

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

NFO Permit No. _____
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

- A. Applicant Devon Energy Production Company, L.P.,
whose address is 333 West Sheridan Avenue, Oklahoma City, OK 73102,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until
6/17/15 N/A, Yr N/A, for the following described tank battery (or LACT):
Name of Lease Burton Flat Deep Unit 52H Name of Pool Avalon; Bone Spring, East
Location of Battery: Unit Letter 16 Section 3 Township 21S Range 27E
Number of wells producing into battery 2 Wells; Burton Flat Deep Unit 52H (30-015-40693) and
Burton Flat Deep Unit 56H (30-015-40683)
- B. Based upon oil production of 425 barrels per day, the estimated * volume
of gas to be flared is 1773 MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility:

- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: _____
Intermittent issues from Artesia gas plant going down; being shut out for a few hours each day
We are requesting 90 days to start May 29, 2015 through August 27, 2015.

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation
Division have been complied with and that the information given above
is true and complete to the best of my knowledge and belief.

Signature Sara Cook

Printed Name
& Title Sara Cook, Regulatory Compliance Associate

E-mail Address sara.cook@dvn.com

Date 6/2/2015 Telephone No. 405-228-8960

OIL CONSERVATION DIVISION

Approved Until 6/17/2015

By Per Form 3160-5, Randy Dade

Title _____

Date 6/15/2015

* See attached C.O.A.'s

* Gas-Oil ratio test may be required to verify estimated gas volume.

Burton Flat Deep Unit 52H
30-015-40693
Devon Energy Production Co.
June 05, 2015
Conditions of Approval

1. Report all volumes on OGOR B as disposition code 08.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. Flared volumes will still require payment of royalties
5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days for date of approval.
9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
10. If flaring is still required past 90 days submit new request for approval.
11. If a portable unit is used to flare gas it must be monitored at all times.
12. Comply with any restrictions or regulations when on State or Fee surface.

JAM 060515

**NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 SOUTH FIRST STREET
ARTESIA, NM 88210
(575)748-1283**

CONDITIONS OF APPROVAL for FLARING or VENTING GAS

1. Venting gas is absolutely not allowed.
2. Prior to flaring gas, C-129 must be filed & approved. Blanket approval cannot be given for this operation.
3. Flared volumes of gas are to be metered & reported.
4. Flares WILL be manned at all times. Brush should be cut down to 1 or 2 inches around flare stack at least a radial distance of 2 times the height of the flare stack.
5. Flares WILL NOT be left unattended.
6. No flaring operations to be conducted during red-flag days.
<http://www.gacc.nifc.gov/swcc> (go to "Predictive Services" on SWCC website) to check for red flag warnings.
7. Follow safe practices for flaring guidelines.
8. Permit may be rescinded at any time by NMOCD.
9. If well is able to be connected to a gas gathering system, it will be done so as soon as possible.
10. Flaring of gas is prohibited. The State Forester grants an exception to the prohibition on open fires for the flaring of natural gas when the following conditions are met. Unless flaring is needed for safety purposes, flaring pursuant to this exception shall not be done on days that are "red flag days" as determined by the National Weather Service or on days when the sustained wind is in excess of 25 miles per hour in the area.
 - 11.1. The day is not a "red flag day" as determined by the National Weather Service and the sustained wind is not in excess of 25 miles per hour in the area.
 - 12.2. The local fire department and county dispatch are notified at least 24 hours in advance of anticipated releases that will result in flaring. If flaring is done by an automated system then the schedule of flaring shall be provided to the local fire department and county dispatch. The area is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of one and one half times the height of the stack.
 - 13.3. At least one adult is on site with communications equipment adequate to reach county dispatch and the local fire department in the event of a fire. The individual should also be equipped with a shovel and a water backpack pump or other equipment to deliver water to suppress a fire
 - 14.4. If flaring is to take place at an unmanned facility, then the area around the flare stack is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of three times the height of the stack.

Your initials here *AB for Randy Dade*

DATE: 6/15/2015

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David Catanach
Division Director
Oil Conservation Division



FOR IMMEDIATE RELEASE

Contact: Jim Winchester (505)231-8800 E-Mail: jim.winchester@state.nm.us

Notice to Oil and Gas Facilities and Operators Flaring Gas in New Mexico

SANTA FE, NM – The Oil Conservation Division (OCD) encourages all oil and gas facilities with flare stacks and well operators that are flaring gas to upgrade their *Fire Awareness Programs* this year. New Mexico State Forestry reports that 460 fires have burned 25,475 acres on state and private land in calendar year 2012.

Forecasts remain dismal this spring with fewer chances for normal precipitation, particularly in southwestern New Mexico and southeastern Arizona. Temperatures could also be higher than normal.

Open flames and gas flares should be monitored carefully and oil and gas operators should create a defensible space to help prevent wildfires. Defensible Space is the area around a structure where combustible vegetation that can spread fire has been cleared, reduced or replaced. This space acts as a barrier between a structure and an advancing wildfire.

During the course of the upcoming fire season, it may become necessary for New Mexico State Forestry to issue fire restriction on State and private land. Log on to www.nmforestry.com for updates or call your local district office.

New Mexico State Forestry offers the following guidelines for establishing effective defensible space:

- Create a "Lean, Clean and Green" firebreak area by removing flammable vegetation and growth within 30 feet of each structure. Single trees and shrubs may be retained if they are well spaced, pruned and placed so they avoid the spread of fire. Maintain an irrigation system for any vegetation near structures.
- Keep grass and weeds mowed.
- Prune lower tree limbs to at least 6 feet up to 15 feet (or lower 1/3 of branches on smaller trees).
- Remove vegetation and debris around propane tanks.

For the latest fire weather information please visit USDA Forest Service website:

<http://activefiremaps.fs.fed.us/current.php>

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The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

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Cabinet Secretary

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Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



NOTICE TO OPERATORS

The Oil Conservation Division ("OCD") has been tasked to study flaring and develop a gas capture plan by the end of the year with the ultimate goal to reduce natural gas emissions.

Current OCD reporting has no specific method to differentiate flared and vented volumes reported on C-115 reports. This prevents the OCD from having quantifiable flaring data per Rule 19.15.18.12.F NMAC.

Therefore, to collect flaring volumes and differentiate actual vented volumes going forward, NMOCD will implement a new "Non-Transported Disposition" Code (for gas) to be reported on the C-115 reports. The new code will be "F" for Flared. The new code "F" is to be used to report the volume of gas that is flared on a well basis, or total volume if flared at a common battery or gathering system and reported under one point of disposition. Operators must report vented and flared volumes separately to their respective "Non Transported Disposition" code ("V" for vented and "F" for flared).

The change will become effective for the November 2015 production month with reporting due by January 15, 2016.

The NMOCD will be conducting operator outreach training sessions in the Southeast and Northwest to provide information and answer questions regarding the process.

Meeting notices will be posted on NMOCD website at:
<http://www.emnrd.state.nm.us/OCD/announcements.html>

The C-115 instructions are available on NMOCD website at:
http://www.emnrd.state.nm.us/OCD/documents/eC115_FullInstructions.pdf

RULES

19.15.7.24 OPERATOR'S MONTHLY REPORT (Form C-115):

A. An operator shall file a form C-115 for each non-plugged well completion for which the division has approved a form C-104 and for each secondary or other enhanced recovery project or pressure maintenance project injection well or other injection well within the state, setting forth complete information and data indicated on the forms in the order, format and style the director prescribes. The operator shall estimate oil production from wells producing into common storage as accurately as possible on the basis of periodic tests.

19.15.18.12 CASINGHEAD GAS:

F. Pending connection of a well to a gas-gathering facility, or when a well has been excepted from the provisions of Subsection A of 19.15.18.12 NMAC, the operator shall burn all gas produced and not used, and report the estimated volume on form C-115.

Thank you for your assistance in this matter. If you have any questions please contact the appropriate OCD District Office.

Sincerely,



David R. Catanach
Director, Oil Conservation Division

NM OIL CONSERVATION

ARTESIA DISTRICT
OCD Artesia

JUN 15 2015

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED**
*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 reverse side.**

| | | |
|--|---|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM0560290 |
| 2. Name of Operator DEVON ENERGY PRODUCTION CO | | 6. If Indian, Allottee or Tribe Name |
| Contact: SARA COOK Email: sara.cook@dvn.com | | 7. If Unit or CA/Agreement, Name and/or No. 8910123910 |
| 3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102 | 3b. Phone No. (include area code) Ph: 405-228-8960 | 8. Well Name and No. BURTON FLAT DEEP UNIT 52H |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T21S R27E Lot 16 4000FNL 50FEL | | 9. API Well No. 30-015-40693-00-S1 |
| | | 10. Field and Pool, or Exploratory E AVALON |
| | | 11. County or Parish, and State EDDY 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 recomple 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 recompletion 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, LP respectfully requests to flare the Burton Flat Deep Unit 52H Battery. Intermittent flaring due Artesia gas plant going down; being shut out for a few hours each day. The following wells are to be included:

Burton Flat Deep Unit 52H (30-015-40693)
Burton Flat Deep Unit 56H (30-015-40683)

We are requesting 90 days to start May 29, 2015 through August 27, 2015.

Amount to be flared is 425 BOPD and 1773 MCFPD

Attachment: NMOCD C-129

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Accepted for record

NMOCD

820 6/12/15

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

Electronic Submission #303661 verified by the BLM Well Information System

For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad

Committed to AFMSS for processing by JENNIFER SANCHEZ on 06/05/2015 (15JAS0367SE)

Name (Printed/Typed) SARA COOK

Title REGULATORY COMPLIANCE ASSOCIAT

Signature (Electronic Submission)

Date 06/02/2015

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

Approved By

Title

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

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****