

SURFACE USE PLAN

Devon Energy Production Company, L.P.
Rebel 20 Fed 1H

HOBBSOCD

APR 13 2015

RECEIVED

1. Existing Roads:

- a. The well site and elevation plat for the proposed well are reflected on the "Site Map". The well was staked by Madron Surveying, Inc.
- b. All roads into the location are depicted on the "Vicinity Map". The operator will repair pot holes, clear ditches, repair the crown, etc. All existing structures on the entire access route such as cattle guards, culverts, etc. will be properly repaired or replaced if they are damaged or have deteriorated beyond practical use. BLM written approval will be acquired before application of surfactants, binding agents, or other dust suppression chemicals on roadways.
- c. Directions to Location: From the Intersection of Highway 128 and CR 1 (Orla Highway) go South on CR 1 approx. 1.1 miles to a lease road on right (West). Turn right (West) on lease road and go approx. 0.7 miles to a road lath with red and white flagging marked CL proposed new road. Follow laths going Northwest approx.. 0.4 miles to a 2-track road going West. Follow 2-track road approx.. 1.1 miles, go through fence gate, location is 200 ft South.

2. New or Reconstructed Access Roads:

- a. The "Site Map" shows new constructed access road, which will be approximately 25 LF from the existing Lease road.
- b. The maximum driving width of the access road will be 14 feet. The maximum width of surface disturbance when constructing the access road will not exceed 25 feet. The road will be crowned and ditched with 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 3 feet wide with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.
- c. No cattle guards, grates or fence cuts will be required. No turnouts are planned.

3. Location of Existing Wells:

The attached "One Mile Radius Map" shows all existing and proposed wells within a one-mile radius of the proposed location.

4. Location of Existing and/or Proposed Production Facilities:

- a. In the event the well is found productive, a tank battery and necessary production equipment will be installed onsite. See "Interim Reclamation Diagram".
- b. If necessary, the well will be operated by means of an electric prime mover. If electric power poles are needed, a plat and a sundry notice will be filed with your office.
- c. All flow lines will adhere to API standards.
- d. If the well is productive, rehabilitation plans are as follows:
 - i. A closed loop system will be utilized.
 - ii. The original topsoil from the well site will be returned to the location. The drill site will then be contoured as close as possible to the original state.

APR 14 2015

5. Location and Types of Water Supply:

This location will be drilled using a combination of water mud systems (outlined in the Drilling Program). The water will be obtained from commercial water stations in the area and hauled to location by transport truck using the existing and proposed roads described and depicted on the "Vicinity Map". On occasion, water will be obtained from a pre-existing water well, running a pump directly to the drill rig. In cases where a poly pipeline is used to transport water for drilling purposes, proper authorizations will be secured. If a poly pipeline is used, the size, distance, and map showing route will be provided to the BLM via sundry notice.

6. Construction Materials:

Obtaining caliche: One primary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means caliche will be obtained from the actual well site. Actual amounts will vary for each pad. The procedure below has been approved by BLM personnel:

- a. The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
- b. Subsoil is removed and stockpiled within the surveyed well pad.
- c. When caliche is found, material will be stock piled within the pad site to build the location and road.
- d. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- e. Once well is drilled, the stock piled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced.
- f. Neither caliche, nor subsoil will be stock piled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in the Well Site Layout or survey plat.

In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit or other established mineral pit. A BLM mineral material permit will be acquired prior to obtaining any mineral material from BLM pits or land.

7. Methods of Handling Waste Material:

- a. Drill cuttings will be safely contained in a closed loop system and disposed of properly at a NMOCD approved disposal site.
- b. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in an approved sanitary landfill.
- c. The supplier will pick up salts remaining after completion of well, including broken sacks.
- d. A Porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- e. Remaining drilling fluids will be sent to a closed loop system. Water produced during completion will be put into a closed loop system. Oil and condensate produced will be put into a storage tank and sold.
- f. Disposal of fluids to be transported by the following companies:
 - i. American Production Service Inc, Odessa TX
 - ii. Gandy Corporation, Lovington NM
 - iii. I & W Inc, Loco Hill NM
 - iv. Jims Water Service of Co Inc, Denver CO

