



April 17th, 2026

NMOCD District 2
 1811 S. First St.,
 Artesia, New Mexico 88210

SUBJECT: Liner Inspection Report for the Merlyn 27-22 Federal CTB Release (nAPP2528078197), Eddy County, New Mexico

To Whom It May Concern,

On behalf of Devon Energy, BDS Enterprises LLC has prepared this Liner Inspection Report summarizing the liner inspection that occurred due to a release from oil and gas production activities at the Merlyn 27-22 Federal CTB. The site is in Unit C, Section 34, Township 21S, Range 31E, Eddy County, New Mexico, on state land. Figure 1 illustrates the vicinity and site location on a USGS 7.5-minute quadrangle map.

Table 1: Release Information and Closure Criteria			
Name	Merlyn 27-22 Federal CTB	Company	Devon Energy
API Number	fAPP2123648262	Location	32.43901, -103.76607
Incident Number	nAPP2528078197		
Estimated Date of Release	10/7/2025	Date Reported to NMOCD	10/7/2025
Land-Owner	State	Reported To	NMOCD, SLO
Source of Release	Valve on recycle pump was left on/open		
Released Volume	5 bbl.	Released Material	Produced Water
Recovered Volume	5 bbl.	Net Release	0 bbl.
NMOCD Closure Criteria	< 50' bgs		
BDS Response Dates	12/15/2025; 1/9/2026		



1.0 Background

On October 7th, 2025, a release was discovered at the Merlyn 27-22 Federal CTB. A valve on the recirculating pump had been left on hand, resulting in approximately 5 bbl. of fluid to be released within the facility's secondary containment. Initial response activities were conducted by the operator, and included source elimination by means of repair, site stabilization, and release recovery. Figures 1 and 2 illustrate the vicinity and site location, Figure 3 illustrates the release location.

2.0 Site Information and Closure Criteria

The Merlyn 27-22 Federal CTB is located approximately 36 miles East of Carlsbad, New Mexico on state owned land at an elevation of approximately 3,481 feet above mean sea level (amsl).

Based upon the New Mexico Office of the State Engineers (NMOSE) online water well database (Appendix A), depth to groundwater in the area is greater than 100 feet below grade surface (bgs). There is one known water source within ½-mile of the location, according to the NM OSE database, seen on Figure 1. It is an exploratory water well drilled in 2003 with no additional groundwater information.

The nearest significant watercourse is an unnamed freshwater wetland/pond 1.6 miles to the east of the location, across Wipp Road. Figure 2 illustrates the site with 0.5-mile radii to indicate that it does not lie within a sensitive area as described in 19.15.29.12.C(4) NMAC.

Based on the information presented herein, the applicable NMOCD Closure Criteria for this site is for a groundwater depth of less than 50 feet bgs. The site has been restored to meet the standards of Table I of 19.15.29.12 NMAC. Table 2 demonstrates the Closure Criteria applicable to this location. Pertinent well data is attached in Appendix A.

3.0 Liner Integrity

At the request of Devon Energy, on December 15th, 2025, BDS conducted a liner integrity inspection per the requirements of 19.15.29.11.A(5)(a) NMAC. BDS was able to perform a thorough visual examination of the liner within the production area of the lined containment, determining it to be in working order with no observable damage or breaches. However, the culmination of several snow and rain events resulted in precipitation standing within the secondary containment at the time of inspection after pressure washing took place. As a result, subsequent site visits were conducted in attempt to document the containment, while a 90-day extension request was sent to the Division on 1/6/2026 to communicate reoccurring issues with standing water from inclimate weather events.

A photolog of the final inspection is included in Appendix B. It should be noted that small areas of pooling in the photos were the result of rain in the previous days. Proof of notification to the Division is included in Appendix C.



4.0 Recommendations

As demonstrated by the field inspection of the liner, the liner was intact and retained all fluid that occurred during the release. BDS recommends closure of incident nAPP2528078197.

5.0 Scope and Limitations

The scope of our services included: liner assessment, verifying release stabilizations; regulatory liaison; and preparation of this liner inspection report. All work has been performed in accordance with generally accepted professional environmental consulting practices for oil and gas releases in the Permian Basin in New Mexico.

If there are any questions regarding this report, please contact Lupe Carrasco (575) 725-0787.

