30-015-39447

SURFACE USE PLAN

Devon Energy Production Company, LP

Pacheco 31 Fed Com 9

Surface Location: 660' FNL & 1650' FWL, Unit C, Sec 31 T19S R28E, Eddy, NM

Bottom hole Location: 660' FNL & 1650' FWL, Unit C, Sec 31 T19S R28E, Eddy, NM

1. **Existing Roads:**
   a. The well site and elevation plat for the proposed well are reflected on the well site layout; Form C-102. The well was staked by Basin Surveys.
   b. All roads into the location are depicted on Exhibit 3.
   c. Directions to Location: From the junction of angle ranch road (237) and Illinois Camp (206), go north 2.3 miles to lease road go southeast 0.2 miles to proposed lease road.

2. **New or Reconstructed Access Roads:**
   a. The well site layout, Form C-102 shows the existing County Road. Approximately 1770' of new access road will be constructed as follows:
   b. The maximum width of the road will be 15'. It will be crowned and made of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
   c. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location. The average grade will be approximately 1%.
   d. No cattle guards, grates or fence cuts will be required. No turnouts are planned.

3. **Location of Existing Wells:**
   1 Mile Radius Plat shows all existing and proposed wells within a one-mile radius of the proposed location. See attached plat.

4. **Location of Existing and/or Proposed Production Facilities:**
   a. In the event the well is found productive, the Pacheco 31 Fed Com 9 tank battery would be utilized and the necessary production equipment will be installed at the well site. See Production Facilities Layout diagram.
   b. If necessary, the well will be operated by means of an electric prime mover. Electric power poles will be set along side of the access road.
   c. All flow lines will adhere to API standards.
   d. If the well is productive, rehabilitation plans are as follows:
      i. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).
      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.

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 shown in the C-102. On occasion, water will be obtained from a pre-existing water well, running a pump directly to the drill rig. In these 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:**
All caliche utilized for the drilling pad and proposed access road will be obtained from an existing BLM approved pit or from prevailing deposits found under the location. All roads will be constructed of 6" rolled and compacted caliche. Will use BLM recommended use of extra caliche from other locations close by for roads, if available.

7. **Methods of Handling Waste Material:**
   a. Drill cuttings will be disposed of in the reserve pits.
   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, including broken sacks, will pick up salts remaining after completion of well.
   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 allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for further drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approved disposal site. Later pits will be broken out to speed dry. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in 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. Exhibit D shows the proposed well site layout with dimensions of the pad layout.
   b. This exhibit indicated proposed location of reserve and sump pits and living facilities.
   c. Mud pits in the active circulating system will be steel pits & the reserve pit will be lined.
   d. If needed, the reserve pit is to be lined with polyethylene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.

e. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased to preclude endangering wildlife.

f. If a pit or closed loop system is utilized Devon will comply with the NMOCD requirements 19.15.17 and submit form C-144 to the appropriate NMOCD District Office. Copy to be provided to the BLM; processing and approval by the OCD.

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 reserve pit area will be broken out and leveled after drying to a condition where these efforts are feasible. The original top soil will again be returned to the pad and contoured, as close as possible, to the original topography. Will close the pits per OCD compliance regulations.
b. The pit lining will be buried or hauled away in order to return the location and road to their pristine nature. All pits will be filled and location leveled, weather permitting, within 120 days after abandonment.
c. The location and road will be rehabilitated as recommended by the BLM.
d. If the well is a producer, the reserve pit fence will be torn down after the pit contents have dried. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.
e. If the well is deemed commercially productive, the reserve pit will be restored as described in 10(A) within 120 days subsequent to the completion date. 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.

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, sagebush, yucca and miscellanous 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 Southern New Mexico Archaeological Services, Inc. and forwarded to the BLM office in Carlsbad, New Mexico.