8. **Ancillary Facilities:** No campsite or other facilities will be constructed as a result of this well.
9. **Well Site Layout**
 - a. The Rig Location Layout attachment shows the proposed well site layout and pad dimensions.
 - b. The Rig Location Layout attachment proposes location of sump pits and living facilities.
 - c. Mud pits in the active circulating system will be steel pits.
 - d. A closed loop system will be utilized.
 - e. If a pit or closed loop system is utilized, Devon will provide a copy of the Design Plan to the BLM.
10. **Plans for Surface Reclamation:**
 - a. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the BLM. The original top soil will again be returned to the pad and contoured, as close as possible, to the original topography.
 - b. The location and road will be rehabilitated as recommended by the BLM.
 - c. If the well is deemed commercially productive, caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography.
 - d. All disturbed areas not needed for active support of production operations will undergo interim reclamation. The portions of the cleared well site not needed for operational and safety purposes will be recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Topsoil will be respread over areas not needed for all-weather operations.
11. **Surface Ownership**
 - a. The surface is owned by the US Government and is administered by the Bureau of Land Management. The surface is multiple use with the primary uses of the region for the grazing of livestock and the production of oil and gas.
 - b. The proposed road routes and the surface location will be restored as directed by the BLM.
12. **Other Information:**
 - a. The area surrounding the well site is grassland. The topsoil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, sage bush, yucca and miscellaneous weeds. No wildlife was observed but it is likely that deer, rabbits, coyotes, and rodents traverse the area.
 - b. There is no permanent or live water in the general proximity of the location.
 - c. There are no dwellings within 2 miles of location.

- d. A Cultural Resources Examination will be completed by the Permian Basin Cultural Resource Fund in lieu of being required to conduct a Class III Survey for cultural resources associated with their project within the BLM office in Carlsbad, New Mexico.

13. Bond Coverage:

Bond Coverage is Nationwide; Bond # is CO-1104 & NMB-000801.

Operators Representative:

The Devon Energy Production Company, L.P. representatives responsible for ensuring compliance of the surface use plan are listed below.

Dan McCorkel - Operations Engineer
Devon Energy Production Company, L.P.
333 W. Sheridan
Oklahoma City, OK 73102-5010
(405) 228-7528 (office)
(405) 443-8697 (Cellular)

Don Mayberry - Superintendent
Devon Energy Production Company, L.P.
Post Office Box 250
Artesia, NM 88211-0250
(575) 748-3371 (office)
(575) 746-4945 (home)

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road proposed herein; that I am familiar with the conditions that presently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or Devon Energy Production Company, L.P. am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

I hereby also certify that I, or Devon Energy Production Company, L.P. have made a good faith effort to provide the surface owner with a copy of the Surface Use Plan of Operations and any Conditions of Approval that are attached to the APD.

Executed this 21st day of August 2014.

Printed Name: Trina C. Couch

Signed Name: 

Position Title: Regulatory Analyst

Address: 333 W. Sheridan, OKC OK 73102

Telephone: (405)-552-6559

Form NM 8140-9
(March 2008)

United States Department of the Interior
Bureau of Land Management
New Mexico State Office

Permian Basin Cultural Resource Mitigation Fund

The company shown below has agreed to contribute funding to the Permian Basin Cultural Resource Fund in lieu of being required to conduct a Class III survey for cultural resources associated with their project. This form verifies that the company has elected to have the Bureau of Land Management (BLM) follow the procedures specified within the Memorandum of Agreement (MOA) concerning improved strategies for managing historic properties within the Permian Basin, New Mexico, for the undertaking rather than the Protocol to meet the agency's Section 106 obligations.

Company Name: Devon Energy Production Co., LP

Address: 333 W. Sheridan, OKC, OK 73102

Project description: Application for Permit to Drill

Cultural Resource Inventory for the Rebel 20 Fed 1H proposed well location and access road.

Application for Permit to Drill (wells and immediate environment)

-\$1552.00 well for the pad and a ¼ mile of road

-Anything over ¼ mile of road is \$0.18/linear foot

-Total arch cost \$1,463.00

5,280 = 1 mile => ¼ = 1,320

Total access road: 25' - ¼ mile of road included (1320) = 0' over 1320'

0' x \$0.18 = \$0.00

(See above & see well pad topo)

T. 24S, R. 32E, Section 20 NMPM, Lea County, New Mexico

Amount of contribution: \$ 1552.00

Provisions of the MOA:

A. No new Class III inventories are required of industry within the Project Area for those projects where industry elects to contribute to the mitigation fund.