Submitted by:

BDS Enterprises, LLC

Lupe Carrasco
Environmental Scientist

ATTACHMENTS

Figures:

Figure 1: Topographic Site Map

Figure 2: Aerial Site Map

Figure 3: Site Characterization Map

Tables:

Table 2: NMOCD Closure Criteria

Appendices:

Appendix A: NMOSE Wells Report

Appendix B: Photolog & Field Notes

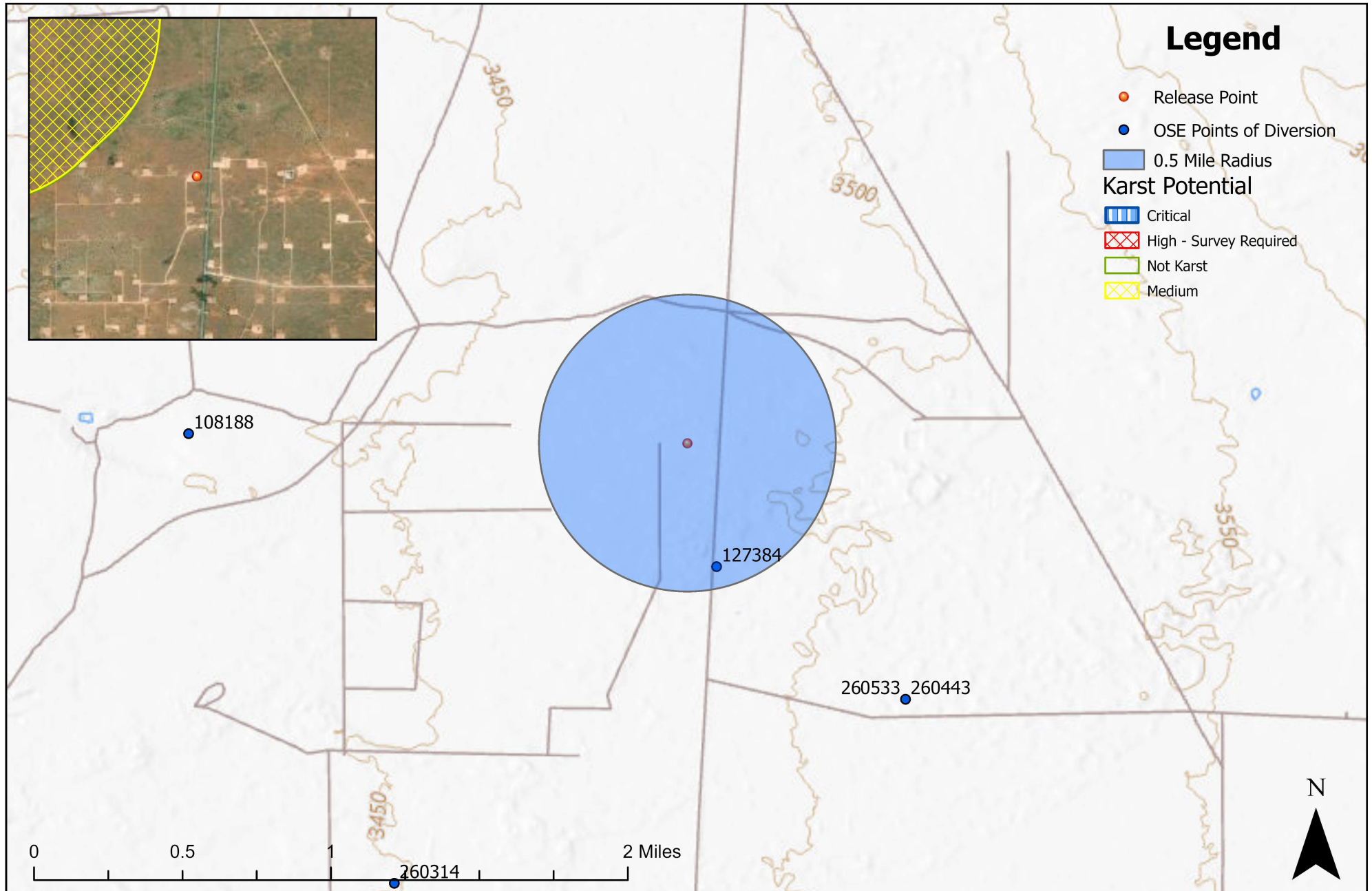
Appendix C: Liner Inspection Notification