13. Bond Coverage:

Bond Coverage is Nationwide; Bond # is CO-1104

Operators Representative:

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

Greg McGowen
Operations Engineer Advisor

Devon Energy Production Company, L.P.
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

(405) 228-8965 (office)
(405) 464-9769 (cell)

Don Mayberry
Superintendent

Devon Energy Production Company, L.P.
Post Office Box 250
Artesia, NM 88211-0250

(505) 748-0164 (office)
(505) 748-5235 (cell)

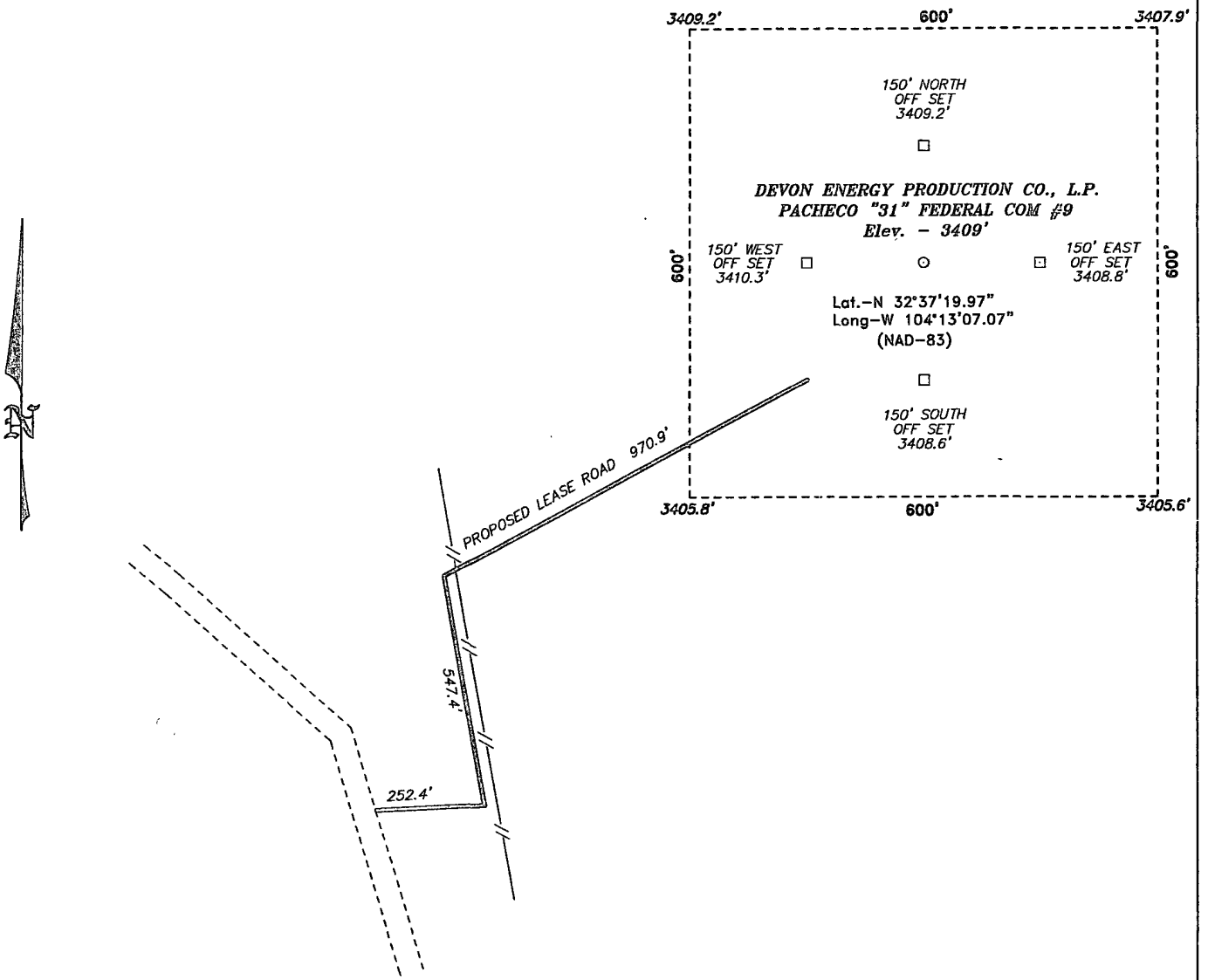
Certification

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 _2nd___ day of __June__, 2011.
Printed Name: Stephanie A. Ysasaga
Signed Name: _____
Position Title: Sr. Staff Engineering Technician
Address: 20 North Broadway, OKC, OK 73102
Telephone: (405)-552-7802
Field Representative (if not above signatory): Don Mayberry (see above)
Address (if different from above):
Telephone (if different from above):
E-mail (optional):

SECTION 31, TOWNSHIP 19 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



200 0 200 400 FEET

SCALE: 1" = 200'

Directions to Location:

FROM THE JUNCTION OF ANGLE RANCH ROAD (237) AND ILLINOIS CAMP (206), GO NORTH 2.3 MILES TO LEASE ROAD, ON LEASE ROAD GO SOUTHEAST 0.2 MILES TO PROPOSED LEASE ROAD.