B. The amount of funds contributed was derived from the rate schedule established within Appendix B of the MOA. The amount of the funding contribution acknowledged on this form reflects those rates.

C. The BLM will utilize the funding to carry out a program of mitigation at high-priority sites whose study is needed to answer key questions identified within the Regional Research Design.

D. Donating to the fund is voluntary. Industry acknowledges that it is aware it has the right to pay for Class III survey rather than contributing to the mitigation fund, and that it must avoid or fund data recovery at those sites already recorded that are eligible for nomination to the National Register or whose eligibility is unknown and that any such payments are independent of the mitigation funds established by this MOA.

E. Previously recorded archeological sites determined eligible for nomination to the National Register or whose eligibility remains undetermined must be avoided or mitigated.

F. If any skeletal remains that might be human or funerary objects are discovered by any activities, the land-use applicant will cease activities in the area of discovery, protect the remains, and notify the BLM within 24 hours. The BLM will determine the appropriate treatment of the remains in consultation with culturally affiliated Indian Tribe(s) and lineal descendents. Applicants will be required to pay for treatment of the cultural items independent and outside of the mitigation fund.

Trina C. Couch
Company-Authorized Officer

08/11/2014
Date

BLM-Authorized Officer

Date

District I
1625 N. French Dr., Hobbs, NM 88249
Phone: (575) 393-6161 Fax: (575) 393-0729
District II
311 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6175 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 49460	³ Pool Name Paduca; Delaware
⁴ Property Code	⁵ Property Name REBEL 20 FED	⁶ Well Number 1H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3571.7

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	24 S	32 E		330	NORTH	520	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	24 S	32 E		330	SOUTH	660	WEST	LEA