FIGURES

Merlyn 27-22 Fed CTB - Devon Energy

Figure 1 - Site Diagram



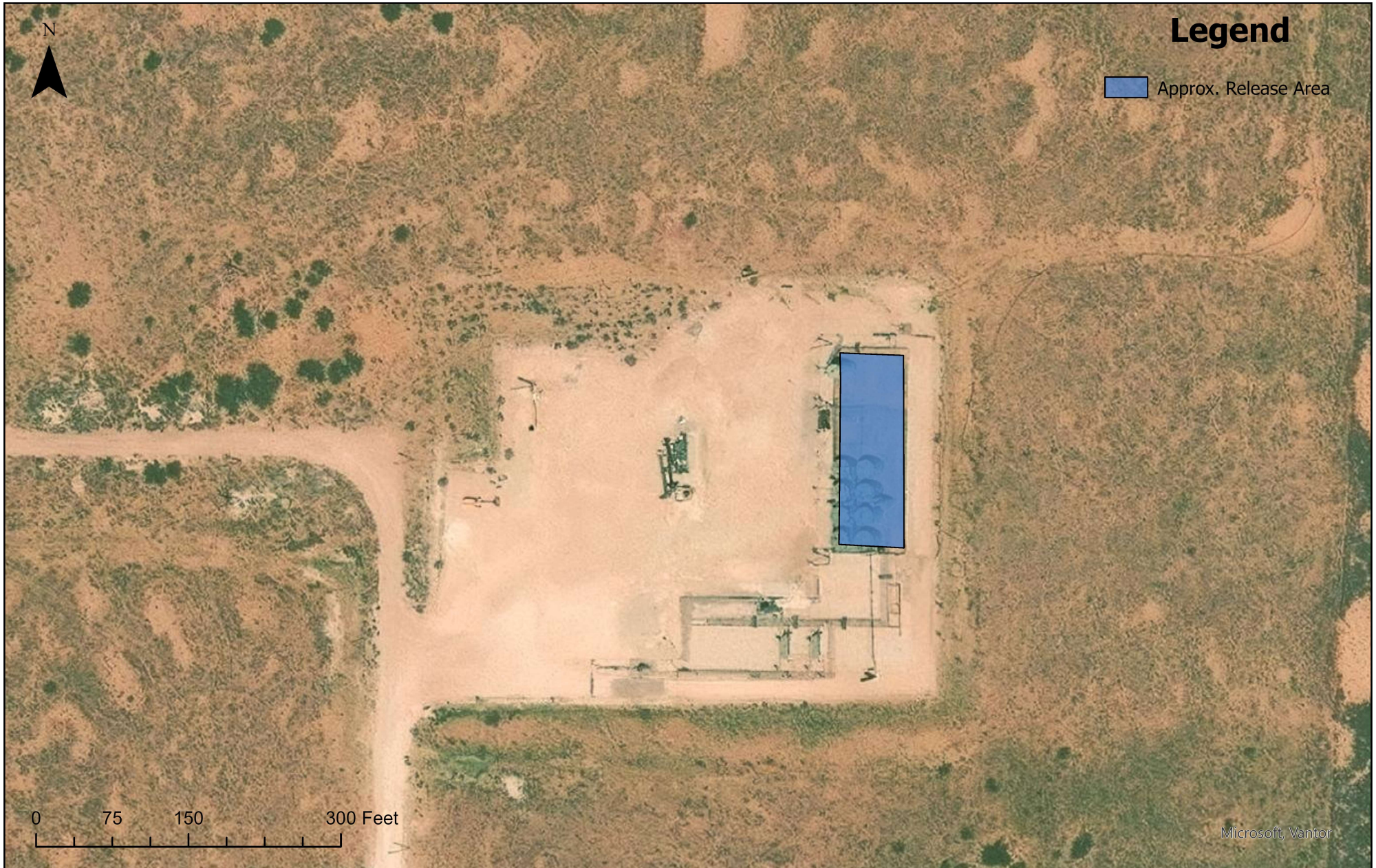
Merlyn 27-22 Fed CTB - Devon Energy

Figure 2 - Aerial Site Map



Merlyn 27-22 Fed CTB - Devon

Figure 3 - Release Characterization Map





TABLES

Site Information (19.15.29.11.A(2,3, and 4) NMAC)		Source/Notes				
Depth to Groundwater (feet bgs)	< 100'	NM OSE				
Horizontal Distance From All Water Sources within 1/2 Mile (ft)	N/A	NM OSE				
Horizontal Distance to Nearest Significant Watercourse (ft)	1.6 Miles	Unnamed Mapped Wetland				
Closure Criteria (19.15.29.12.B(4) and Table 1 NMAC)						
Depth to Groundwater		Closure Criteria (units in mg/kg)				
		Chloride *numerical limit or background whichever is greater	TPH	GRO + DRO	BTEX	Benzene
< 50' BGS	X	600	100		50	10
51' to 100'		10,000	2500	1000	50	10
>100'		20,000	2500	1000	50	10
Surface Water		If yes, then				
<300' from continuously flowig watercourse or other significant watercourse?	No	600	100		50	10
<200' from lakebed, sinkhoe, or playa lake?	No					
Water Well or Water Source						
<500' from spring or a private, domestic fresh water well used by less than 5 households for domestic or stock watering purposes?	No					
<1000' from fresh water well or spring?	No					
Human and Other Areas						
<300" from an occupied permanent residence, school, hospital, institution, or church?	No					
<100' from wetland?	No					
within area overlying a subsurface mine	No					
within an unstable area?	No					
within a 100-year floodplain?	No					



APPENDIX A: NMOSE WELLS REPORT

PO BOX 2286 • CARLSBAD. N M 88220 • OFFICE (575) 689-8324 • FAX (575) 689-8325



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.) (R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are smallest to largest)

(meters)

(In feet)

POD Number	Code	Sub basin	County	Q64	Q16	Q4	Sec	Tws	Range	X	Y	Map	Distance	Well Depth	Depth Water	Water Column
