UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

| BU | JREAU OF LAND MANA | GEMENT | | | Expires: Ja | inuary 31, 2 | 2018 | | |
|--|---|---|--|---|--|------------------|--------------|--|--|
| SUNDRY | 5. Lease Serial No. NMLC054687 | | | | | | | | |
| SUNDRY Do not use thi abandoned wel | 6. If Indian, Allottee or Tribe Name | | | | | | | | |
| SUBMIT IN 1 | 7. If Unit or CA/Agreement, Name and/or No. | | | | | | | | |
| Type of Well | 8. Well Name and No. LYNX FEDERAL 1 | | | | | | | | |
| Name of Operator DEVON ENERGY PRODUCT | Contact: | CEIV | 9. API Well No. 30-025-27861 | | | | | | |
| 3a. Address 333 WEST SHERIDAN AVEN OKC, OK 73127 | 3b. Phone No Ph: 405-55 | (include area code) 2-7970 | | 10. Field and Pool or Exploratory Area MALJAMARGRAYBURG-SANANDRE | | | | | |
| 4. Location of Well (Footage, Sec., T. | , R., M., or Survey Description |) | | | 11. County or Parish, S | State | | | |
| Sec 15 T17S R32E Mer NMP | | | | LEA COUNTY, NM | | | | | |
| 12. CHECK THE AF | PPROPRIATE BOX(ES) | TO INDICA | ΓE NATURE OI | F NOTICE, | REPORT, OR OTH | IER DAT | ГА | | |
| TYPE OF SUBMISSION | | | | | | | | | |
| D Nation of Intent | ☐ Acidize | ☐ Dee | ☐ Deepen | | ion (Start/Resume) | ☐ Water Shut-Off | | | |
| ☐ Notice of Intent | ☐ Alter Casing | ☐ Hyd | raulic Fracturing | ☐ Reclama | ation | ☐ Well Integrity | | | |
| | ☐ Casing Repair | □ New | Construction | ☐ Recomp | olete | ☑ Other | | | |
| ☐ Final Abandonment Notice | ☐ Change Plans | Plug | and Abandon | ☐ Tempor | arily Abandon | ShutIn | Notice | | |
| | ☐ Convert to Injection | ☐ Plug | g Back | | Disposal | | | | |
| Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fi Devon Energy Production Cor COA by Paul Scwartz on 06/2 continue to evaluate the wellbutter. | operations. If the operation re bandonment Notices must be fil inal inspection. mpany, LP submits wellbook 8/2017. We respectfully res | sults in a multipled only after all one test for the equest a one | e completion or reco requirements, includi e subject well in r year extension o | mpletion in a r ing reclamation response to of the Shut-I | new interval, a Form 3160 n, have been completed a the | 0-4 must be | e filed once | | |
| time. 1. The production left method 2. Attached is the LOS for the 3. Reuslts of a 24hr production Production Volumes: Date 09/12/2017 OII - 0 Bbls | past 12 months | | | A | CCEPTED F | OR R | ECORD | | |
| BLM Shut-In | Status Exp | ires i | 04/25/20 | 0/8 SI | EE ATTACHE | DTO | F | | |
| 14. I hereby certify that the foregoing is | | 389722 verifie | d by the BLM Wel ION CO.,LP, sent | t to the Hobb | os | a | - | | |
| Name (Printed/Typed) ERIN WO | RKMAN | Title REGUL | ATORY CO | MPLIANCE PROF. | | | | | |
| Signature (Electronic S | Submission) | Date 09/25/20 | 017 | | | | | | |
| _ ^ | THIS SPACE FO | OR FEDERA | L OR STATE | OFFICE U | SE | | | | |
| Approved By Paul V | L Swaster | Title TPET Date | | | ite | | | | |
| Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduction | aitable title to those rights in the | s not warrant or e subject lease | Office CFO | | | | | | |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent | | | | willfully to ma | ake to any department or | agency of t | the United | | |

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Accepted for Record Only

MUB/OCD 10/23/2017

Additional data for EC transaction #389722 that would not fit on the form

32. Additional remarks, continued

Gas - 3 MCF Water - 1 Bbls

Attachment: LOS

Thank you!

Scenario Accruals Ind Operated Ind Actual All

Operated

Devon Energy

Company Hierarchy Cost Center RESP Hierarchy Corporation Consolidated Corbin Area

