Form 3160-5 (August 2007)

(Instructions on page 2)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

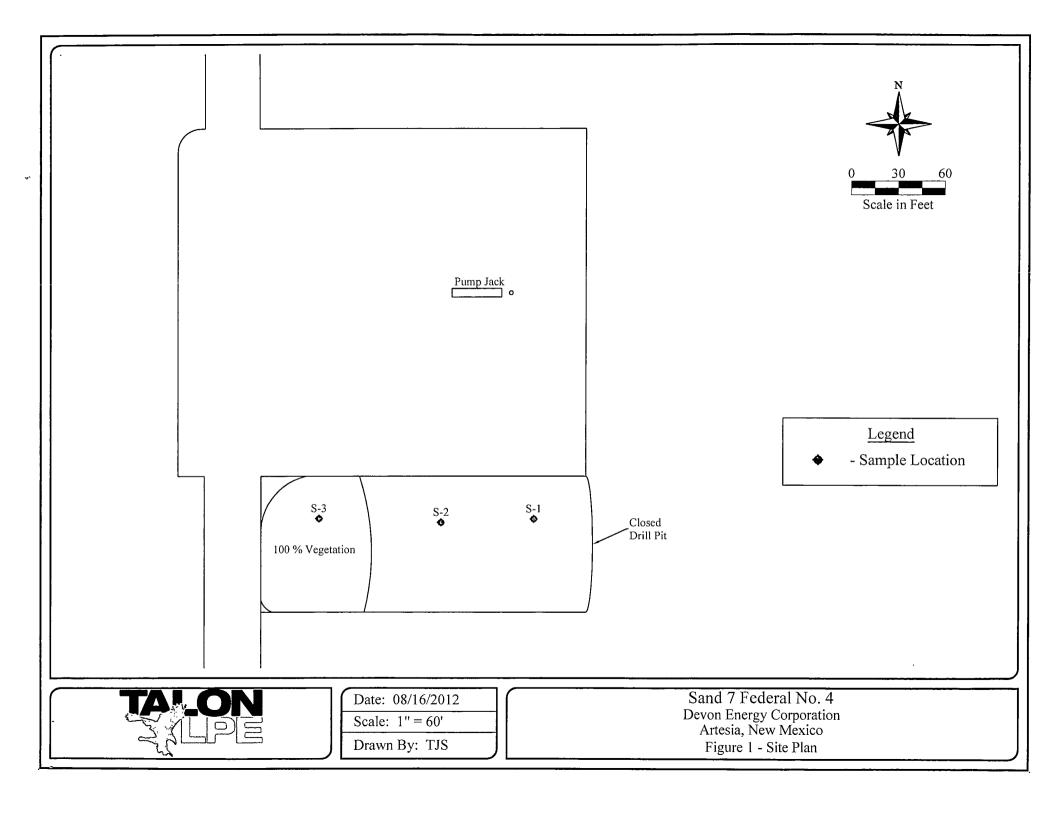
FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

5 Lease Serial No

NM 33437A

6. If Indian, Allottee or Tribe Name SUNDRY NOTICES AND REPORTS ON WELLSCO ARTES

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1 Type of Well 8. Well Name and No. Sand 7 Federal #4 Oil Well Gas Well Other 2 Name of Operator Devon Energy Production Co LP 9. API Well No 30-015-26417 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area PO BOX 250, Artesia, NM 88211 575-748-0184 Shugart Bone Spring North 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State 560' FSL & 2125" FWL, Sec 7, T18S, R31E, Unit N 12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acıdize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat ✓ Reclamation Well Integrity Casing Repair New Construction Recomplete Other Subsequent Report **Drilling Pit** Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 recomplete 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 recompletion 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.) Accepted for read 1. Devon Energy has contracted Talon/LPE to do reclamation of the closed drilling pit at the Sand 7 Federal No. 4, an active well location. 2. On 7/20/2012 Talon/LPE mobilized personnel to the site to carry out soil sampling activities for the construction of a work plan. Grab soil samples were collected from the surface of the location. The soil samples were sent to Cardinal Laboratories for analysis of total Chlorides via Method SM4500CI-B. The results for the soil samples are attached. A site plan is also attached. 3, New soil will be transported in from a local borrow pit, A minimum of 3-foot of new soil will be placed on the closed drilling pit area. (1-foot of caliche & 2-foot of top soil) 4. The soil lift will be contoured to match the surrounding terrain and will be seeded using the recommended BLM seed mixture for the area. 5. Windrows will be installed over the soil lift for erosion control. 575-234-5909 prior to start Merle Lewis Production Foreman Date 9/12/2012 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by 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. Tile 18 J.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