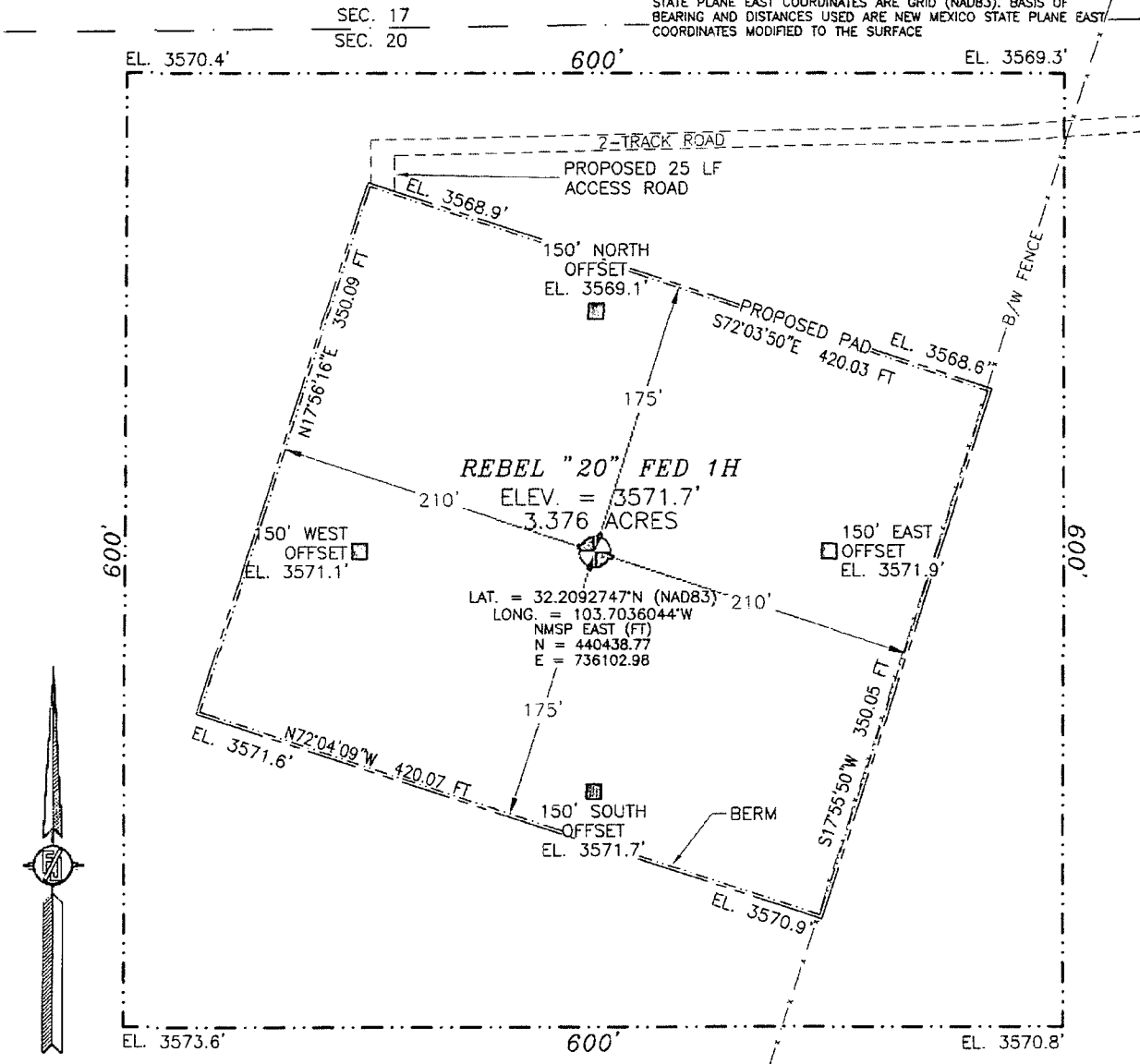
¹² Dedicated Acres 160 ac	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>N89°19'12"E 2643.68 FT</p> <p>N 0 CORNER SEC. 20 LAT. = 32.2102165°N LONG. = 103.6967431°W</p> <p>NMSP EAST (FT) N = 440793.88 E = 738223.07</p> <p>SURFACE LOCATION</p> <p>REBEL "20" FED 1H ELEV. = 3571.7 LAT. = 32.2092747°N (NAD83) LONG. = 103.7036044°W</p> <p>NMSP EAST (FT) N = 440438.77 E = 736102.98</p> <p>Project Area</p> <p>Producing Area</p> <p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.</p> <p>BOTTOM OF HOLE LAT. = 32.1965566°N LONG. = 103.7031007°W</p> <p>NMSP EAST (FT) N = 435812.95 E = 736285.89</p> <p>SW CORNER SEC. 20 LAT. = 32.1956459°N LONG. = 103.7052345°W</p> <p>NMSP EAST (FT) N = 435477.80 E = 735627.75</p> <p>S 0 CORNER SEC. 20 LAT. = 32.1956898°N LONG. = 103.6967212°W</p> <p>NMSP EAST (FT) N = 435509.26 E = 738261.15</p> <p>SE CORNER SEC. 20 LAT. = 32.1957312°N LONG. = 103.6881767°W</p> <p>NMSP EAST (FT) N = 435540.07 E = 740904.17</p> <p>S89°18'56"W 2634.16 FT</p> <p>S89°19'56"W 2643.77 FT</p>		<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by this division.</p> <p><i>Trina C. Couch</i> 8/21/14 Signature Date</p> <p>Trina C. Couch, Regulatory Analyst Printed Name</p> <p>trina.couch@dmv.com E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>AUGUST 11, 2014 Date of Survey (12797)</p> <p><i>[Signature]</i> Signature and Seal of Surveyor</p> <p>Certificate Number: 1411405, 10140110, PLS 12797</p> <p>SURVEY NO. 1731A</p>
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SECTION 20, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



0 10 50 100 200
SCALE 1" = 100'

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF HIGHWAY 128 AND CR 1 (ORLA HIGHWAY) GO SOUTH ON CR 1 APPROX. 1.1 MILES TO A LEASE ROAD ON RIGHT (WEST), TURN RIGHT (WEST) ON LEASE ROAD AND GO APPROX. 0.7 MILES TO A ROAD LATH WITH RED AND WHITE FLAGGING MARKED @ PROPOSED NEW ROAD. FOLLOW LATHS GOING NORTHWEST APPROX. 0.4 MILES TO A 2-TRACK ROAD GOING WEST. FOLLOW 2-TRACK ROAD APPROX. 1.1 MILES, GO THROUGH FENCE GATE, LOCATION IS 200 FT. SOUTH.

DEVON ENERGY PRODUCTION COMPANY, L.P.