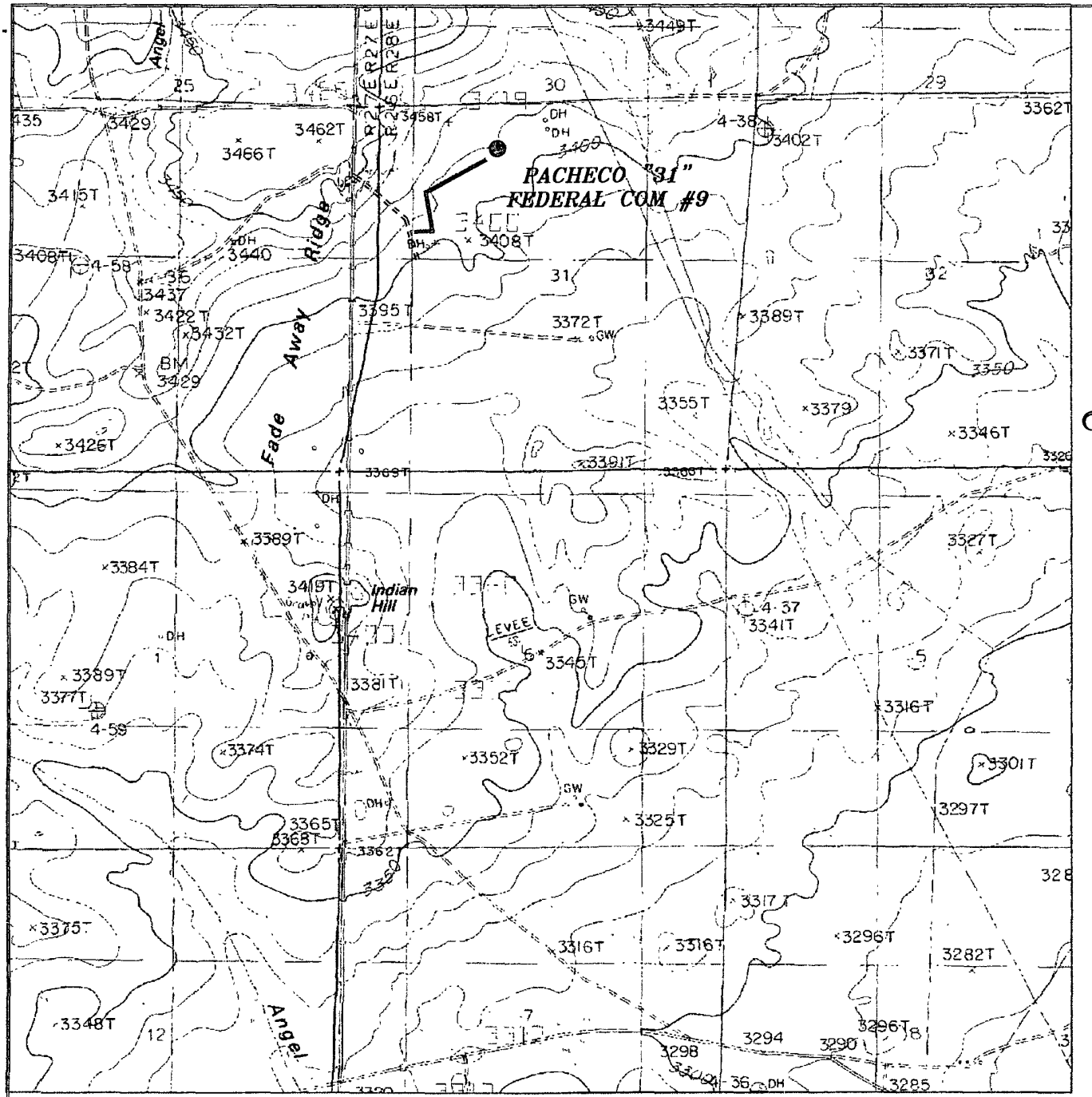
DEVON ENERGY PROD. CO., L.P.

