valves 2,4 sealed closed  
 Valve 1,3 & 5 on production line open  
 Tk 2  
 Valve 1 on test line open  
 Valves 2,4 sealed closed  
 Valve 3 open.

Section 5, T18S, R33E  
Lea County, New Mexico

E03989  
OXY USA WTP LIMITED PARTNERSHIP  
HBP

NMNM 0004242  
DENIUS HOMER R  
HBP

33 NMLC 0062391  
OXY USA WTP LP  
HBP

NMNM 089890  
OXY USA WTP LP  
HBP

KACHINA 5 FED #4

NMLC 0062391  
OXY USA WTP LP  
HBP

KACHINA 5 FED #3

KACHINA 5 FED #2 NMLC 0029489B  
OXY USA WTP LP  
HBP

18S 33E

KACHINA 5 FED #5

NMNM 067716  
HANLEY PETROLEUM INC  
HBP

NMLC 0065420  
CONOCOPHILLIPS CO  
HBP



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NMNM 089893  
DEVON ENERGY PROD CO LP  
HBP

NMNM 084731  
DEVON ENERGY PROD CO LP  
HBP

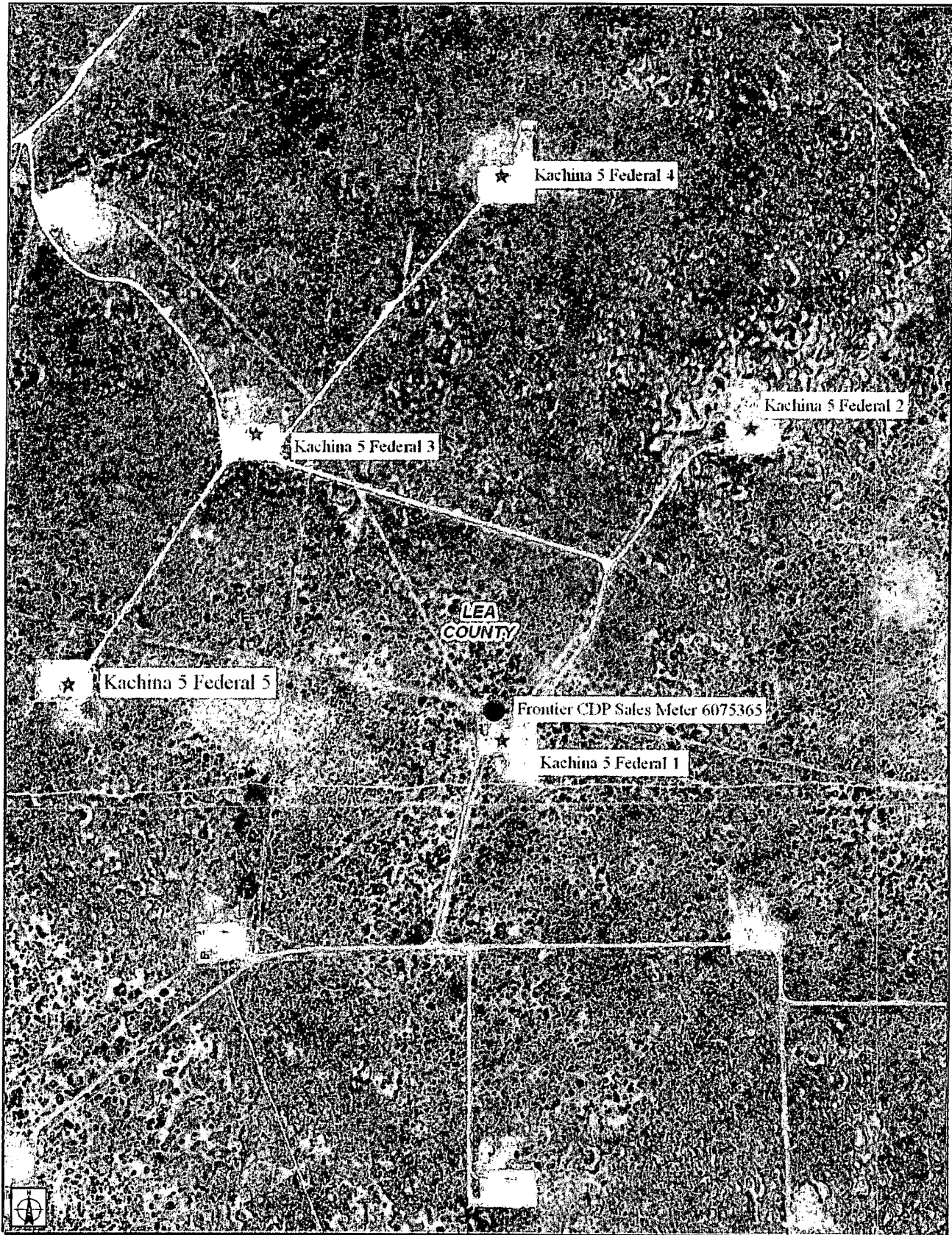
9 NMNM 055149  
OXY USA WTP LP  
HBP

Legend

-  Well Unit
-  Devon Leasehold

This map is for illustrative purposes only and is  
neither a legally recorded map nor a survey  
and is not intended to be used as one. Devon  
makes no warranty, representation, or  
guarantee of any kind regarding this map.