REBEL "20" FED 1H

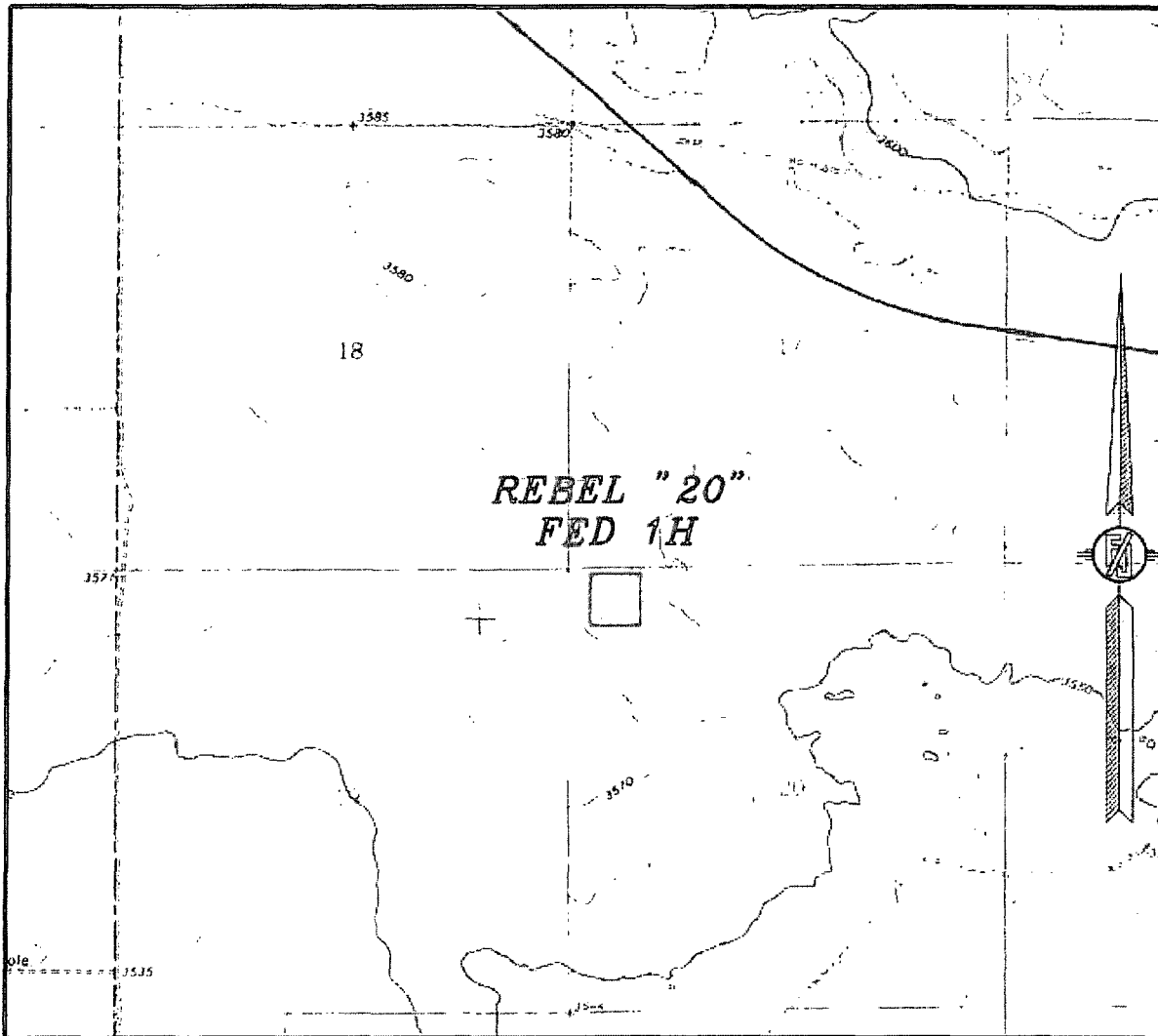
LOCATED 330 FT. FROM THE NORTH LINE
AND 520 FT. FROM THE WEST LINE OF
SECTION 20, TOWNSHIP 24 SOUTH,
RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

AUGUST 11, 2014

SURVEY NO. 1731A

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 20, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



USGS QUAD MAP:
PADUCA BREAKS NW

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.