REF: PACHECO "31" FEDERAL COM #9 / WELL PAD TOPO

THE PACHECO "31" FEDERAL COM #9 LOCATED 660' FROM THE NORTH LINE AND 1650' FROM THE WEST LINE OF SECTION 31, TOWNSHIP 19 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 20265	Drawn By: J. M. SMALL		
Date: 08-13-2008	Disk: 20265 JMS	Survey Date: 08-11-2008	Sheet 1 of 1 Sheets



PACHECO "31" FEDERAL COM #9

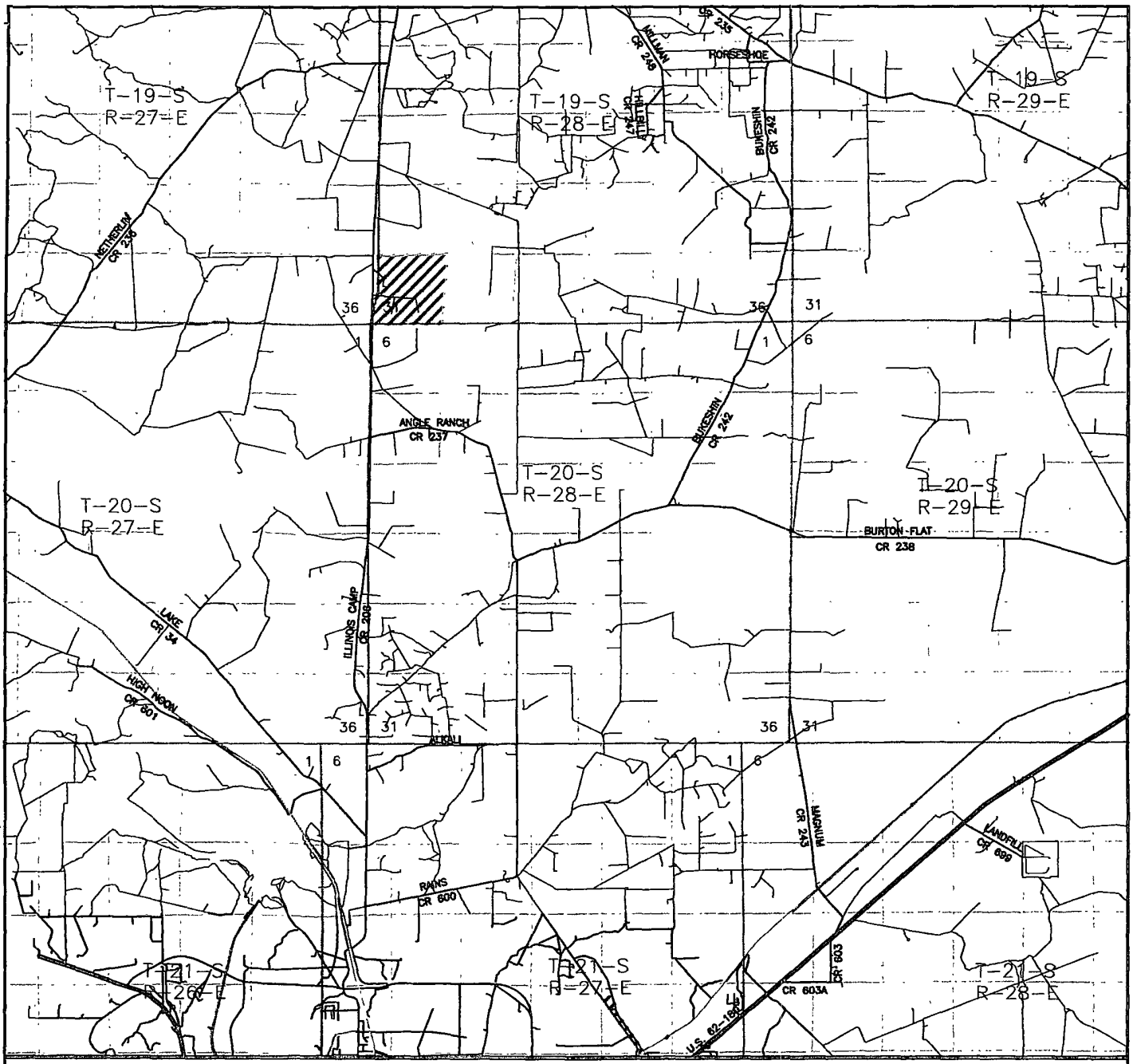
Located at 660' FNL AND 1650' FWL
Section 31, Township 19 South, Range 28 East,
N.M.P.M., Eddy County, New Mexico.

basin surveys
focused on excellence in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number:	JMS 20265
Survey Date:	08-11-2008
Scale:	1" = 2000'
Date:	08-13-2008

DEVON ENERGY PROD. CO., L.P.