devon





NMNM 0004242

031

032

T-017 S  
R-033 E

STATE BY #007

033

CITCO FEDERAL #001

NMNM 089890

PRE-ONGARD WELL #001  
CENTRAL CORBIN QUEEN UNIT #006  
KACHINA 5 FEDERAL #007

KACHINA 5 FEDERAL #004

CENTRAL CORBIN QUEEN UNIT #210

004

006

NMLC 0062391

005

PRE-ONGARD WELL #001  
SANTA FE EXPLORATION #002  
SANTA FE EXPLORATION #002

KACHINA 5 FEDERAL #003

KACHINA 5 FEDERAL #002

T-018 S  
R-033 E

KACHINA 5 FEDERAL #005

FEDERAL AE #014  
CENTRAL CORBIN QUEEN UNIT #203

KACHINA 5 FEDERAL #001

007

NMNM 067716

KACHINA 8 FEDERAL #001

008

NMNM 089893

PRE-ONGARD WELL #001  
CENTRAL CORBIN QUEEN UNIT #402

NMNM 084731

009

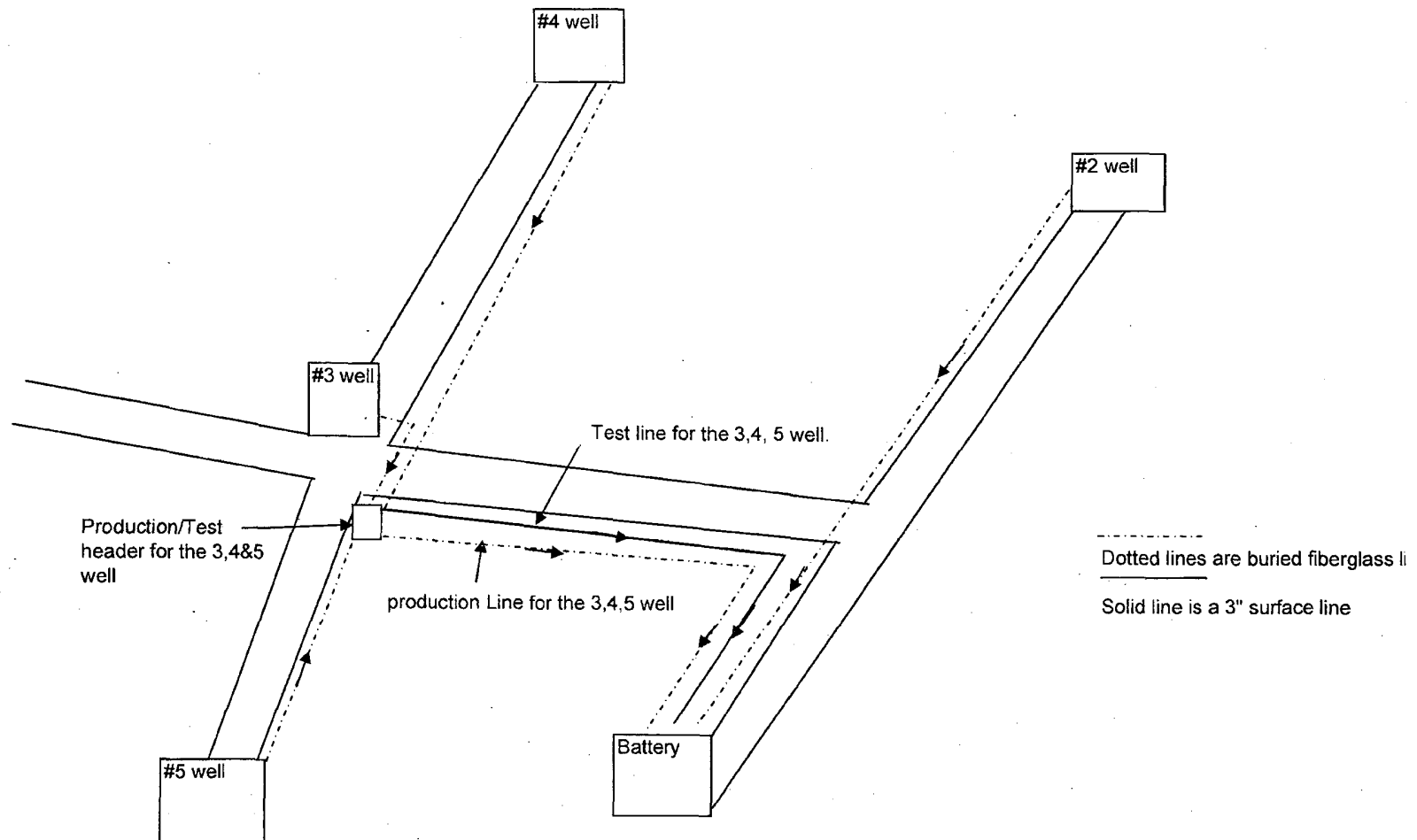
MLC 0069420

KACHINA 8 FEDERAL COM #002



North

Kachina 5 lease flowline layout.



OFF LEASE PRODUCTION - EDDY COUNTY						
	10/01/10	11/01/10	12/01/10	01/01/11	02/01/11	03/01/11
Well Name	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas
Kachina 5 Federal 2	0.	0.	0.	3,076.91	1,435.62	1,746.23
Kachina 5 Federal 3	732.49	819.27	342.24	231.	167.31	162.09
Kachina 5 Federal 4	0.	56.78	734.77	639.73	396.65	324.18
Kachina 5 Federal 5	294.55	262.52	86.21	213.24	136.27	106.28



**Laboratory Services, Inc.**  
2609 W. Marland  
Hobbs, New Mexico 88240  
Telephone: (575) 397-3713

### **SULFUR IN CRUDE OIL**

Devon Energy  
Attention: Roger Hernandez  
P.O. Box 250  
Artesia, New Mexico 88211-0250

Mar 2, 2011

	Total Sulfur	API Gravity @ 60° F	Specific Gravity @ 60° F
Kachina Test Heater 5 #2	0.7739 wt.%	33.0	0.8601
Kachina Heater #3,#4,#5	0.3281 wt.%	36.8	0.8407

Thank You,  
