

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.

HOBBS OGD
FEB 06 2017
RECEIVED

5. Lease Serial No.
BHL NMNM111971
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Devon Energy Production Company, L.P.

3a. Address
6488 Seven Rivers Highway
Artesia, NM 88210

3b. Phone No. (include area code)
575-748-1854

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1650 FNL & 1887 FEL 30-23S-35E
330 FSL & 1887 FEL 31-23S-35E

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Sweetness 30 State Fed Com #1H

9. API Well No.
35-025-41864

10. Field and Pool or Exploratory Area
Cinta Roja; Delaware

11. County or Parish, State
Sec 30, T23S, R35E

12. CHECK THE 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 Surface SWD Line |
| | <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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 would like permission to lay a 4" surface SWD line from the Sweetness 30 State Fed Com #1H to our existing surface line as it is located and approved under serial number NM-132743.

The spacings for said line will be 30 feet wide by 3549 feet (15.03 rods), containing 2.54 acres.

This line will be carrying 100 barrels of produced water a day.

Expected work time should be 1 week.

See attached plat R3556.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
James Crittenden

Title Landman

Signature

Date 04/22/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Far FIELD MANAGER

Date

02/02/17

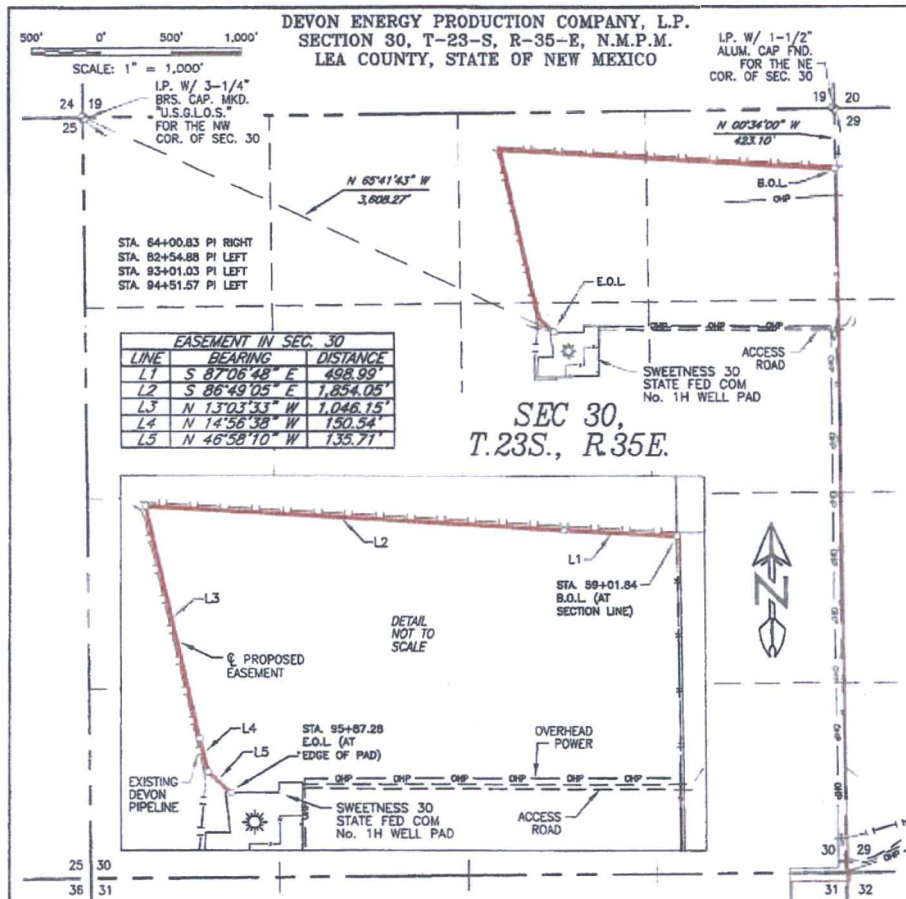
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office
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.

(Instructions on page 2)

KD



DESCRIPTION

A 30' wide pipeline easement crossing said land in Section 30, Township 23 South, Range 35 East, N.M.P.M., Lea County, State of New Mexico and being 15' on each side of the following described centerline.