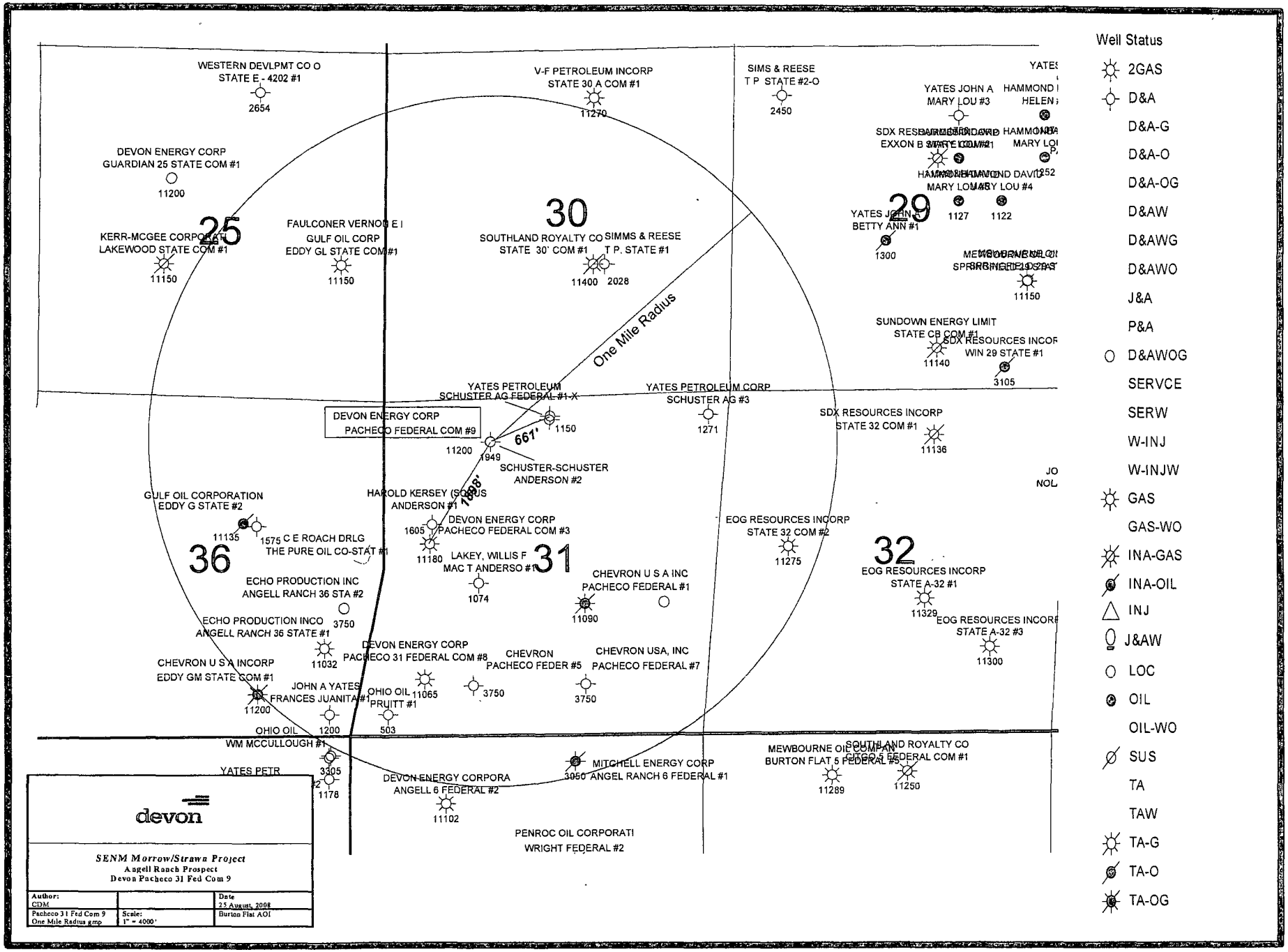
PACHECO "31" FEDERAL COM #9
Located at 660' FNL AND 1650' FWL
Section 31, Township 19 South, Range 28 East,
N.M.P.M., Eddy County, New Mexico.