Vicki McDaniel

# Varian Star Chromatography Workstation

## Natural Gas Analysis Report

Run File	C:\STAR\DATA\DEVON03_3-21-2011_11:13:29 AM.RUN		
Method	C:\star\RichBTUC6+.mth		
Operator	PGM, Inc.	Analysis Date	3/21/2011
Station	KACHENA 5-2 / 67749015	Company	DEVON ENERGY
Effective Date	3/17/11	Pulled Date	PRESS 22 TEMP 81
Received Date	3/21/11	Composite/Spot	Spot

Component	Area %	GP1
H2S	0.000	0.0000
nitrogen	3.193	0.0000
methane	61.068	0.0000
propane	10.454	2.8726
i-butane	1.373	0.4482
carbon dioxide	0.812	0.0000
n-butane	3.492	1.0980
i-pentane	1.013	0.3695
ethane	16.185	4.3175
n-pentane	0.861	0.3113
hexane+	1.549	0.0000
Totals	100.0000	9.4170

Relative Density from Composition 0.8588

### Lab Density Test Values

BTUs @ 14.73 Saturated 1,383

BTUs @ 14.73 Dry 1,407

Compressibility 0.99514



# Laboratory Services, Inc.

2609 West Marland  
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

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

SAMPLE:  
IDENTIFICATION Kachina 5 #3  
COMPANY: Devon Energy  
LEASE:  
PLANT:

SAMPLE DATA: DATE SAMPLED: 9/24/10 9:46 am  
ANALYSIS DATE: 9/27/10  
PRESSURE - PSIG  
SAMPLE TEMP. °F  
ATMOS. TEMP. °F 65

GAS (XX) LIQUID ( )  
SAMPLED BY: Jaime Castillo  
ANALYSIS BY: Vicki McDaniel

REMARKS:

## COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	2.449	
Carbon Dioxide (CO2)	0.746	
Methane (C1)	64.186	
Ethane (C2)	15.294	4.080
Propane (C3)	9.660	2.656
I-Butane (IC4)	0.946	0.309
N-Butane (NC4)	3.220	1.013
I-Pentane (IC5)	0.898	0.328
N-Pentane (NC5)	1.015	0.367
Hexane Plus (C6+)	1.586	0.688
	100.000	9.441

