

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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. NM-91733
6. If Indian, Allottee or Tribe Name

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., LP

3a. Address
20 North Broadway
OKC, OK 73102

3b. Phone No. (include area code)
(405)- 552-4524

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

8. Well Name and No.
See Below

9. API Well No.
See Below

10. Field and Pool or Exploratory Area
53818 - Sand Dunes; Delaware, South

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

See Below

11. 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 type="checkbox"/> Other CTB, Off-Lease Gas Measurement & Sales
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 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 Production Co., LLP respectfully requests permission for the Central Tank Battery, Off-Lease Gas Measurement & Sales for the following wells:
Blackjack 1 Federal 2 API: 30-015-33383 Section 1-T24S-R30E
Black Jack 1 Federal 3 API: 30-015-35797 Section 1-T24S-R30E

A central tank battery is located at the Blackjack 1 Federal 2 location. The production from both wells will come to a common production header with isolation lines to route each wells production. The header is located on the Southeast side of the facility at the Blackjack 1 Federal 2 wellsite. The produced gas will go to through a Halliburton Meter to test the gas at the battery for each well before going to the DCP CDP. The DCP CDP Gas Sales Meter # 13135309 for both wells is located approximately 1.5 miles southeast of the Blackjack 1 Federal 2 location and approximately 1 mile southeast of the Black Jack 1 Federal 3 location in Section 7-T24S-31E, Eddy County, New Mexico, Latitude 32.2323184 and Longitude -103.8128159.

The Off Lease Gas Measurement & Sales is due to the Operator installed gathering systems. Waste is not induced and no correlative rights are impaired.

The working interest, royalty interest and overriding royalty interest owners in the lease is uniformed; no additional notification is required

ROW will or has already been obtained



**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Name (Printed/Typed)
Melanie Crawford

Title Regulatory Analyst

Signature

Melanie Crawford

Date

January 10, 2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

LDET

Date

2/27/11

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

CFO

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.



Ken Gray
Senior Advisor, Land

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Office: (405) 552-4633
Fax: (405) 552-8113

December 20, 2010

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Off Lease Measurement and Sales
Blackjack 1 Federal # 3 API: 30-015-35797
Blackjack 1 Federal # 2 API: 30-015-33383
Sec. 1-T24S-R30E
Eddy County, New Mexico
Pool – 53818 – Sand Dunes; Delaware, South

Gentlemen:

I have reviewed the files of Devon Energy Production Company, L.P. ("Devon") regarding Devon's request for Off Lease Measurement and Sales for the referenced wells and find that the ownership of the working interest, royalty and overriding royalty interest are uniform with respect to Devon's request for Off Lease Measurement and Sales.

If there are any questions or if additional information is required feel free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink, appearing to read "Ken Gray", written over a horizontal line.