C 02949 EXPL		CUB	ED	NW	NW	SE	34	21S	31E	616140.0	3589231.0 *		556	970		
C 04691 POD1		CUB	ED	SW	SW	SW	35	21S	31E	617014.9	3588637.1		1522	110		

Average Depth to Water: **0 feet**

Minimum Depth: **0 feet**

Maximum Depth: **0 feet**

Record Count: 2

Basin/County Search:

County: ED

UTM Filters (in meters):

Easting: 615996.363

Northing: 3589768.389

Radius: 1610

* UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

Point of Diversion Summary

quarters are 1=NW 2=NE 3=SW 4=SE
quarters are smallest to largest

NAD83 UTM in meters

Well Tag	POD Nbr	Q64	Q16	Q4	Sec	Tws	Rng	X	Y	Map
C 02949 EXPL	NW	NW	SE	34	21S	31E	616140.0	3589231.0 *		

* UTM location was derived from PLSS - see Help

Driller License:	1184	Driller Company:	WEST TEXAS WATER WELL SERVICE
Driller Name:	RONNY KEITH		
Drill Start Date:	2003-08-14	Drill Finish Date:	2003-09-11
Log File Date:	2003-09-23	PCW Rcv Date:	Source: Artesian
Pump Type:	Pipe Discharge Size:	Estimated Yield:	
Casing Size:	Depth Well:	970	Depth Water:

Water Bearing Stratifications:

Top	Bottom	Description
0	2	Other/Unknown
2	16	Sandstone/Gravel/Conglomerate
16	29	Sandstone/Gravel/Conglomerate
29	95	Sandstone/Gravel/Conglomerate
95	225	Sandstone/Gravel/Conglomerate
225	577	Sandstone/Gravel/Conglomerate
577	610	Sandstone/Gravel/Conglomerate
610	622	Sandstone/Gravel/Conglomerate
622	639	Sandstone/Gravel/Conglomerate
639	662	Sandstone/Gravel/Conglomerate
662	722	Sandstone/Gravel/Conglomerate
722	735	Sandstone/Gravel/Conglomerate
735	754	Sandstone/Gravel/Conglomerate
754	775	Sandstone/Gravel/Conglomerate
775	782	Sandstone/Gravel/Conglomerate

Top	Bottom	Description
782	792	Sandstone/Gravel/Conglomerate
792	863	Sandstone/Gravel/Conglomerate
863	932	Sandstone/Gravel/Conglomerate
932	948	Sandstone/Gravel/Conglomerate
948	970	Sandstone/Gravel/Conglomerate