August 06, 2012

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

RE: SAND 7 FED. NO. 4

Enclosed are the results of analyses for samples received by the laboratory on 08/01/12 11:43.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab accredited certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2 Haloacetic Acids (HAA-5)
Method EPA 524.2 Total Trihalomethanes (TTHM)
Method EPA 524.4 Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

Celey D. Keene

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

Received:

08/01/2012

Reported:

08/06/2012

Project Name: Project Number: SAND 7 FED. NO. 4 700794.041.01

Project Location:

SEC. 7 - T18S - R31 E

Sampling Date:

07/20/2012

Sampling Type:

Soil

Sampling Condition:

** (See Notes)

Sample Received By:

Jodi Henson

Sample ID: S - 1 0' (H201786-01)

Chloride, SM4500CI-B	mg	/kg	Analyze	d By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	2160 16.0		08/03/2012	ND	416	104	400	0.00		
Sample ID: S - 2 0' (H20	1786-02)									
Chloride, SM4500CI-B	mg	/kg	Analyze	d By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	80.0	16.0	08/03/2012	ND	416	104	400	0.00		
Sample ID: S - 3 0' (H20	1786-03)									
Chloride, SM4500Cl-B	mg	/kg	Analyze	d By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	192 16.0		08/03/2012	ND	416	104	400	0.00		

Cardinal Laboratories *=Accredited Analyte

PLEASE NOTE Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waved unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subdiviances, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claims is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey & Keene

Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

** Samples not received at proper temperature of 6°C or below.

*** Insufficient time to reach temperature.

- Chloride by SM4500Ci-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories *=Accredited Analyte

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Celeg D. Keene



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240 (575) 393-2326 FAX (575) 393-2476

Company Name: Talas / LPE						BILL TO									ANALYSIS REQUEST								
Company Name: Totas / LPE Project Manager: Mike Stubble field					P.O. #:							ſ											
Address: 408 Wat Texas Ax.						Company: Tilon/LPE												İ			- 1	İ	
City: N. turia State: N. Zip: 38210						Attn:							ļ		<u> </u>								
Phone #: 57(44/-77% / Fax #:						Address:							İ				i	'		ĺ		i	
Project #: 200794.041.01 Project Owner: Dros Fray Con					2	City:											l						
Project Name: Synd 2 Fed. No. 4						State: Zip:							•))						
Project Location: LCC 2 TIBS- R31E					1	Phone #:											l	1					
Sampler Name: ,n bs Stollfell							Fax #:] .						1					
FOR LAB USE ONLY	1	МР			MATRI	<u>x</u> 		PRESE	RV.	SAMPLI	NG	rider											
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMF	# CONTAINERS	GROUNDWATER		35	~	ACID/BASE	٠,٠			tal Chlorides											
H201786		(G)RA	NOO#	GROU	SOIL	SLUDO	OTHE	ACID/E	OTHE	DATE	TIME	Total											
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PLEASE NOTE: Liability and Damages. Cardena's liability and clients exclusive remedy for any claim arising visible based in contract or fort, shall be limited to the amount paid by the client for the analyses All claims including those for negligence and any other cause wholsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the opplicable service. In no event shall Cardinal or liable for incidental or consequental damages, including without limitation, flustiness interruptions fors of use, or loss of profits incurred by client, its substitutions.																							
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Sampler - UPS - Bus Other: Cool Intact Yes 4 Yes Yes Yes Yes Yes No No No No No No No N								ials)															
† Cardinal	cannot accept verbal changes. Please	e fax	writ	ten ch	anges	to 5	05-	393-2	176	27 1												Г	Pag
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