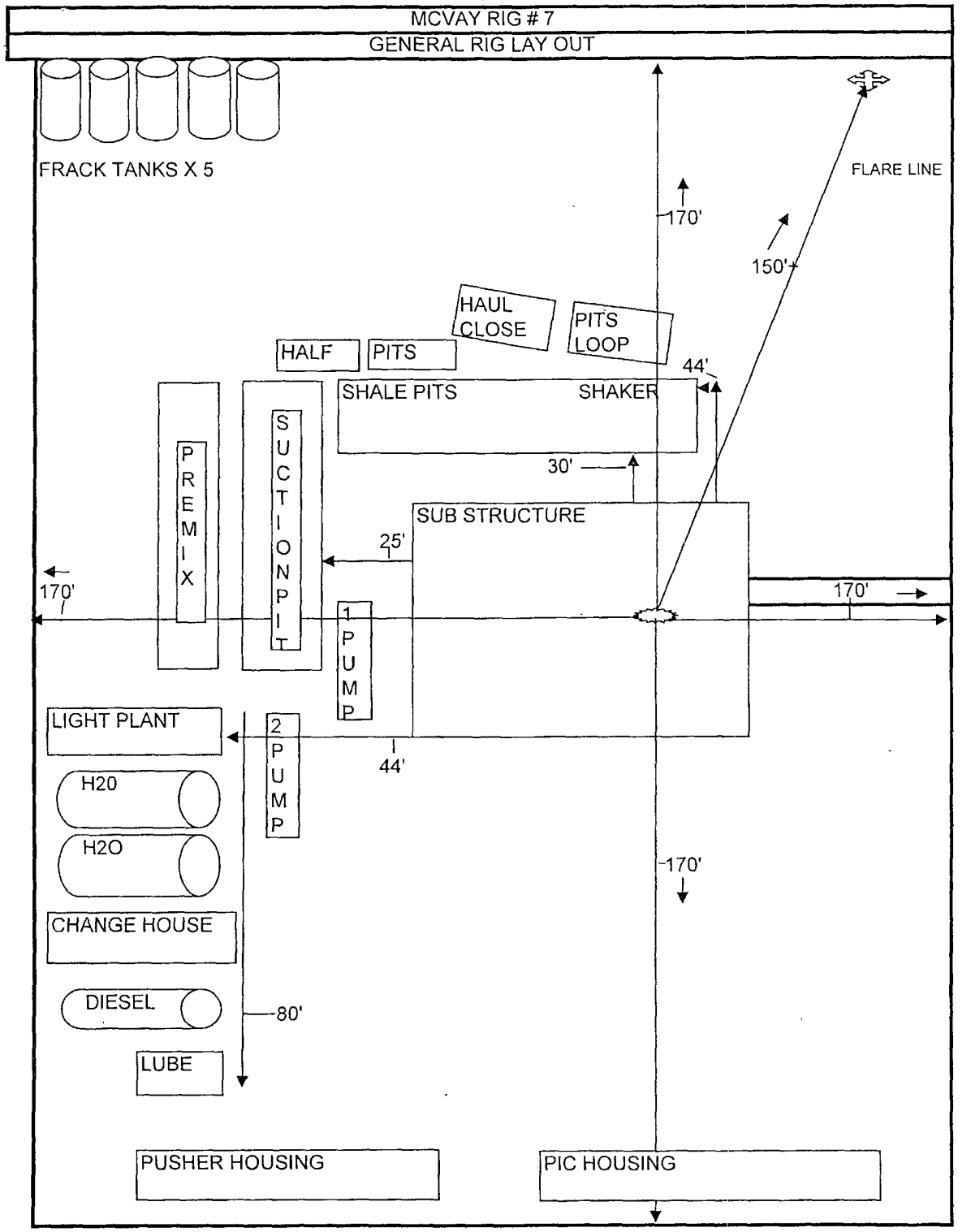
basin surveys
focused on excellence in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number:	JMS 20265
Survey Date:	08-11-2008
Scale:	1" = 2 MILES
Date:	08-13-2008

DEVON ENERGY PROD. CO., L.P.