Ken Gray
Senior Advisor, Land

35

36

23S 30E

31

23S 31E

32

NM-91733

BHL

2

1

Blackjack 1 Federal #2

BHL

Blackjack 1 Federal #3

Yates

6

5

11

12

24S 30E

24S 31E

Oxy

NM-57273

7

8

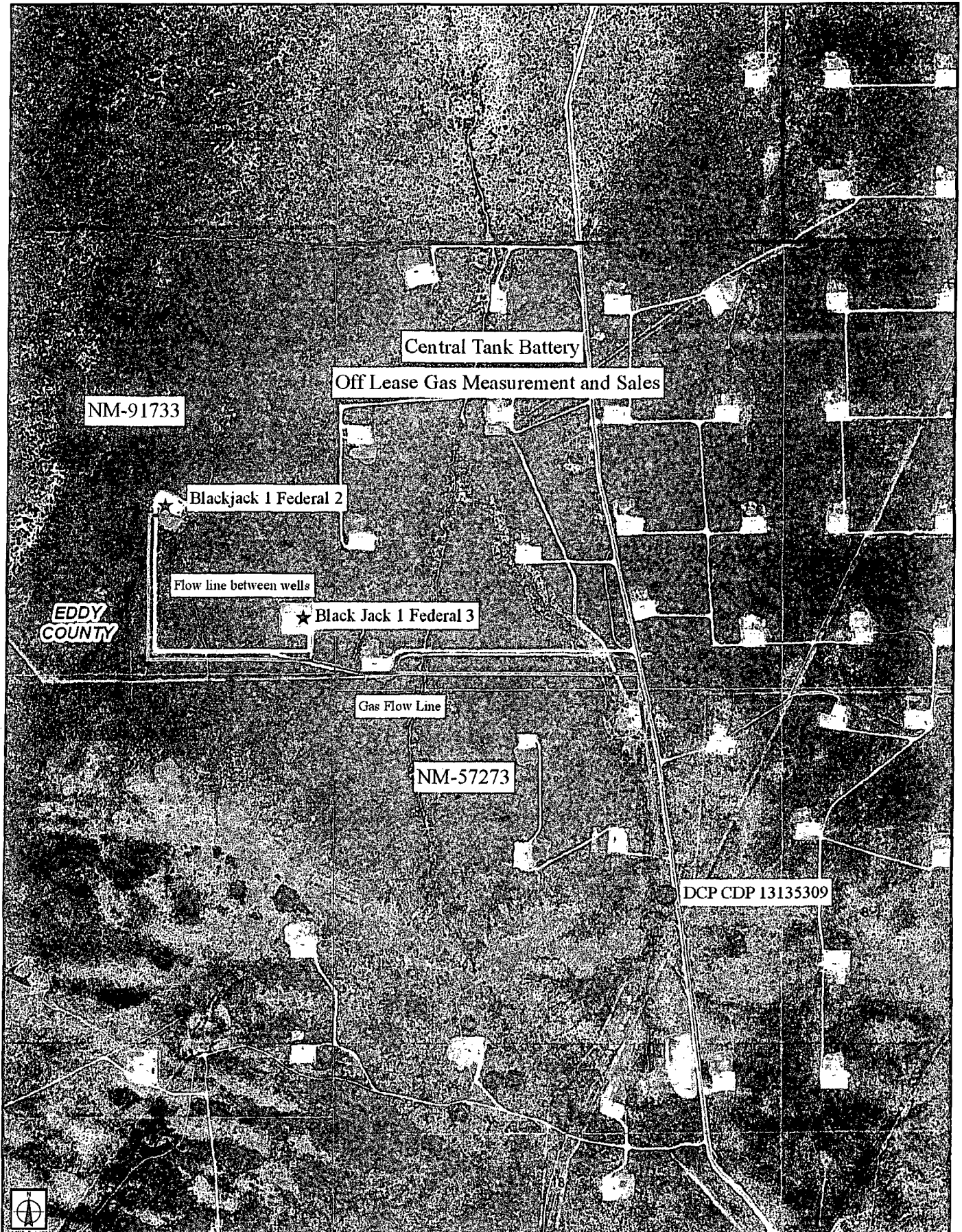
14

13

18

17





Blackjack 1 Federal 2
Sec. 1-T24S-30E
API: 30-015-33383

Production System: Closed

1) Oil sales by tank gauge to tank truck.

2) Seal requirements:

A. Production Phase: On all Tanks.

(1) All valves 5 sealed closed.

Sales Phase: On Tank being hauled.

(1) Valve 1 sealed closed. 1

(2) Valve 3 sealed closed. 2

(3) Valve 4 sealed closed. 2

(4) Valve 5 sealed closed. 2

(5) Misc. Valves: Plugged or otherwise inaccessible.

NOTE: Valve 2 is either a test or roll line if there is a valve 2 it will be sealed closed. 2

Ledger for Site Diagram

Valve #1: Production Line 1

Valve #2: Test or Roll line 2

Valve #3: Equalizer Line 2

Valve #4: Circ./Drain Line 2

Valve #5: Sales Line 2

Valve #6: BS&W Load Line 2

Buried Lines:

Firewall:

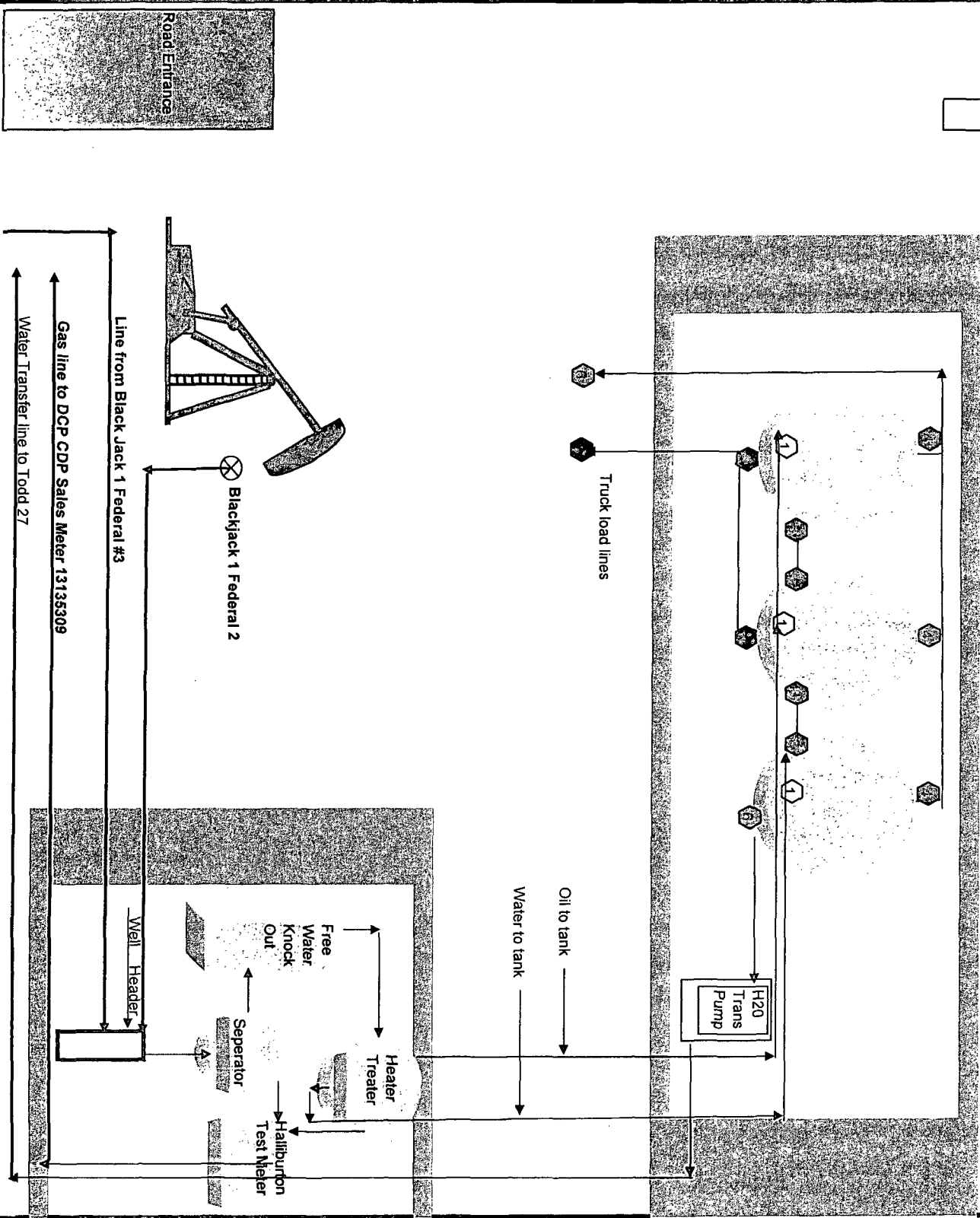
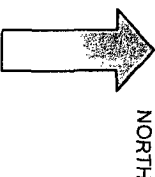
Wellhead:

Stak-pak:

Production line:

Water line:

Gas Meter



OFF LEASE PRODUCTION - EDDY COUNTY

	07/01/10	08/01/10	09/01/10	10/01/10	11/01/10	12/01/10	
Well Name	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	
Blackjack 1 Federal 2	254.49	194.18	173.2	233.23	168.23	345.95	
Black Jack 1 Federal 3	5,361.03	5,112.84	4,737.68	3,246.37	2,028.79	5,020.49	



Devon Energy Production Company
20 North Broadway – CT 3.058
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-4524
Fax (405)-552-1358
Melanie.Crawford@dev.com

January 6, 2011

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

**Re: Off Lease Gas Measurement and Off Lease Sales Approval
Blackjack 1 Federal 2 & Black Jack 1 Federal 3
API # 30-015-33383 & 30-015-35797
Sec 1-T24S-R30E
Lease NMNM-97133
Sand Dunes; Delaware, South - Pool Code: 53818
Eddy County, New Mexico**

Dear Mr. Ezeanyim:

Please find attached the OCD Form C-103 and BLM Form 3160-5 Sundry Notice of Intent for Off-Lease Gas Measurement & Sales. The working interest, royalty interest and overriding royalty interest owners in the lease is uniformed; no additional notification is required.

BLM sundry approval and BLM conditions of approval attached.

Should you require any additional information or assistance, please do not hesitate to contact me at (405)-552-4524.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in cursive script that reads "Melanie Crawford". The signature is written in dark ink and is positioned above the typed name and title.

Melanie Crawford
Regulatory Analyst

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 _____ Off-Lease Gas Sales _____

[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.

Melanie Crawford
 Print or Type Name

Signature

Melanie Crawford

Regulatory Analyst
 Title

1-10-2011
 Date

Melanie.Crawford@divn.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

WELL API NO.
See Below
5. Indicate Type of Lease FED <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM-97133
7. Lease Name or Unit Agreement Name See Below
8. Well Number See Below
9. OGRID Number 6137
10. Pool name or Wildcat 53818 - Sand Dunes; Delaware, South

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator
Devon Energy Production Company, LP

3. Address of Operator
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-4524

4. Well Location (See Below)
Unit Letter _____ : _____ feet from the _____ line and _____ feet from the _____ line
Section _____ Township _____ Range _____ NMPM Eddy County New Mexico

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
OTHER: Central Tank Battery, Off Lease Gas Measurement & Sales
☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

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.

Devon Energy Production Co., LLP respectfully requests permission for the Central Tank Battery, Off-Lease Gas Measurement & Sales for the following wells:

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Black Jack 1 Federal 3	API: 30-015-35797	Section 1-T24S-R30E

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The working interest, royalty interest and overriding royalty interest owners in the lease is unformed; no additional notification is required

ROW will or has already been obtained.

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 Melanie Crawford TITLE Regulatory Analyst DATE 1-10-2011

Type or print name Melanie Crawford E-mail address Melanie.Crawford@dvn.com Telephone No. (405) 552-4524
For State Use Only

Accepted for record - NMOCD DS
APPROVED BY: _____ TITLE _____ DATE 3-14-11
Conditions of Approval (if any): _____