Well Status Cost Center

LYNX FEDERAL 1

| USD Net Reporting Account Hierarchy | Column Labels | | | | 2016 | | | | 2017 | May 2017 J | un 2017 Jul 2 | | 2017 | Grand Total |
|--|---------------|------------|-------------|-----------|-------------|--------|------------|-------------|-----------|------------|---------------|---------|-------|--------------|
| Lease Operating (Earnings)/Loss | Aug 2016 | Sep 2016 C | et 2016 N | ov 2016 I | Dec 2016 Ja | n 2017 | Feb 2017 P | Mar 2017 Ap | or 2017 I | May 2017 J | un 2017 Jul 2 | OTA MUE | 2017 | Stanie Total |
| Operating income | | | | | | | | | | | | | 200 | |
| Total operating revenues | | | | | | | | | | | | | | |
| Oil, Gas and NGL sales | | | | | | | | | | | | | | |
| Total oil sales | (37) | | | | | | | | | | | | 100 | (37) |
| Total gas sales | (37) | | | | | | | | | | | | | |
| Total NGL sales | | | | | | | | | | | | | - 100 | |
| Oil, Gas and NGL sales Total | (37) | | | - | | | | | | | | | - 693 | (37) |
| Total operating revenues Total | (37) | | | | - | - | | | | | | - | - 80 | (37) |
| Total operating revenues rotal Total operating expenses | (37) | | | | <u> </u> | - | | | | | | | 7000 | (37) |
| Lease operating expenses | | * | | | | | | | | | | | | |
| Direct recurring | | | | | | | | | | | | | | |
| Personnel expenses | | | 10 | | | | | | | | | | | 10 |
| Consultants and Contract Labor | | | 10 | | - | | | | 1.0 | | | | | 10 |
| Disposal | | 46 | | 106 | | | | | | | | | | 152 |
| Fluids | | 40 | | 106 | | | | - | | | | | 3000 | 132 |
| Pulling, swabbing & snubbing | | | | | | | | | | | | 1 | | |
| Lease, Site & Facility Maintenance | | | 32 | | | | | | | | | | | 32 |
| Specialized services | | | 32 | | | | | | | | | | 200 | |
| Logging, perforating & wireline | | | | | | | | | | | | | 100 | |
| Production equipment & services | | | | 0 | | | | | | | | | | S SE TES |
| Other equipment & services | | | | | | | | | | | | | - | |
| Camp services | | | | | | | | | | | | | | |
| Power & fuel | 27 | 27 | 27 | 27 | 27 | 27 | 40 | 31 | 40 | 40 | 41 | 41 | 41 | 439 |
| Right of Way | | | 449 | | - | - | | - | - | - | | | - 100 | 449 |
| Communication & data | | | | | | | _ | _ | | | _ | | . 100 | |
| Trucking, hauling & courier | | 177 | 83 | 172 | 1,119 | | | | | | | | - 100 | 1,551 |
| Facility costs | | | | | | | | | | | | 12 | - 537 | |
| Construction & installation | | | | | | | | | | | | | - 838 | |
| Enhanced recovery | - | | | | | | | | | | | | - | |
| OBO expenses | - | | | | | | | | | | | | - 88 | |
| Processing recoveries | | | | | | | | - | | | | | - 100 | |
| Legal costs | | | | - | | | | | | | 2 | | - 600 | |
| Leasehold Costs | | | | - | | | | | | | | | - 100 | |
| Well equipment & services | | | 185 | | | | | | | | | | - 100 | 185 |
| Materials & supplies | | | | | | | | | | | = | | - 888 | |
| Compressor | | | | - | | | | | - | | | | - 100 | |
| Chemicals | | | 22 | | | | | | | | | | - 600 | 22 |
| Measurement & instrumentation | 100 | | | | 4 | | | | | | | | - 888 | 104 |
| Environmental, health & safety | | | | | | | | 169 | | 224 | | | - 100 | 393 |
| Vehicles & trailers | - | | 3 | ×: | | | | - 1 | | | | | - 200 | 3 |
| Turnaround expenses | | | | | | | | | | | | | - 100 | |
| Other | - | | | - | | | | - | - | - | | | - 100 | |
| Direct recurring Total | 127 | 250 | 811 | 305 | 1,151 | 27 | 40 | 200 | 40 | 265 | 41 | 41 | 41 | 3,341 |
| Lease operating expenses Total | 127 | 250 | 811 | 305 | 1,151 | 27 | 40 | 200 | 40 | 265 | 41 | 41 | 41 | 3,341 |
| Total operating expenses Total | 127 | 250 | 811 | 305 | 1,151 | 27 | 40 | 200 | 40 | 265 | 41 | 41 | 41 | 3,341 |
| Operating income Total | 90 | 250 | 811 | 305 | 1,151 | 27 | 40 | 200 | 40 | 265 | 41 | 41 | 41 | 3,304 |
| Lease Operating (Earnings)/Loss Total | 90 | 250 | 811 | 305 | 1,151 | 27 | 40 | 200 | 40 | 265 | 41 | 41 | 41 | 3,304 |

Shut-In Status Extended

Devon Energy Production Co. Lynx - 01, API 3002527861 T17S-R32E, Sec 15, 710FSL & 2310FEL

09/26/2017 – SI status accepted for record until 04/25/2018 (compliant SI status expiration date). Beginning the last continuous report month of production (04/2016) a compliant two year shut-in status accepted with this attached Written Order. pswartz

- 1) Ninety days before the BLM designated expiration date, submit a notice of intent sundry describing preparation for "beneficial use" or abandonment (temporary or permanent) for BLM approval.
- 2) A sundry for abandonment (temporary or permanent), or recompletion will extend compliant shut-in status for 90 days after approval.
- 3) Upon daily production resumption, submit a subsequent sundry notification. Forecast the necessary volume quantities of paying hydrocarbon production from the well for the next 12 producing months showing expected cash flow economics of revenue, taxes, royalties, operating and maintenance expense.
- 1) For continued idle well status submit a temporary abandonment preparation NOI sundry listing:
 - a. The results of a 24hr production test taken between 03/25/2018 and 04/25/2018.
 - b. Justification for a well expected capable of economic production and not produced because of location, facility, or marketing restrictions, etc.
- 2) Federal Oil & Gas leases are held by well production or actively drilling for production during the end of the primary term of the lease. Shut-In or Temporary Abandoned Status will not hold the lease.
- 3) If you do not comply as noted, you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outline in 43 CFR 3163.1, and may also incur civil penalties (43CFR 3163.2). All self-certified corrections must be postmark no later than the next business day after the prescribed time frame for correction.
- 4) Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.
- 5) A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4).