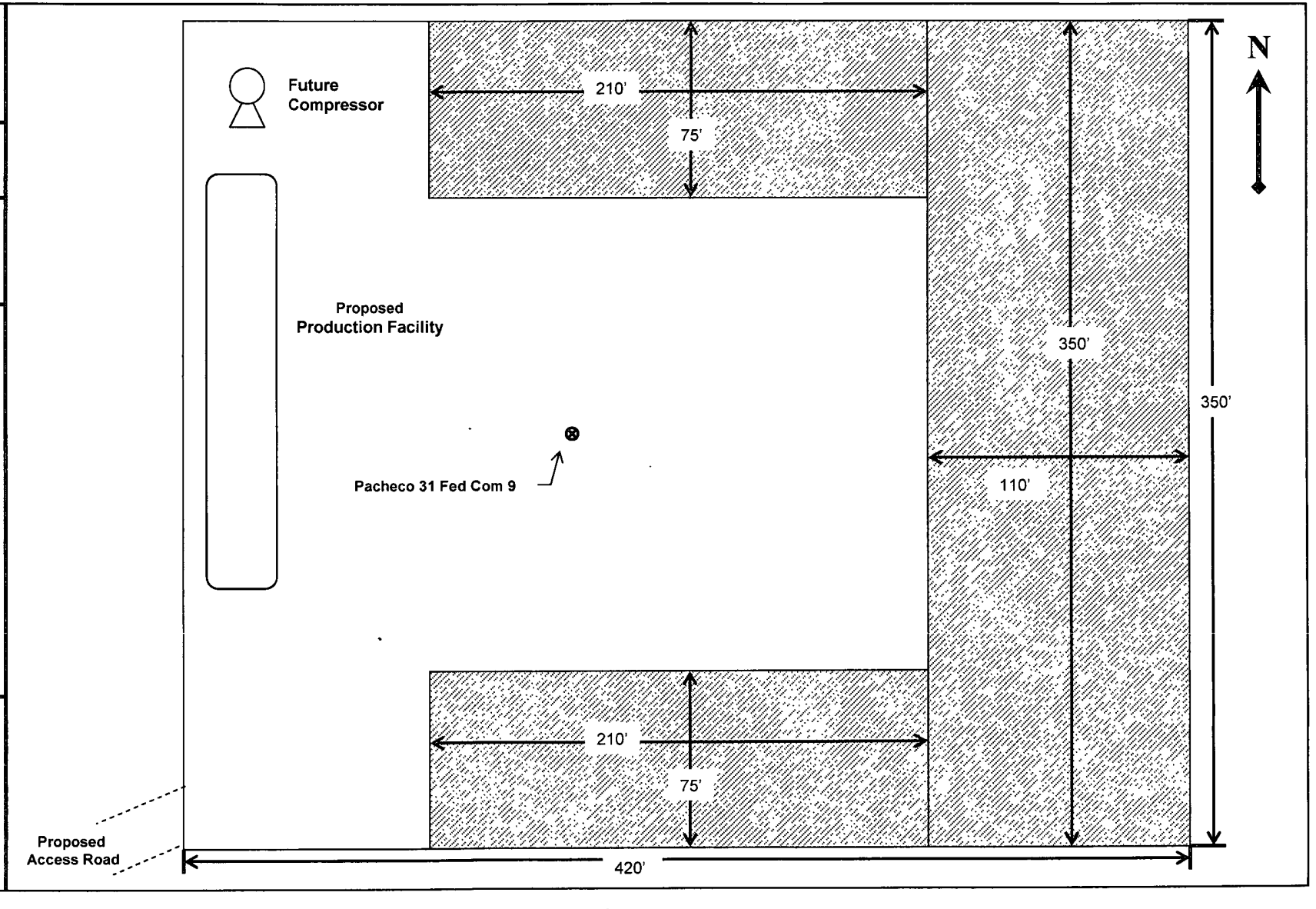

WESTERN DEVLPMT CO O
STATE E - 4202 #1
2654
V-F PETROLEUM INCORP
STATE 30 A COM #1
11270
SIMS & REESE
T P STATE #2-O
2450
YATES JOHN A
MARY LOU #3
DEVON ENERGY CORP
GUARDIAN 25 STATE COM #1
11200
25
KERR-MCGEE CORP
LAKEWOOD STATE COM #1
11150
FAULCONER VERNON E I
GULF OIL CORP
EDDY GL STATE COM #1
11150
30
SOUTHLAND ROYALTY CO
STATE 30 COM #1
11400
SIMMS & REESE
T P. STATE #1
2028
29
MARY LOU #4
1127
1122
YATES JOHN A
BETTY ANN #1
1300
11150
SUNDOWN ENERGY LIMIT
STATE CB COM #1
11140
SDX RESOURCES INCOR
WIN 29 STATE #1
3105
One Mile Radius
YATES PETROLEUM
SCHUSTER AG FEDERAL #1-X
1150
YATES PETROLEUM CORP
SCHUSTER AG #3
1271
DEVON ENERGY CORP
PACHECO FEDERAL COM #9
11200
1949
661'
1668'
SCHUSTER-SCHUSTER
ANDERSON #2
SDX RESOURCES INCORP
STATE 32 COM #1
11136
GULF OIL CORPORATION
EDDY G STATE #2
11135
1575
C E ROACH DRLG
THE PURE OIL CO-STAT #1
36
HAROLD KERSEY (SOUS
ANDERSON #1
DEVON ENERGY CORP
PACHECO FEDERAL COM #3
1605
11180
LAKEY, WILLIS F
MAC T ANDERSO #1
1074
31
EOG RESOURCES INCORP
STATE 32 COM #2
11275
32
EOG RESOURCES INCORP
STATE A-32 #1
11329
ECHO PRODUCTION INC
ANGELL RANCH 36 STA #2
3750
ECHO PRODUCTION INCO
ANGELL RANCH 36 STATE #1
11032
CHEVRON U S A INC
PACHECO FEDERAL #1
11090
EOG RESOURCES INCOR
STATE A-32 #3
11300
DEVON ENERGY CORP