Casing Perforations:

Top	Bottom
755	773

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4/17/26 5:32 PM MST

Point of Diversion Summary

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Point of Diversion Summary

quarters are 1=NW 2=NE 3=SW 4=SE
quarters are smallest to largest

NAD83 UTM in meters

Well Tag	POD Nbr	Q64	Q16	Q4	Sec	Tws	Rng	X	Y	Map
NA	C 04691 POD1	SW	SW	SW	35	21S	31E	617014.9	3588637.1	

* UTM location was derived from PLSS - see Help

Driller License:	1184	Driller Company:	WEST TEXAS WATER WELL SERVICE
Driller Name:	RUSSELL SOUTHERLAND		
Drill Start Date:	2023-01-12	Drill Finish Date:	2023-01-12
Log File Date:	2023-02-20	PCW Rcv Date:	
Pump Type:		Pipe Discharge Size:	
Casing Size:		Depth Well:	110
		Depth Water:	

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

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Point of Diversion Summary

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APPENDIX B: PHOTOLOG & FIELD NOTES

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NW 300 330 30 NE 60

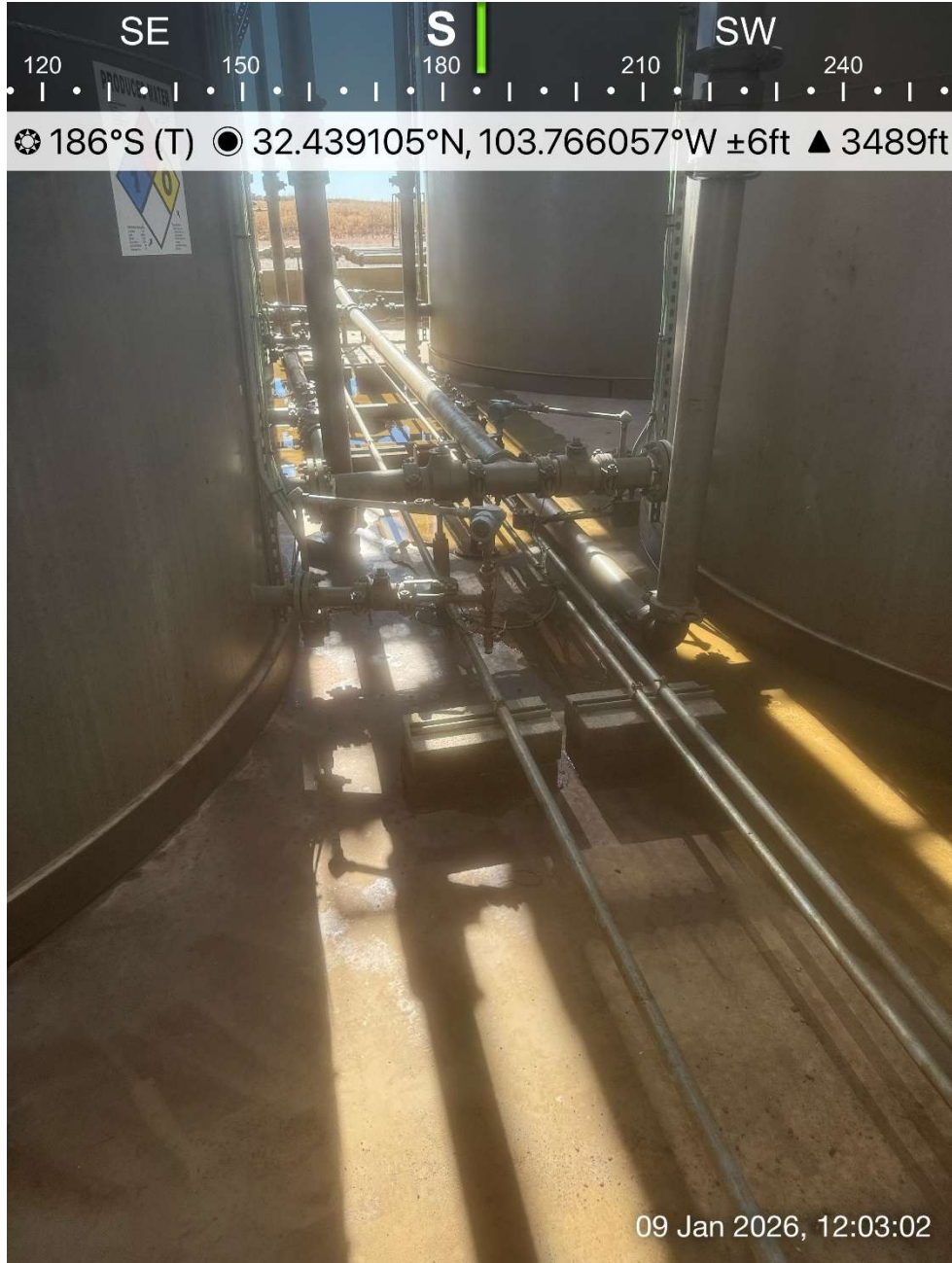
360°N (T) 32.439003°N, 103.765983°W ±6ft 3489ft

