

Form 3160-5
(February 2005)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 15 2010

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

Lease Serial No

NM-97872

Land Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELL IN MOCD ARTESIA
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other
2 Name of Operator
Devon Energy Production Co., LP3a Address
20 North Broadway
OKC, OK 731023b Phone No (include area code)
(405)-552-78024 Location of Well (Footage, Sec., T, R, M, or Survey Description)
Sec 8-T16S-R28E
660' FSL & 1650' FWL

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

8. Well Name and No
Blackbird 8 Federal 19 API Well No
30-015-37053 3075310 Field and Pool or Exploratory Area
Diamond Mound, Morrow (Gas) 7607911 Country or Parish, State
Eddy County, NM

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 Off-Lease Sales
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	& Measurement of Gas
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Hydrocarbons

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 respectfully requests permission for off lease measurement and sales of gas hydrocarbon production from the Blackbird 8 Federal 1. Produced gas flows through a check meter on location before metering at a DCP custody transfer sales meter (Meter # 711555-00) located approximately 1 1/2 due north in the SENW of section 5-T16S-R28E (Lease NM-33277), Eddy County, New Mexico. No other wells are connected to the gas line and reported gas volumes are the DCP sales meter volumes. These volumes are compared against the check meter volumes.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

The Blackbird Federal 1 has an existing tank battery.

ROW will or has already been obtained.

No notification is required.

GAS SALES meter is on the
Derrick Fed #3 Location

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Stephanie A. Ysasaga

Title Sr. Staff Engineering Technician

Signature

Date 05/19/2010

APPROVED

JUN 11 2010

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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)

NR



Devon Energy Production Company
Operations Engineering
20 North Broadway - CT 3.056
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-7802
Fax (405)-552-8113
Stephanie.Ysasaga@dev.com

May 19th, 2010

Mr. Richard Ezeanyim
State of New Mexico
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Off Lease Measurement and Sales Approval
Blackbird 8 Federal 1
API # 30-015-30753
Sec 8-T16S-28E Lease NM-97872
660' FSL & 1650' FWL
Diamond Mound, Morrow (Gas) - Pool Code: 76079
Eddy County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 and BLM Form 3160-5 Sundry Notices of Intent for Off Lease Measurement and Sales Approval on the aforementioned well. No notification is required.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-7802.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink, appearing to read "Stephanie A. Ysasaga". The signature is stylized with long, sweeping strokes.

Stephanie A. Ysasaga
Sr. Staff Engineering Technician ☺

Enclosures

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
[PC-Pool Commingling] **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
[WFX-Waterflood Expansion] **[PMX-Pressure Maintenance Expansion]**
[SWD-Salt Water Disposal] **[IPI-Injection Pressure Increase]**
[EOR-Qualified Enhanced Oil Recovery Certification] **[PPR-Positive Production Response]**

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U S Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Stephanie A Ysasaga
 Print or Type Name

Signature

Sr Staff Engineering Technician
 Title

05/19/2010
 Date

Stephanie.Ysasaga@dm.com
 e-mail Address

• Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-015-37053
2. Name of Operator Devon Energy Production Company, LP		5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-7802		6. State Oil & Gas Lease No.
4. Well Location (See Below) Unit Letter <u>N</u> : <u>660'</u> FSL <u> </u> feet from the <u>south</u> line and <u>1650'</u> feet from the <u>west</u> line Section <u>8</u> Township <u>16S</u> Range <u>28E</u> NMPM Eddy County New Mexico		7. Lease Name or Unit Agreement Name NM-97872
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3668'		8. Well Number
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit type <u> </u> Depth to Groundwater <u> </u> Distance from nearest fresh water well <u> </u> Distance from nearest surface water <u> </u> Pit Liner Thickness: <u> </u> mil Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u> </u>		9. OGRID Number 6137
		10. Pool name or Wildcat See Below

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: OFF-LEASE GAS MEASUREMENT & SALES <input checked="" type="checkbox"/> - GAS HYDROCARBONS	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

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The Blackbird Federal 1 has an existing tank battery.

ROW will or has already been obtained.

No notification is required.