BTU/CU.FT. - DRY 1450  
AT 14.650 DRY 1445  
AT 14.650 WET 1420  
AT 14.73 DRY 1453  
AT 14.73 WET 1428

MOLECULAR WT. 25.4371

SPECIFIC GRAVITY -  
CALCULATED 0.875  
MEASURED

# Varian Star Chromatography Workstation

## Natural Gas Analysis Report

Run File	C:\STAR\DATA\DEVON02_3-21-2011_10:59:24 AM.RUN		
Method	C:\star\RichBTUC6+.mth		
Operator	PGM, Inc.	Analysis Date	3/21/2011
Station	KACHENA 5-4 / 67749085	Company	DEVON ENERGY
Effective Date	3/17/11	Pulled Date	PRESS 25 TEMP 84
Received Date	3/21/11	Composite/Spot	Spot

Component	Mole %	GPM
H2S	0.000	0.0000
nitrogen	3.038	0.0000
methane	60.942	0.0000
propane	10.536	2.8953
i-butane	1.391	0.4541
carbon dioxide	0.849	0.0000
n-butane	3.539	1.1127
i-pentane	1.029	0.3754
ethane	16.195	4.3201
n-pentane	0.881	0.3184
hexane+	1.601	0.0000
Totals	100.0000	9.4760

Relative Density from Composition 0.8607

Lab Density Test Value

BTUs @ 14.73 Saturated 1,387

BTUs @ 14.73 Dry 1,411

Compressibility 0.99510



# Laboratory Services, Inc.

2609 West Marland  
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

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

SAMPLE:  
IDENTIFICATION Kachina 5 #5  
COMPANY: Devon Energy  
LEASE:  
PLANT:

SAMPLE DATA: DATE SAMPLED: 9/24/10 8:20 am  
ANALYSIS DATE: 9/27/10  
PRESSURE - PSIG  
SAMPLE TEMP. °F  
ATMOS. TEMP. °F 65

GAS (XX) LIQUID ( )  
SAMPLED BY: Jaime Castillo  
ANALYSIS BY: Vicki McDaniel

REMARKS:

## COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	2.188	
Carbon Dioxide (CO2)	0.493	
Methane (C1)	54.669	
Ethane (C2)	17.109	4.565
Propane (C3)	13.732	3.775
I-Butane (IC4)	1.571	0.513
N-Butane (NC4)	5.251	1.652
I-Pentane (IC5)	1.338	0.488
N-Pentane (NC5)	1.638	0.592
Hexane Plus (C6+)	2.011	0.873
	100.000	12.458

BTU/CU.FT. - DRY 1638  
AT 14.650 DRY 1633  
AT 14.650 WET 1604  
AT 14.73 DRY 1641  
AT 14.73 WET 1613

MOLECULAR WT. 28.7713

SPECIFIC GRAVITY -  
CALCULATED 0.989  
MEASURED





Devon Energy Production Company  
20 North Broadway - CT 3.058  
Oklahoma City, Oklahoma 73102-8260  
Phone: (405)-552- 4524  
Fax (405)-552-1358  
[Melanie.Crawford@devn.com](mailto:Melanie.Crawford@devn.com)

March 28, 2011

Mr. Richard Ezeanyim  
State of New Mexico  
Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

**Re: Pool Surface Commingle  
Kachina 5 Federal 2, Kachina 5 Federal 3, Kachina 5 Federal 4, & Kachina 5 Federal 5  
API # 30-025-31277, 30-025-31517, 30-025-31690, & 30-025-32038  
Sec 5-T18S-R33E  
Lease LC-062391  
Corbin; Wolf Camp, South - Pool Code: 13320  
Corbin; Bone Springs - Pool Code: 13155  
Lea County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-107B, OCD Form C-103 and BLM Form 3160-5 Sundry Notice of Intent to Pool Surface Commingle the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners in both leases are not uniform; parties have been notified via certified mail.

BLM sundry approval and BLM conditions of approval attached.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552- 4524.

Very truly yours,

**DEVON ENERGY PRODUCTION COMPANY, L.P.**

A handwritten signature in cursive script that reads "Melanie Crawford". The signature is written in dark ink and is positioned above the typed name and title.