09 Jan 2026, 12:02:29

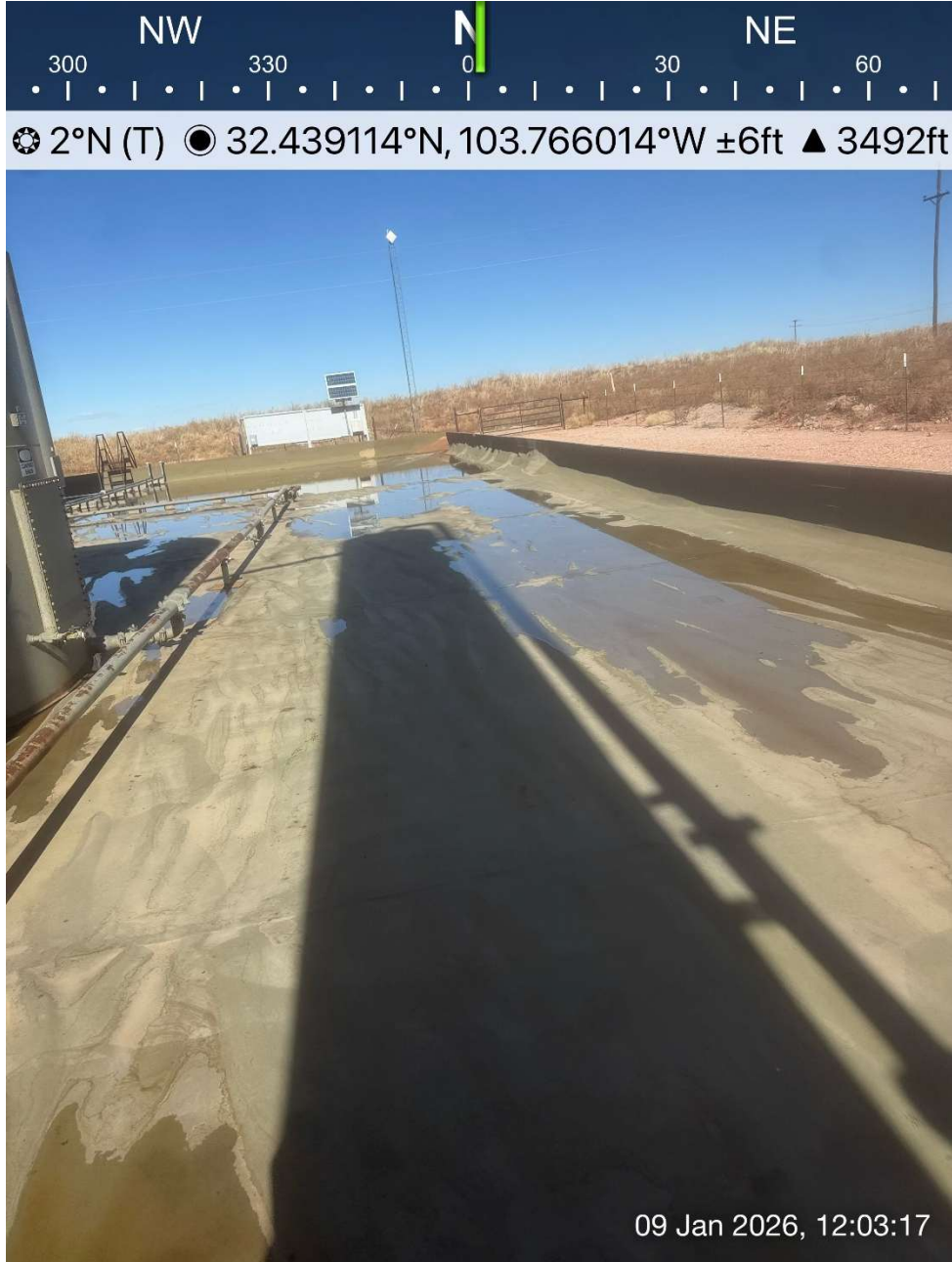
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