FORM APROVED **UNITED STATES** OCD-ARTESIA EPARTMENT OF THE INTERIOR (Febráat) OMB NO. 1004-0135 JREAU OF LAND MANAGEMENT EXPIRES: March 31, 2007 NOTICES AND REPORTS ON WELLS Lease Serial No. Do not use this form for proposals to drill or to re-enter an NM-89057 paydoffed well Use Form 3160-3 (APD) for such proposals 6. If Indian, Allottee or Tribe Name SUBMIT IN TRIPLICATE 7. Unit or CA Agreement Name and No. Other Fresh water frac pond Gas Well 8 Well Name and No. 2 Name of Operator Snapping 10 Federal #1H Frac Pond **DEVON ENERGY PRODUCTION COMPANY, LP** 9. API Well No. 3. Address and Telephone No. 30-015-37899 575-513-079 P.O. Box 250 Artesia, NM 10. Field and Pool, or Exploratory 4. Location of Well (Report location clearly and in accordance with Federal requirements)* Big Sinks Southeast; Bone Springs NW/4, Sec 10, T26S, R31E 11. County or Parish **Eddy County, NM** 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OS SUBMISSION TYPE OF ACTION Production (Start/Resume) Water Shut-Off ___ Acidize Deepen ☑ Notice of Intent Fracture Treat Reclamation ☐ Well Integrity Alter Casing Other Bld FW frac pond Subsequent Report Casing Repair New Construction Recomplete Plug and Abandon Temporarily Abandon Change Plans Final Abandonment Notice Convert to Injection Plug Back Water Disposal Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work and approximate duration thereof. If the proposal deepen directionally or recomplete honzontally, give subsurface location 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirement, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection) Devon requests permission to construct a fresh water frac pond 125' X 200' base with 10' walls; holding approximately 44,500 barrels. The pond will be built adjacent to the Snapping 10 Federal #1H location (see attached plat) and will be lined and fenced. This pond will be utilized for Devon's Snapping 10 Federal #1H and Snapping 11 Federal #1H and any

future wells in the area. The frac pond may also be used for the benefit of other company's nearby wells.

Name

Title

Title

14. I hereby certify that the foregoing is true and correct

/s/ Don Peterson

(This space for Federal or State Office use)

Conditions of approval, if any:

Signed

Approved by

*See Instruction on Reverse Side

within its jurisdiction

Joe G. Lara

Engineer

FIELD MANAGER

CARLSBAD FIELD OFFICE

RCG

Date

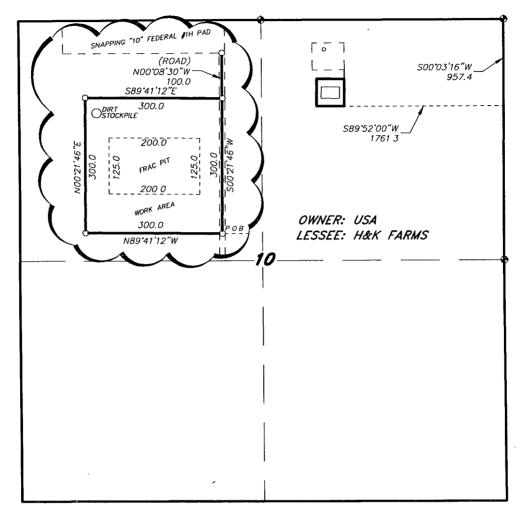
Date

act

7/12/2010

JUL 3 0 2010

SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., REDDY COUNTY.

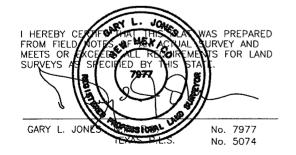


LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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BEGINNING AT A POINT WHICH LIES S.OO'03'16"W., 957.4 FEET AND S.89'52'00"W, 1761 3 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 10, THENCE N 89'41'12"W, 300.0 FEET; THENCE N.00'21'46"E., 300.0 FEET; THENCE S.89'41'12"E, 300.0 FEET; THENCE S.00'21'46"W., 300.0 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINING 2.07 ACRES, MORE OR LESS



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

W.O. Number. 23078 Drawn By J. M. SMALL

Date: 07-12-2010 Disk: JMS 23078

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DEVON ENERGY PRODUCTION COMPANY, L.P.