Melanie Crawford  
Regulatory Analyst

Enclosures

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



HOBBS OCD

MAY 06 2011

RECEIVED

**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.

Melanie Crawford  
 Print or Type Name

Signature

Regulatory Analyst  
 Title

Date

Melanie.Crawford@dvnm.com  
 e-mail Address

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 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
Corbin, Wolf Camp, South - 13320	36.88/1450				
Corbin, Wolf Camp, South - 13320	36.88/1638				
Corbin, Bone Springs - 13155	33.00/1407				
Corbin, Bone Springs - 13155	36.8/1411				

- (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 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: Melanie Crawford TITLE: Regulatory Analyst DATE: 3-28-11

TYPE OR PRINT NAME Melanie Crawford TELEPHONE NO.: (405)-552-4524

E-MAIL ADDRESS: Melanie.Crawford@dvn.com

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. See Below
5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LC-062391
7. Lease Name or Unit Agreement Name See Below
8. Well Number See Below
9. OGRID Number 6137
10. Pool name or Wildcat See Below

11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
--	--

Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
Devon Energy Production Company, LP

3. Address of Operator  
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-4524

4. Well Location (See Below)  
Unit Letter \_\_\_\_\_ feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_ line  
Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_ NMPM Lea County New Mexico

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: Pool Surface Commingle <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Company, L.P. respectfully requests approval for a Pool Surface Commingle for the following wells:

Kachina 5 Federal 2	API: 30-025-31277	Pool: 13155 - Corbin; Bone Spring (recompletion from Wolf Camp to Bone Spring)
Kachina 5 Federal 3	API: 30-025-31517	Pool: 13320 - Corbin; Wolf Camp, South
Kachina 5 Federal 4	API: 30-025-31690	Pool: 13155 - Corbin; Bone Spring
Kachina 5 Fedreal 5	API: 30-025-32038	Pool: 13320 - Corbin; Wolf Camp, South

A central tank battery is located at the Kachina 5 Fed 1 P&A well location in section 5, T18S, R33E. The Kachina 5 Federal 2, 3, 4, & 5 are the only wells producing to the facility. The gas production from all the wells will flow to the Frontier CDP Sales Meter 6075365 which is also located at the Kachina 5 Fed 1 P&A well.

The working royalty and overriding interest for all wells is not uniformed; parties have been notified via certified mail (see attached).

ROW will or has already been obtained.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Melanie Crawford TITLE Regulatory Analyst DATE 3-28-11

Type or print name Melanie Crawford E-mail address: Melanie.Crawford@dmr.com Telephone No. (405) 552-4524  
For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of Approval (if any): \_\_\_\_\_

Minerals Management Service  
Royalty Management Program  
PO Box 5810  
Denver, CO 80217-5810

Star

Certified Mail Number 7008 1830 0003 1982 6255

Mary Evelyn Beck Roberts  
1111 North Penn  
Roswell, NM 88201

Certified Mail Number 7008 1830 0003 1982 6262

James M Dowaliby Jr.  
535 Townsend Avenue  
New Haven, CT 06512

Certified Mail Number 7008 1830 0003 1982 6279

Charles Brice Dowaliby  
211 West Tilden  
Roswell, NM 88203-5746

Certified Mail Number 7008 1830 0003 1982 6361

David H Bell & Gay B Bell Trust U/A Dated 3/30/90  
David H & Gay B Bell, Co-Trustees  
9043 Mullen Road  
Lenexa, KS 66215

Certified Mail Number 7008 1830 0003 1982 6354

Robert H Bunting  
515 North Bridge  
Henrietta, TX 76365

Certified Mail Number 7008 1830 0003 1982 6347

OXY USA WTP LP  
Lock Box 841735  
Dallas, TX 75284-1735

Certified Mail Number 7008 1830 0003 1982 6316

Maggie Suetta Cockburn Estate, Hollace Lynne Hervey & First American  
Bank Co Pers Reps - First American Bank Trust Dept  
PO Box AA  
Artesia, NM 88210

Certified Mail Number 7008 1830 0003 1982 6309

Frank Ross Bunting  
5926 Bishops Mill  
Corpus Christi, TX 78418

Certified Mail Number 7008 1830 0003 1982 6323

Betty Lynn Hughes  
3311 Edgemont Drive  
Midland, TX 79707-4215

Certified Mail Number 7008 1830 0003 1982 6330

Kachina 5 Federal #2,3,4 & 5

Devon Energy Production Co., LP

May 3, 2011

Condition of Approval  
Commingle on and off lease

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. 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.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees 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.
6. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
8. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to MMS as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to MMS. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
9. This agency shall be notified of any change in sales method or location of sales point.
10. Additional wells and/or leases require additional commingling approvals.
11. At a minimum, monthly well tests will be required to determine production volumes.