PACHECO 31 FEDERAL COM #8
11065
CHEVRON
PACHECO FEDER #5
3750
CHEVRON USA, INC
PACHECO FEDERAL #7
3750
CHEVRON U S A INCORP
EDDY GM STATE COM #1
11200
JOHN A YATES
FRANCES JUANITA #1
OHIO OIL
PRUITT #1
503
OHIO OIL
WM MCCULLOUGH #1
1200
3305
1178
YATES PETR
DEVON ENERGY CORPORA
ANGELL 6 FEDERAL #2
11102
MITCHELL ENERGY CORP
3950
ANGEL RANCH 6 FEDERAL #1
MEWBOURNE OIL COMPAN
BURTON FLAT 5 FEDERAL #3
11289
SOUTHLAND ROYALTY CO
11250
PENROC OIL CORPORATI
WRIGHT FEDERAL #2
devon
SENM Morrow/Strawn Project
Angell Ranch Prospect
Devon Pacheco 31 Fed Com 9
Author:
CDM
Date
25 August, 2008
Pacheco 31 Fed Com 9
One Mile Radius gmp
Scale:
1" = 4000'
Burton Flat AOI
Well Status
2GAS
D&A
D&A-G
D&A-O
D&A-OG
D&AW
D&AWG
D&AWO
J&A
P&A
D&AWOG
SERVCE
SERW
W-INJ
W-INJW
GAS
GAS-WO
INA-GAS
INA-OIL
INJ
J&AW
LOC
OIL
OIL-WO
SUS
TA
TAW
TA-G
TA-O
TA-OG


MCVAY RIG # 7
GENERAL RIG LAY OUT
FRACK TANKS X 5
FLARE LINE
170'
150'+
HAUL CLOSE
PITS LOOP
HALF
PITS
44'
SHALE PITS
SHAKER
30'
PREMIX
SUCTION PIT
SUB STRUCTURE
25'
170'
170'
1 PUMP
LIGHT PLANT
2 PUMP
44'
H20
H2O
170'
CHANGE HOUSE
DIESEL
80'
LUBE
PUSHER HOUSING
PIC HOUSING

devon

Proposed Interim Site Reclamation

Devon Energy Production Co.
Pacheco 31 Fed Com 9
660' FNL & 1650' FWL
Sec. 31-T19S-R28E
Eddy County, NM



Proposed Reclamation Area

1" : 50'

GM 8/26/10