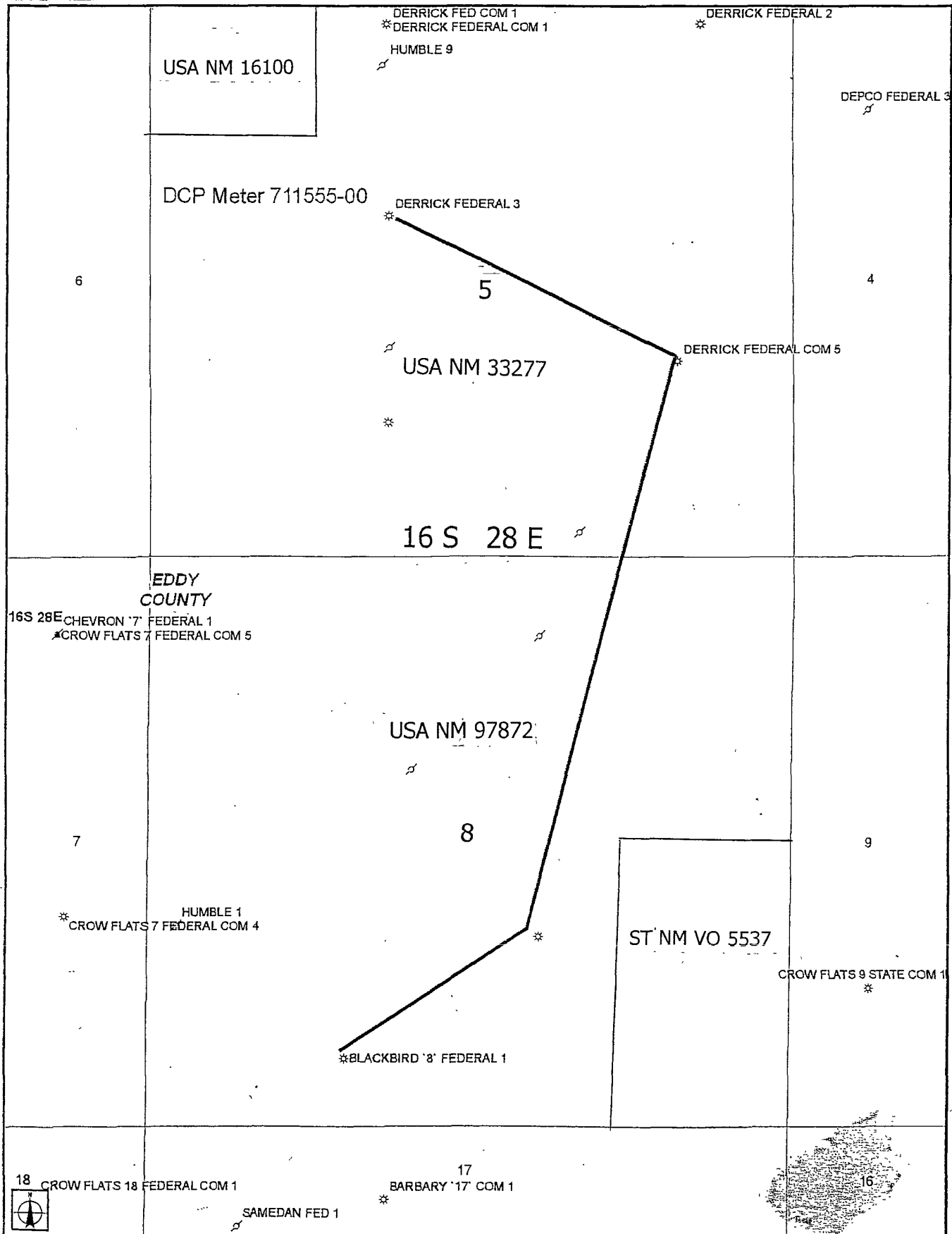
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Stephanie A. Ysasaga TITLE Sr. Staff Engineering Technician DATE 05/19/2010