REBEL "20" FED 1H

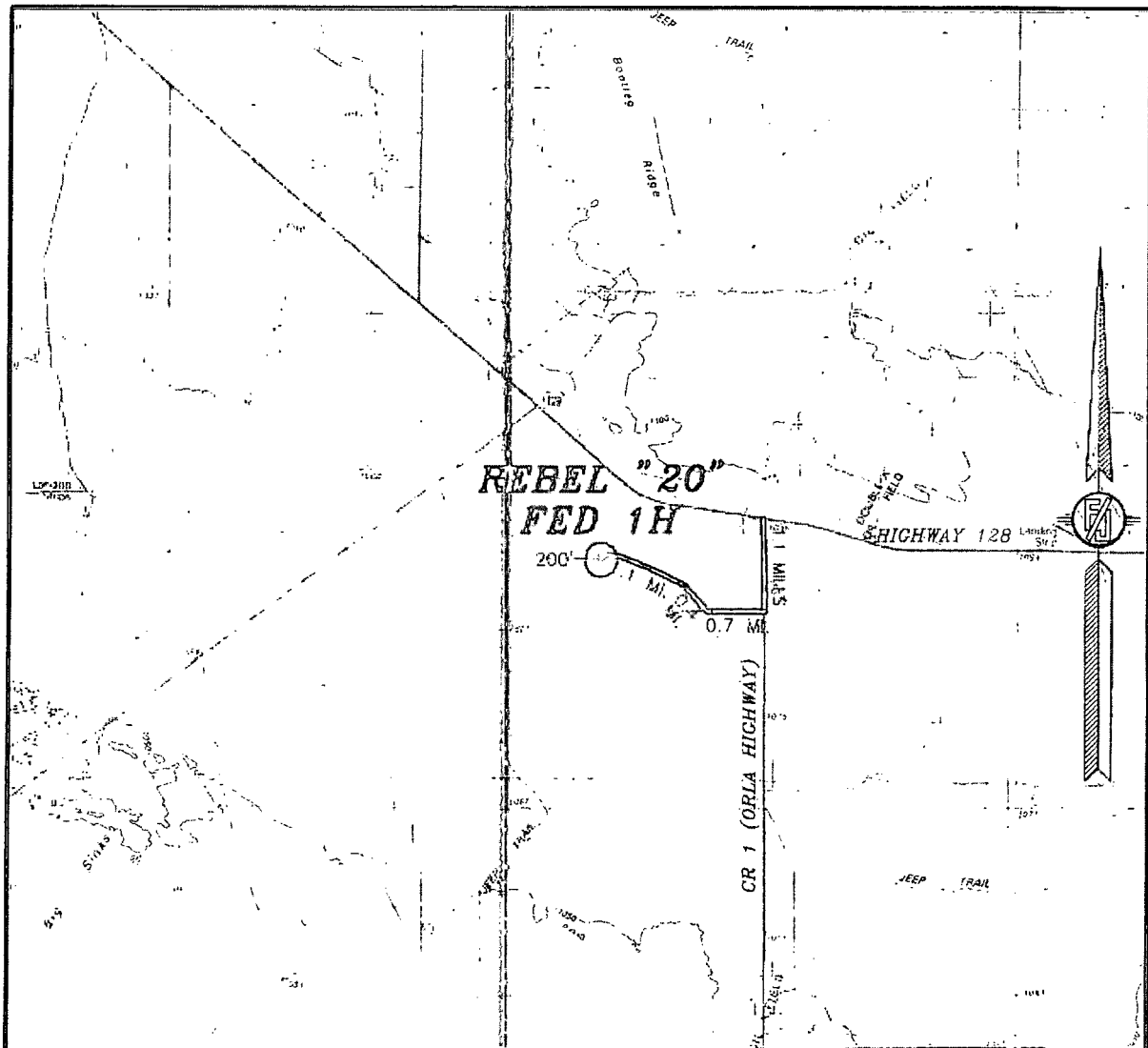
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LEA COUNTY, STATE OF NEW MEXICO

AUGUST 11, 2014

SURVEY NO. 1731A

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 20, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.