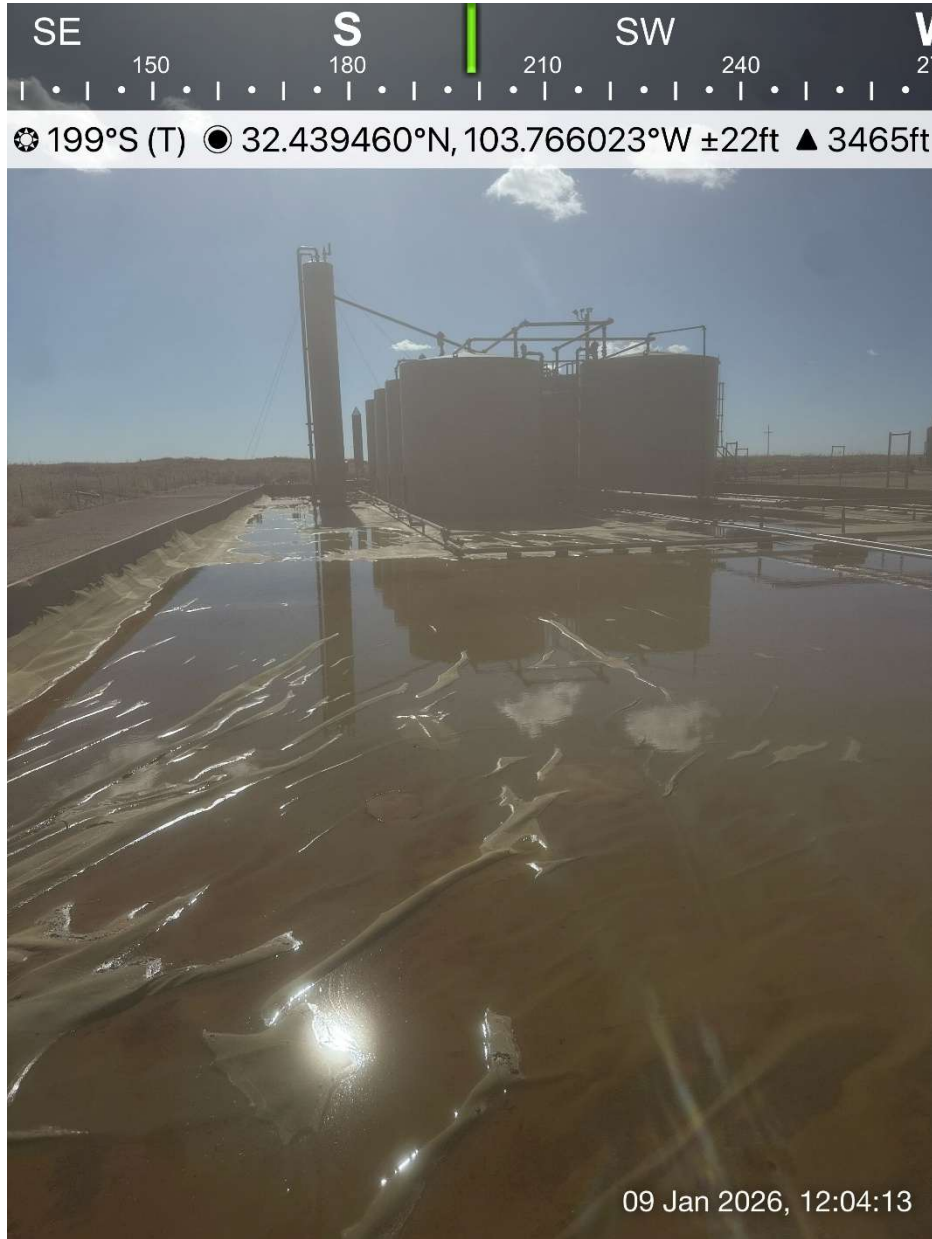
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SE 150 S 180 SW 210 240 27

