Form 3160-5 (June 2015)	UNITED STATE		FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018							
	EPARTMENT OF THE I UREAU OF LAND MANA	OCD Ho								
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.					~5. Lease Serial No. NMNM114992					
					6. If Indian, Allottee or Tribe Name					
SUBJECT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No.					
1. Type of Well Gas Well □ Other					8. W	8. Well Name and No. FIGHTING OKRA 18 19 FED 31H				
Name of Operator Contact: REBECCA DEAL DEVON ENERGY PRODUCTION CONS-Mail: Rebecca.Deal@dvn.com						9. API Well No. 30-025-43267-00-S1				
3a. Address 3b. Phone No. 6488 SEVEN RIVERS HIGHWAY Ph: 405-22 ARTESIA, NM 88211 88211			include area code) ·8429	i		. Field and Pool or Exploratory Area WC-025 G06 S263407P				
4. Location of Well (Footage, Sec., T			11.	. County or Parish, State						
Sec 18 T26S R34E Lot 2 2310				L	EA COUNTY,	NM				
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICAT	E NATURE O	F NOTICE	E, REP	ORT, OR OT	HER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION									
☐ Notice of Intent	☐ Acidize	☐ Acidize ☐ Deepen ☐ Produ				action (Start/Resume)				
_					lamation					
Subsequent Report	☐ Casing Repair ☐ New Construction ☐ Reco					•				
☐ Final Abandonment Notice						Abandon				
	☐ Convert to Injection			₩ Water						
13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for f	ally or recomplete horizontally rk will be performed or provide toperations. If the operation re bandonment Notices must be fi	, give subsurface lo e the Bond No. on f esults in a multiple	cations and measu ile with BLM/BIA completion or reco	red and true Required sompletion in	vertical subseque a new in	depths of all perti ent reports must be sterval, a Form 31	nent markers and e filed within 30 60-4 must be file	days days		
Fighting Okra 18-19 Federal 3	31H									
1. Name(s) of formation(s) pro	oducing water on the leas	se: Bradley;Wolf	camp							
2. Amount of water produced	from all formations in bar	rels per day: 21	07 BWPD							
4. How water is stored on leas	se: 6-1000 BBL Water St	orage Tanks (O	n Location)							
5. How water is moved to the	disposal facility: Piped									
6. Identify the Disposal Facility	y by:									
14. I hereby certify that the foregoing is	s true and correct. Electronic Submission # For DEVON ENER	#440823 verified	by the BLM Wel	I Information	on Sys	tem		-		
	itted to AFMSS for proces	sing by DEBORA	H MCKINNEY	on 10/25/20	18 (190	-				
Name (Printed/Typed) REBECCA	A DEAL	Title REGULATORY C			OMPLIANCE PROFESSI					
Signature (Electronic S	Submission)		Date 10/23/2	018	ACC	CEPTED F	OR RECO)RD		
	THIS SPACE FO	OR FEDERAL	OR STATE	OFFICE	JSE					
Approved By			Title			0C T 2	6 20 18			
ANDIUTURE			1 1110				Dan !			

BUREAU OF LAND MANAGEMENT
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) ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

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.

Approved By

Title

Office

Additional data for EC transaction #440823 that would not fit on the form

32. Additional remarks, continued

- A. Facility Operators Name: A) Devon Energy Production Co B) Hillstone
- B. Facility or well name/number: A) Rattlesnake 16 SWD 1 B)
- C. Type of Facility or well (WDW) (WIW): A) WDW B)
- D.1) Location by 1/4 1/4 SW/4 NW/4 Section 16 Township 26S Range 34E
- D.2) Location by 1/4 1/4 Section Township Range

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



Administrative Order SWD-1526 February 20, 2015

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Pursuant to the provisions of Division Rule 19.15.26.8B. NMAC, Devon Energy Production Company, L.P. (the "operator") seeks an administrative order for its proposed Rattlesnake 16 SWD Well No. 1 with a proposed location 2375 feet from the North line and 210 feet from the West line, Unit letter E of Section 16, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of Division Rule 19.15.26.8B. NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received. The applicant has presented satisfactory evidence that all requirements prescribed in Rule 19.15.26.8 NMAC have been met and the operator is in compliance with Rule 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, Devon Energy Production Company, L.P. (OGRID 6137) is hereby authorized to utilize its proposed Rattlesnake 16 SWD Well No. 1 (API No. 30-025-42355) with a proposed location 2375 feet from the North line and 210 feet from the West line, Unit letter E of Section 16, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, for disposal of oil field produced water (UIC Class II only) through an open hole interval within the Devonian, Fusselman, and Montoya formations from approximately 18773 feet to approximately 20560 feet. Injection shall occur through internally-coated tubing and a packer set a maximum of 100 feet above the top of the open-hole interval.

If the upper contact of the Ordovician Ellenburger formation is encountered prior to the lower limit of the approved disposal interval at 20560 feet, then the total depth of the well (and disposal interval) shall be plugged back to the depth of the upper contact of the Ellenburger formation.

For any casing string installed in this well that does not circulate cement, the operator shall run a cement bond log (or equivalent, but not a temperature survey) to determine the top of cement and the quality of cement placement.

Devon Energy Production Company, L.P. February 20, 2015 SWD-1526 Page 2 of 3

If the final determination of formation tops (based on geophysical logs) does not correlate to the approved disposal interval, then the operator shall apply to amend the order for a corrected description.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface. This includes the well construction proposed and described in the application.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to **no more than 3755 psi**. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well. If requested by the Division's District office, the operator shall install and maintain a chart recorder showing casing and tubing pressures.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate Test.

The operator shall notify the supervisor of the Division's District office of the date and time of the installation of disposal equipment and of any MIT so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's District office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's District office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

Devon Energy Production Company, L.P. February 20, 2015 SWD-1526 Page 3 of 3

The injection authority granted under this order is not transferable except upon Division approval. The Division may require the operator to demonstrate mechanical integrity of any disposal well that will be transferred prior to approving transfer of authority to inject.

The Division may revoke this injection permit after notice and hearing if the operator is in violation of Rule 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two (2) years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.

DAVID R. CATANACH

DIRECTOR

DRC/wvjj

cc: Oil Conservation Division – Hobbs District Office New Mexico State Land Office – Oil, Gas, and Minerals Division

Bureau of Land Management - Carlsbad Field Office