REBEL "20" FED 1H

LOCATED 330 FT. FROM THE NORTH LINE
AND 520 FT. FROM THE WEST LINE OF
SECTION 20, TOWNSHIP 24 SOUTH,
RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

DIRECTIONS TO LOCATION

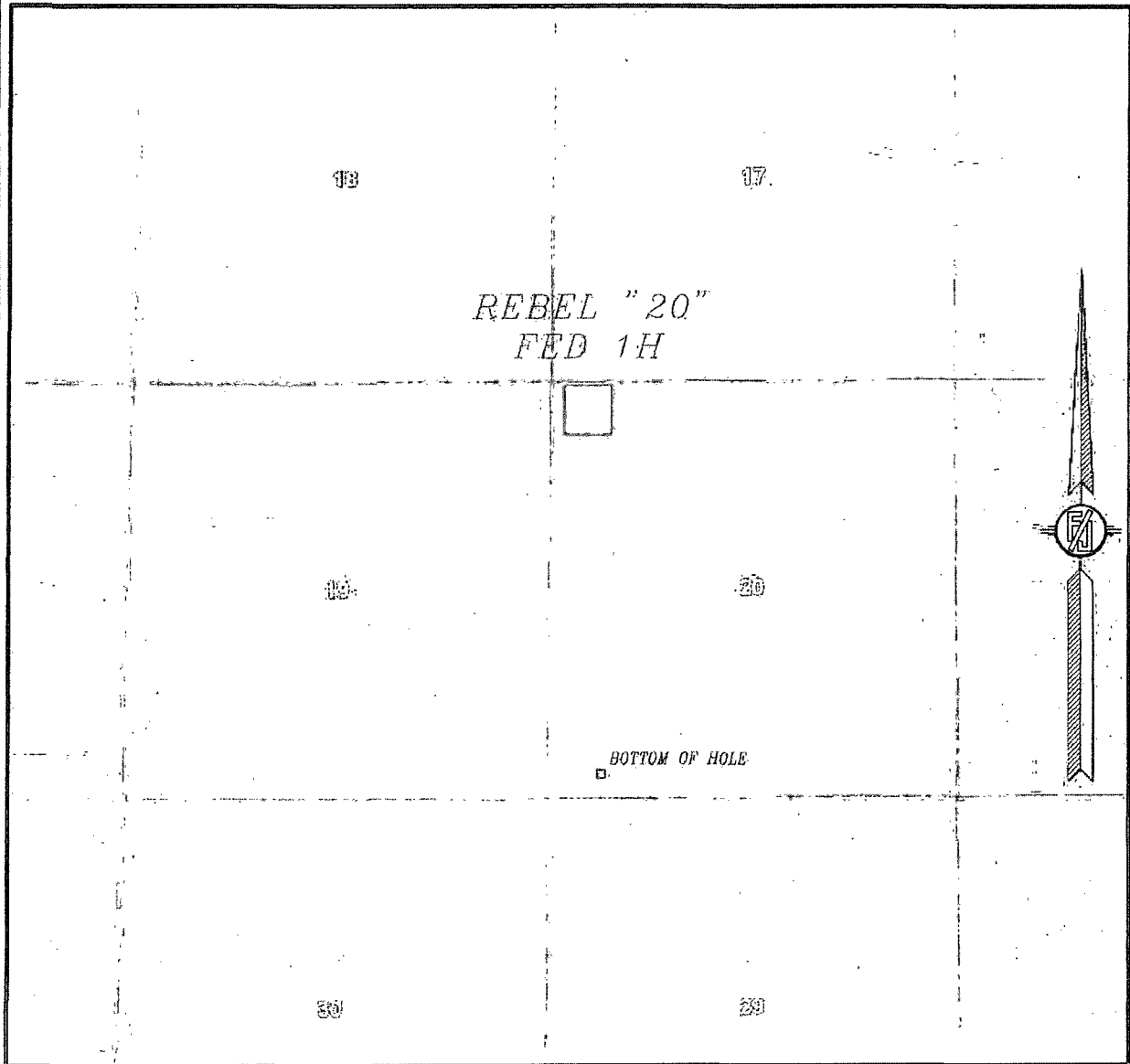
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AUGUST 11, 2014

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SECTION 20, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MARCH 2012

DEVON ENERGY PRODUCTION COMPANY, L.P.