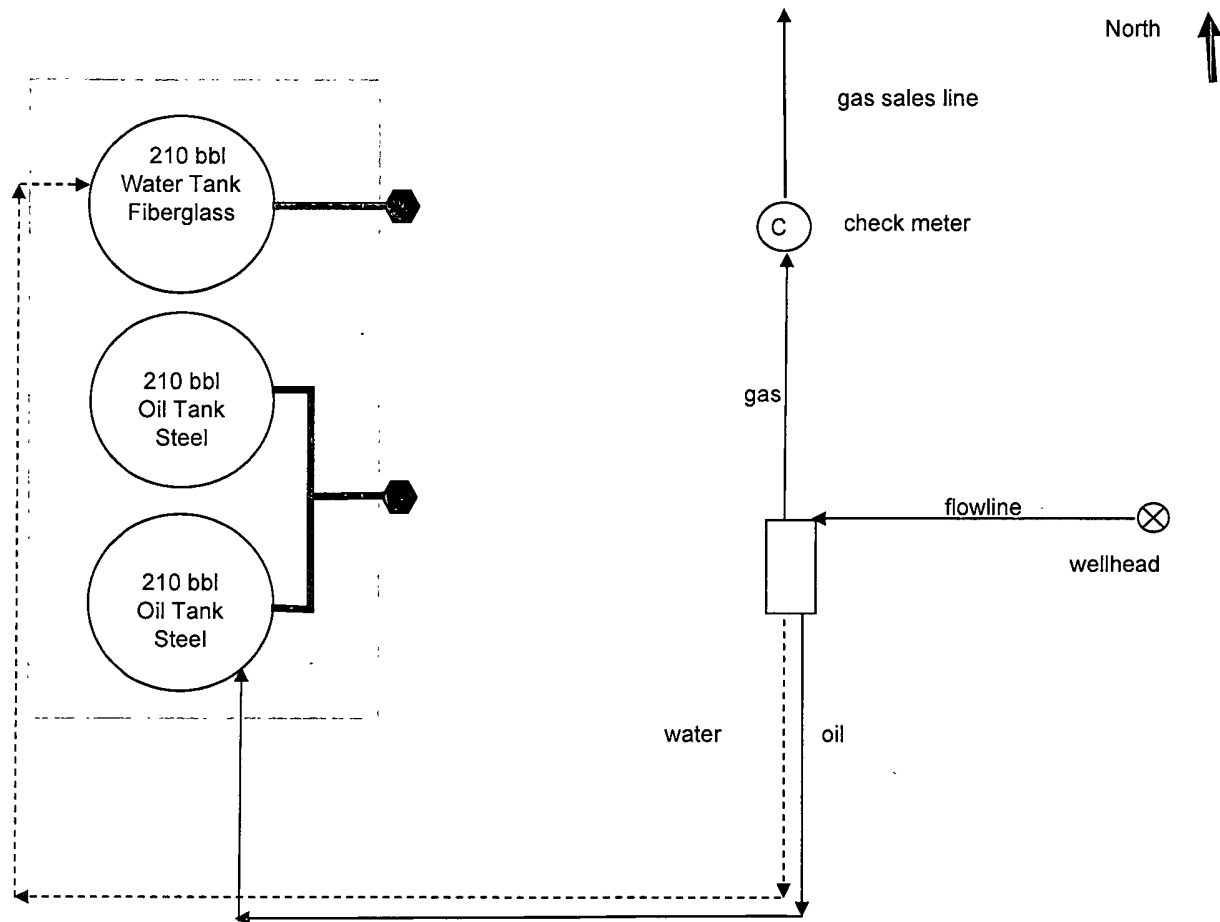
Type or print name Stephanie A. Ysasaga E-mail address: Stephanie.Ysasaga@dmv.com Telephone No. (405) 552-7802
For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):



Devon Energy Production Co.
Existing Battery
Blackbird 8 Fed 1
Section 8 T16S R28 E
Eddy County, New Mexico



**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Off-Lease Measurement

Conditions of Approval

Approval of off-lease measurement is subject to the following conditions of approval:

1. This agency shall be notified of any change in sales method or location of the Sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval is subject to like approval by the New Mexico Oil Conservation Division.
5. Additional wells and/or leases require additional approvals.
6. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
7. Approval for off-lease measurement from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
8. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "standard Environmental Colors" – Shale Green, Munsell Soil Color No. 5Y 4/2.