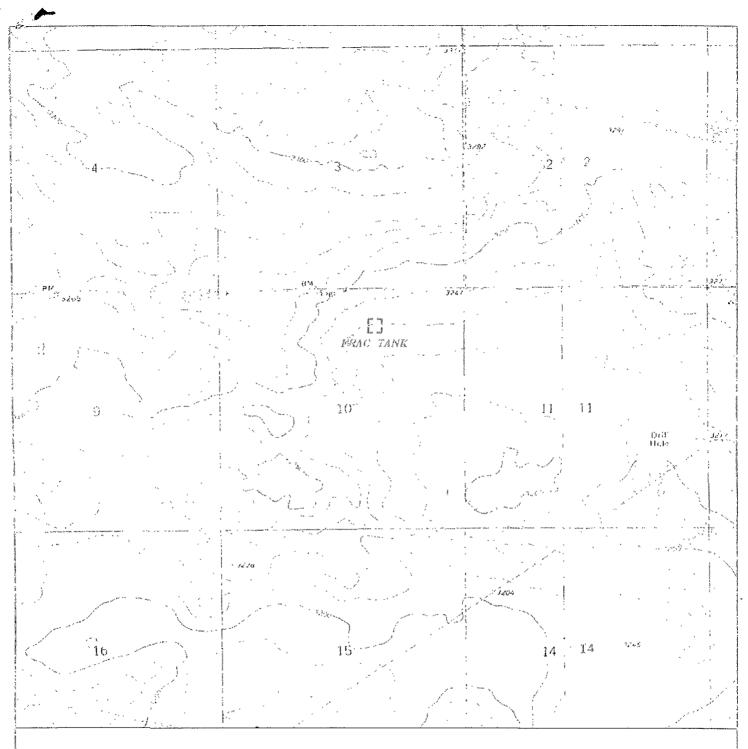
REF: PROPOSED FRAC TANK FOR THE DEVON SNAPPING 10 FED 1H

A FRAC TANK LOCATED ON USA LAND IN SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 07-09-2010 Sheet

Sheets

2000 FEET



PROPOSED FRAC TANK FOR THE DEVON SNAPPING 10 FED 111 Section 10. Lownship 26 South, Range 31 Base. N N P.M., Eday County, New Mexico.



FIG. 8-42 17/20

1.28 % ABS COLLEGE FOR

10.155 Name (ABX COLLEGE FOR

274 (A77) 2-22 - 215 OFFILE

(A77) 2-22 - 2250 ELX

DEVON ENERGY PRODUCTION COMPANY, L.P.

BLM LEASE NUMBER NM-88907 COMPANY NAME Devon ASSOCIATED WELL NO. & NAME Snapping 10 #1H & Snapping 11 #1H

FRAC POND CONDITIONS OF APPROVAL

A copy of the Sundry Notice and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following conditions of approval to the satisfaction of the Authorized Officer:

- 1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.
- 2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
- 3. Required Standard Mitigation:
 - The frac pond will only be authorized to contain freshwater and testing of water quality is required.
 - If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly.
 - Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing the wells.
 - Confine all construction and maintenance activity to the authorized area.
 - Mineral materials extracted during construction of the frac pond will be stored onlocation and/or used for constructing the frac pond.
 - The frac pond will be lined.
 - The plastic lining will be removed prior to final abandonment
 - The operator shall stockpile topsoil in a low profile manner, reasonably protected from wind and water erosion
 - Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation.
 - The frac pond shall be fenced on all sides.
 - Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.

Earthwork for final reclamation must be completed within 3 months of completion of frac operations on associated wells.

Requirements for Operations and Final Reclamation:

- 4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.
- 6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 7. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
- 8. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
- 9. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact a BLM surface protection specialist prior to surface reclamation operations. Jim Amos, Supervisor, Environmental Protection -(575)234-5909).

10.	Seeding is required:	Use the following seed mix.		
	() seed	mixture 1	() seed mixture 3
	() seed	mixture 2	() seed mixture 4
	()LPC	mixture	() Aplomado Falcon n

11. Special Stipulations:

12. Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, the Authorized Officer may take such measures as he deems

() Aplomado Falcon mix

necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

EA File # 10-957