REBEL "20" FED 1H

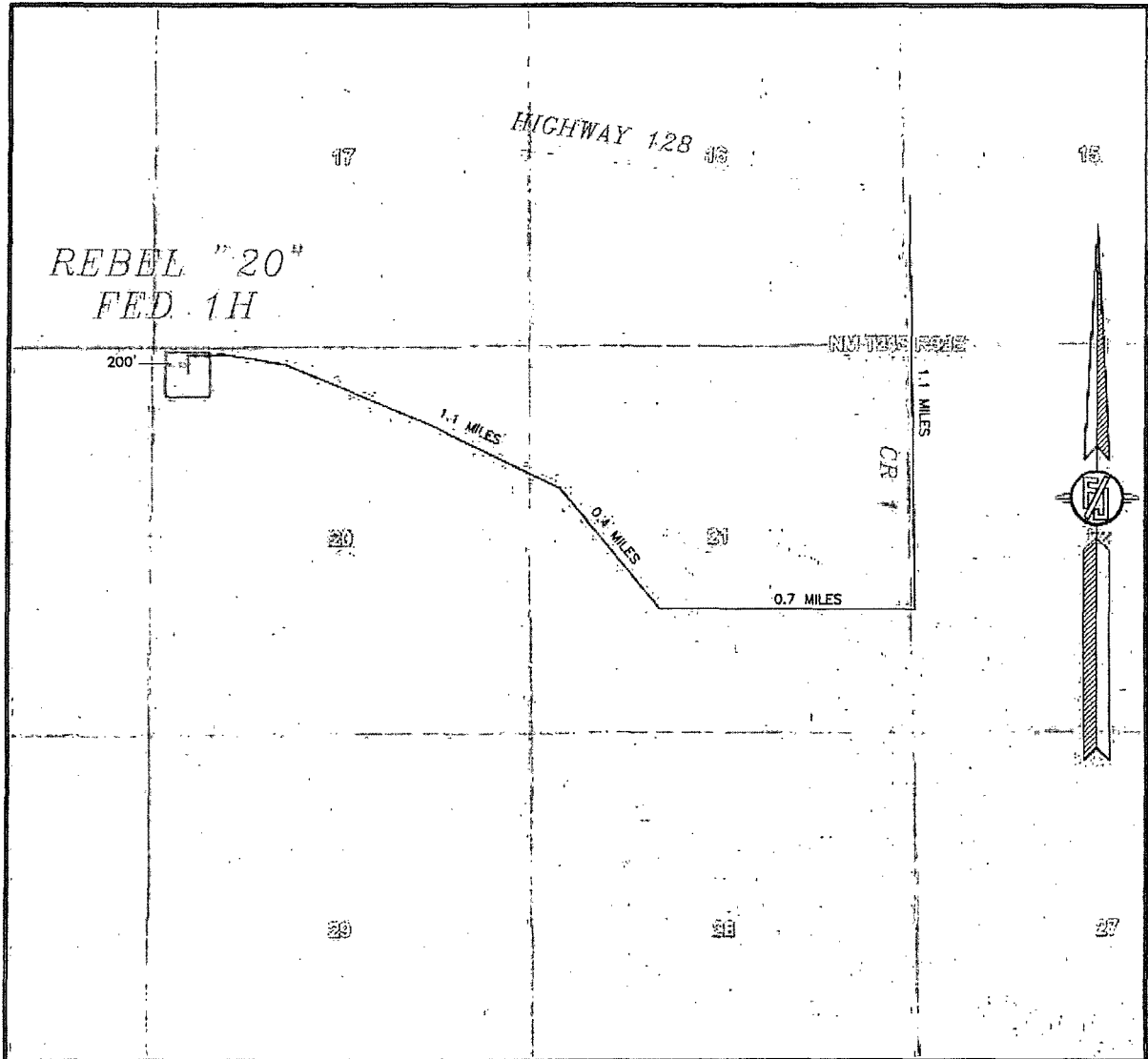
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LEA COUNTY, STATE OF NEW MEXICO

AUGUST 11, 2014

SURVEY NO. 1731A

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 20, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
ACCESS AERIAL ROUTE MAP



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MARCH 2012

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.

REBEL "20" FED 1H

LOCATED 330 FT. FROM THE NORTH LINE
AND 520 FT. FROM THE WEST LINE OF
SECTION 20, TOWNSHIP 24 SOUTH,
RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

AUGUST 11, 2014

SURVEY NO. 1731A

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO