□ Temporarily Abandon

Water Disposal

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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.				Lease Serial No. NMNM66272 If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on reverse side 385 000				7. If Unit or CA/Agreement, Name and/or No. NMNM94480X		
Type of Well ☐ Gas Well ☐ Oth	JAN 1	9 2016	8. Well Name and No. GAUCHO UNIT 1			
Name of Operator DEVON ENERGY PRODUCT	9. API Well No. 30-025-41854-00-X1					
3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102		3b. Phone No. (include area code) Ph: 405-552-3303		10. Field and Pool, or OJO CHISO	Exploratory	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish, and State		
Sec 19 T22S R34E SESE 200FSL 420FEL 32.369937 N Lat, 103.500650 W Lon				LEA COUNTY,	NM	
12. CHECK APPI	ROPRIATE BOX(ES) T	O INDICATE NATURE OF	NOTICE, R	EPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION					
☐ Notice of Intent ☑ Subsequent Report	☐ Acidize ☐ Alter Casing ☐ Casing Repair	☐ Deepen ☐ Fracture Treat ☐ New Construction	□ Product □ Reclam		□ Water Shut-Off □ Well Integrity □ Other	

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 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.)

☐ Plug Back

☐ Plug and Abandon

WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed in full

☐ Change Plans

☐ Convert to Injection

Site Name: Gaucho Unit 17H

☐ Final Abandonment Notice

1. Name(s) of formation(s) producing water on the lease: Wolfcamp, Bone Spring

2. Amount of water produced from all formations in barrels per day: 1560 BWPD

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #324340 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO LP, sent to the Hobbs Committed to AFMSS for processing by JENNIFER SANCHEZ on 11/24/2015 (16JAS0149SE)						
Name (Printed/Typed)	LUCRETIA A MORRIS	Title	REGULATORY COMPLIANCE ANALYST \/ -			
Signature	(Electronic Submission)	Date	11/23/2015			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved By		Title	JAMES A. A Mare			
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	ice	Г		

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 **



Additional data for EC transaction #324340 that would not fit on the form

32. Additional remarks, continued

4. How water is stored on lease:

4 500BBLS water tanks at the Gaucho central Tank Battery

5. How water is moved to the disposal facility: Piped to the primary and trucked to the secondary

6. Identify the Disposal Facility by:

A. Facility Operators Name: a) Devon Energy Production Company b) Siana Operating, LLC

B. Facility or well name/number: a) Rio Blanco 33 Fed 2 SWD b) APD Federal 1

C. Type of Facility or well (WDW) (WIW): a) WDW b) WDW

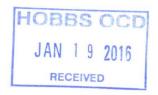
Da.1) Location by ? ? Section Township Range SE/4 NW/4, S33, T22S, R34E

Db.2) Location by ? ? Section Township Range SW/4 SE/4, S10, T23S, R24E

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)

SWD-712 R-13685 JAN 1 9 2016

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972



Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 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.
- 5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 8. Disposal at any other site will require prior approval.
- 9. Subject to like approval by NMOCD.

7/10/14