Approved By

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.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

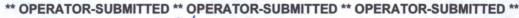
NMOCD
MINIOCD

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

Expires: July 1

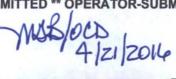
SUNDRY NOTICES AND REPORTS ON WELLS Artesia Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.				NMLC061863A	
				6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No.	
Type of Well				8. Well Name and No. LIPPIZAN 4 FED 1H	
2. Name of Operator Contact: ERIN WORKMAN DEVON ENERGY E-Mail: Erin.workman@dvn.com				9. API Well No. 30-025-41829	
3a. Address 333 WEST SHERIDAN OKC, OK 73102				10. Field and Pool, or Exploratory WC G-08 S253209L:BS	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish, and State	
Sec 4 T25S R32E 200FNL 66	EDDY COUNTY, NM				
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE NATURE OF	NOTICE, RI	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of Intent	☐ Acidize	□ Deepen	☐ Product	ion (Start/Resume)	☐ Water Shut-Off
5- 1	☐ Alter Casing	□ Fracture Treat	☐ Reclama	ation	■ Well Integrity
☐ Subsequent Report	□ Casing Repair	■ New Construction	□ Recomp	lete	Other Other
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	☐ Tempor	arily Abandon	Venting and/or Flari
	☐ Convert to Injection	□ Plug Back	☐ Water D	Disposal	
13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wo following completion of the involved testing has been completed. Final Al determined that the site is ready for for the per verbal approval by Dunca 01.28.16.Devon Energy Products to DCP Plant going down Wells contributing to the total Lippizan 4 Fed 1H (30-025-42 Paint 33 Fed 1H (30-025-42 Paint 33 Fed 2H (30-025-42)	ally or recomplete horizontally, rk will be performed or provide a operations. If the operation re bandonment Notices shall be fill inal inspection.) In Whitlock and confirmed action Company, LP response. We are requesting 15 days flare volume: 1829) NOWN 13564	give subsurface locations and measure the Bond No. on file with BLM/Bl/sults in a multiple completion or receded only after all requirements, including the e-mail from Charles Nimmer ectfully requests to flare the Lays, to begin 01.28.16 to 02.1	mer on ippizan 4 Fee	rtical depths of all pertin sequent reports shall be new interval, a Form 316 n, have been completed, dd 1H NM OIL CO ARTES	ent markers and zones. filed within 30 days 0-4 shall be filed once and the operator has ONSERVATION IA DISTRICT 0 8 2016
Average daily Production	1	iect for record	SEE AT	TACHED TONS OF	APPROVAL
14. I hereby certify that the foregoing is Name(Printed/Typed) ERIN WO	Electronic Submission # For DE	330546 verified by the BLM We VON ENERGY, sent to the Hol	bbs	System MPLIANCE PROF.	
Signature (Electronic S	Submission)	Date 02/03/2	1 -	PrhuyED	1//
	THIS SPACE FO	OR FEDERAL OR STATE	OFFICE US	MAR 2 8 2016	1 /
				0///	

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.



Title

Office



Additional data for EC transaction #330546 that would not fit on the form

32. Additional remarks, continued

BOPD 1341

MCFPD 2654

ATTACHMENT: C-129

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)

Α.	Applicant Devon Energy Produ	uction Company, LP ,				
	whose address is, 333 West Sheridan Avenue, OKC, OK 73102,					
	hereby requests an exception to Rule 19.15.18.12 for					
	Location of Battery: Unit Letter 4 Section 4 Township 25S Range 32E					
	Number of wells producing into battery: 3 Wells: Lippizan 4 Fed 1H (30-025-41829), Paint 33 Fed 1H (30-025-42516) & Paint 33 Fed 2H (30-025-42591)					
В.	Based upon oil production of 134	barrels per day, the estimated * volume				
	of gas to be flared isMC	F; Valueper day.				
C.	Name and location of nearest gas gathering facility: <u>Currently tied into DCP Midstream</u>					
D.						
E.						
OPERATOR		OIL CONSERVATION DIVISION				
Division have bee	hat the rules and regulations of the Oil Conservation en complied with and that the information given above ete to the best of my knowledge and belief.	Approved Until				
4	fru Workman	ByNGCD				
Signature 9		Title				
Printed Name & TitleErin Workman, Regulatory Compliance Prof. E-mail AddressErin.workman@dvn.com		Date				
					Date 01.28.	16 Telephone No. (405) 552-7970

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

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

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

Condition of Approval to Flare Gas

- 1. Comply with NTL-4A requirements
- 2. Subject to like approval from NMOCD
- Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. 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.
- 5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
- 6. This approval does not authorize any additional surface disturbance.
- An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
- 8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

Definition: As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

43CFR3162.7-1 (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

43CFR3162.1 (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.