Beginning at a point on the East line of said Section 30, from which an iron pipe with a 1-1/2" aluminum cap, found for the Northeast corner of said Section 30, bears N 00°39'26" W a distance of 423.10 feet.

Thence N 87°06'48" W a distance of 498.99 feet, N 86°49'05" W a distance of 1,854.05 feet, S 13°03'33" E a distance of 1,046.15 feet, S 14°56'38" E a distance of 150.54 feet, and S 46°58'10" E a distance of 135.71 feet, to a point on the North edge of the Sweetness 30 State Fed Com No. 1H well pad in said Section 30, from which an iron pipe with a 3-1/4" brass cap marked "U.S.G.L.D.S." found for the Northwest corner of said Section 30, bears N 65°41'43" E a distance of 3,608.27 feet.

Said easement being a total of 3,685.44 feet (223.36 rods) in length, containing 2.54 acres.

| | | | |
|---------------|---------------|-------------|------------|
| NE 1/4 NE 1/4 | 1,323.26 feet | 80.20 rods | 0.91 acres |
| NW 1/4 NE 1/4 | 2,114.20 feet | 128.12 rods | 1.46 acres |
| SW 1/4 NE 1/4 | 247.98 feet | 15.03 rods | 0.17 acres |



LLOYD P. SHORT, PS No. 21653 DATE: APRIL 07, 2015

Lloyd P. Short

NOTE
THE EDGE OF THE PERMANENT EASEMENT SHALL BE PARALLEL WITH THE CENTERLINE OF THE EASEMENT.

BASIS OF BEARING
ALL BEARINGS AND COORDINATES REFER TO NAD 83, NEW MEXICO STATE PLANE, COORDINATE SYSTEM, EAST ZONE, U.S. SURVEY FEET. (ALL BEARINGS AND DISTANCES ARE GRID MEASUREMENTS.)

CERTIFICATION
I, LLOYD P. SHORT, NEW MEXICO PROFESSIONAL SURVEYOR NO. 21653, DO HEREBY CERTIFY THAT THIS EASEMENT SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT AND THAT THIS INSTRUMENT IS AN EASEMENT SURVEY PLAT CROSSING AN EXISTING TRACT OR TRACTS.

| LEGEND | | B.O.L. - BEGINNING OF LINE | | E.O.L. - END OF LINE | |
|--------|-------------------|----------------------------|------------|----------------------|--------------|
| — | ROAD WAY | — | EXIST. PPL | — | SECTION LINE |
| -x-x- | FENCE | — | LOT LINE | — | OVERHEAD PWR |
| — | EASEMENT | — | | | |
| — | PAD | | | | |
| ⊙ | PROPERTY MONUMENT | ⊙ | WELL HOLE | | |

RED BULL 4H TO SWEETNESS 1H FLOW LINE

| | | | |
|------------------|--|------------------------|--|
| SHEET 4 OF 6 | | JOB NO.: R3556 | |
| DRAWN BY: RJR | | DWG. NO. | |
| DATE: 04/02/2015 | | R3556-NM-LE-0004.00000 | |
| CHECKED BY: LPS | | | |

1309 LOUISVILLE AVE.
MONROE, LA 71201

(318) 323-6900
FAX (318) 362-0064

Devon Energy Production Company, L.P.
Lease No. NMNM111971
Sweetness 30 State Fed Com #1H Salt Water Disposal Line
Sundry

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, APD) and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing.
 - (2) Earth-disturbing and earth-moving work.
 - (3) Blasting.
 - (4) Vandalism and sabotage.
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-of-way width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky or dune areas, the pipeline will be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of 24 inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former

state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

18. Special Stipulations:

- a. **Lesser Prairie-Chicken:** Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted.
- b. This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

Livestock Watering Requirement

Any damage to structures that provide water to livestock throughout the life of the well, caused by operations from the well site, must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

The operator must contact the allotment holder prior to construction to identify the location of the pipelines. The operator must take measures to protect the pipelines from compression or other damages. If the pipelines are damaged or compromised in any way near the proposed project as a result of oil and gas activity, the operator is responsible for repairing the pipelines immediately. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

During construction, the proponent shall minimize disturbance to existing fences, water lines, troughs, windmills, and other improvements on public lands. The proponent is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the grazing permittee/allottee prior to disturbing any range improvement projects. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

All surface pipelines will not be placed on top of bushes or trees.