

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
Devon Energy Production Co., LP3a. Address
20 North Broadway
OKC, OK 731023b. Phone No. (include area code)
(405)- 552-4524

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

See Below

5. Lease Serial No.

NM-91733

6. If Indian, Allottee or Tribe Name

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

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 <u>CTB, Off-Lease Gas</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Measurement & Sales</u>
	<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 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.)

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.

(Instructions on page 2)

Accepted for record - NMOC D

D J



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 dark 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

SHL

Blackjack 1 Federal #3

Yates

6

5

11

12

24S 30E

24S 31E

Oxy

NM-57273

7

8

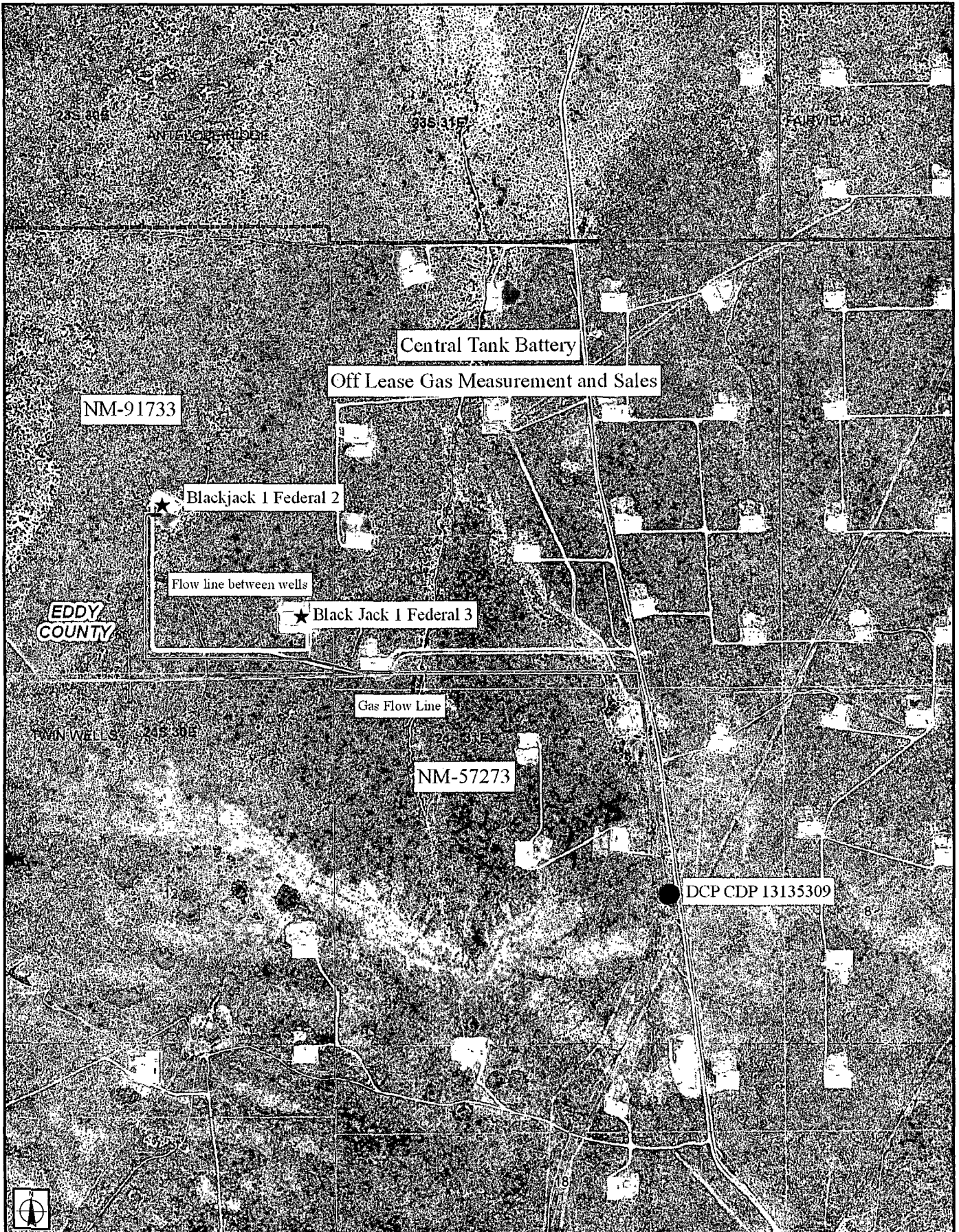
14

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.

(2) Valve 3 sealed closed.

(3) Valve 4 sealed closed.

(4) Valve 5 sealed closed.

(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.

Ledger for Site Diagram

Valve #1: Production Line

Valve #2: Test or Roll line

Valve #3: Equalizer Line

Valve #4: Circ./Drain Line

Valve #5: Sales Line

Valve #6: BS&W Load Line

Buried Lines:

Firewall:

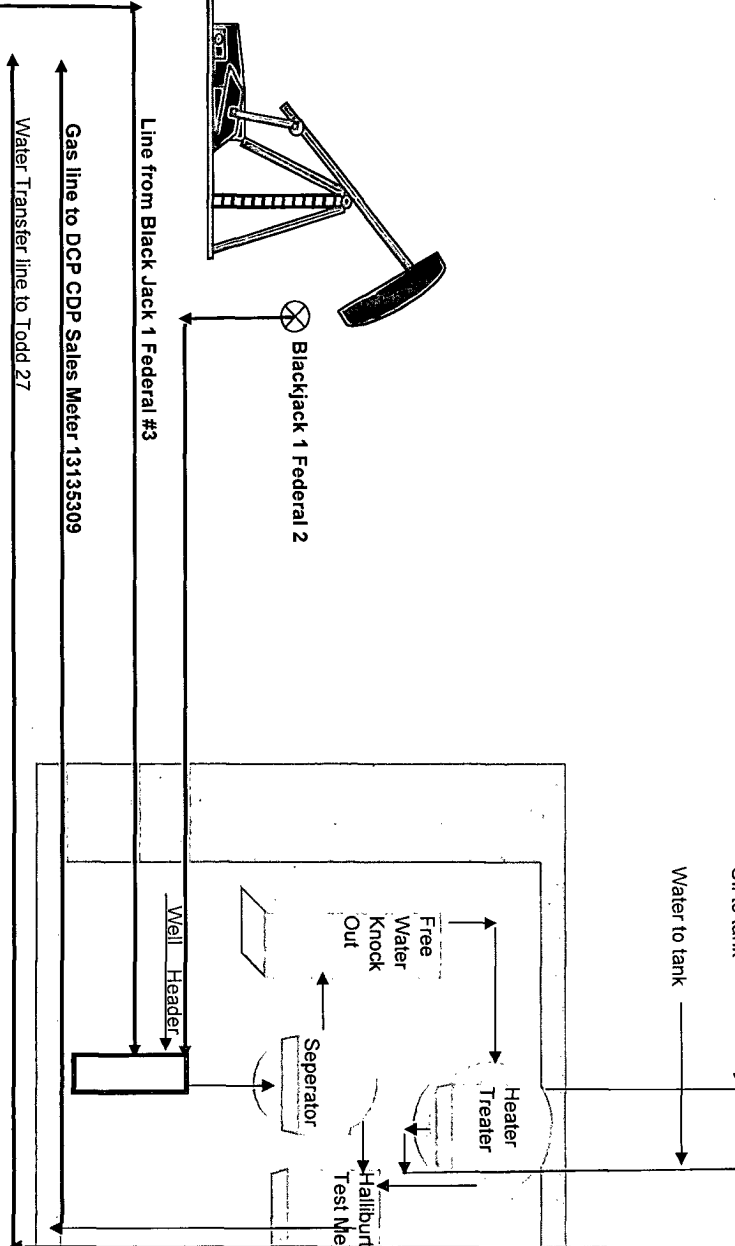
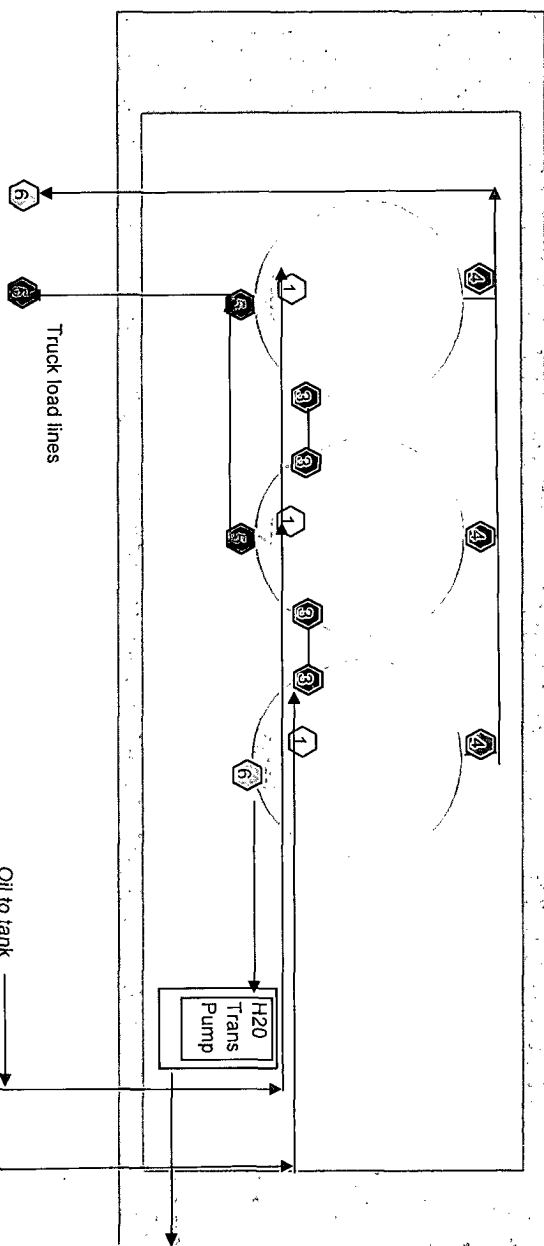
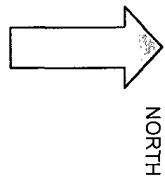
Wellhead:

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 printed name and title.

Melanie Crawford
Regulatory Analyst

Enclosures

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
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 <input type="checkbox"/> or Closure <input type="checkbox"/>	
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 <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: Central Tank Battery, Off Lease Gas Measurement & Sales <input checked="" type="checkbox"/>	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.

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

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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

APPROVED BY: Accepted for record - NMOCD TITLE _____ DATE 3-14-11

Conditions of Approval (if any):