199°S (T) 32.439460°N, 103.766023°W ±22ft ▲ 3465ft

09 Jan 2026, 12:04:13

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APPENDIX C: LINER INSPECTION NOTIFICATION

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Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 513051

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 513051
	Action Type: [NOTIFY] Notification Of Release (NOR)

QUESTIONS

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	MERLYN 27-22 FED CTB
Date Release Discovered	10/07/2025
Surface Owner	State

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Human Error Valve Produced Water Released: 5 BBL Recovered: 5 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Valve inadvertently left open on recycle pump. Allowed release of fluids to lined secondary containment.

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QUESTIONS, Page 2

Action 513051

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 513051
	Action Type: [NOTIFY] Notification Of Release (NOR)

QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	More volume information must be supplied to determine if this will be treated as a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No
Reasons why this would be considered a submission for a notification of a major release	<i>Unavailable.</i>
<i>With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.</i>	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	<i>Not answered.</i>

Per Paragraph 4 of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

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ACKNOWLEDGMENTS

Action 513051

ACKNOWLEDGMENTS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 513051
	Action Type: [NOTIFY] Notification Of Release (NOR)

ACKNOWLEDGMENTS

<input checked="" type="checkbox"/>	I acknowledge that I am authorized to submit notification of a release on behalf of my operator.
<input checked="" type="checkbox"/>	I acknowledge that upon submitting this application, I will be creating a new incident file (assigned to my operator) to track the notification(s) and corrective action(s) for a release, pursuant to NMAC 19.15.29.
<input checked="" type="checkbox"/>	I acknowledge that creating a new incident file will require my operator to file subsequent submission(s) of form "C-141, Application for administrative approval of a release notification and corrective action", pursuant to NMAC 19.15.29.
<input checked="" type="checkbox"/>	I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment.
<input checked="" type="checkbox"/>	I acknowledge the fact that the acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment.
<input checked="" type="checkbox"/>	I acknowledge the fact that, in addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

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CONDITIONS

Action 513051

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 513051
	Action Type: [NOTIFY] Notification Of Release (NOR)

CONDITIONS

Created By	Condition	Condition Date
jralej	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141.	10/7/2025

Spill Volume Calculations		Page 1 of 5
Free Standing Fluid Volume		
How do you want to enter area?	Total area from app	
Area from app (ft ²)	1400.30	
Depth of fluid	0.50 in	
Number of Tanks in Fluid Affected Area (if any):	4	
Tank Diameter (if needed):	15.0 ft	
Volume of Standing Fluid	5.15 bbl	
Contaminated Soil Calculations		
How do you want to enter area?	Total area from app	
Area from app (ft ²)		
Depth of impacted soil	in	
Soil Type	Caliche	
Spilled Material	Crude Oil	
Soil Saturation	Very Dry - Soil hard or rock-like and sand is flowable	
Volume of Spill In Soil	0.00 bbls	
Total Spill Volume	5.15 bbls	

Received by OCD: 10/13/2025 5:12:44 PM

Released to Imaging: 10/14/2025 3:26:14 PM

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QUESTIONS

Action 514788

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514788
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2528078197
Incident Name	NAPP2528078197 MERLYN 27-22 FED CTB @ FAPP2123648262
Incident Type	Produced Water Release
Incident Status	Initial C-141 Received
Incident Facility	[fAPP2123648262] MERLYN 27-22 FED CTB

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	MERLYN 27-22 FED CTB
Date Release Discovered	10/07/2025
Surface Owner	State

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Human Error Valve Produced Water Released: 5 BBL Recovered: 5 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Valve inadvertently left open on recycle pump. Allowed release of fluids to lined secondary containment.

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QUESTIONS, Page 2

Action 514788

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514788
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	More info needed to determine if this will be treated as a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No
Reasons why this would be considered a submission for a notification of a major release	<i>Unavailable.</i>
<i>With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.</i>	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	<i>Not answered.</i>

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dvn.com Date: 10/13/2025
--	--

Sante Fe Main Office
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QUESTIONS, Page 3

Action 514788

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514788
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Site Characterization

Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Not answered.
What method was used to determine the depth to ground water	Not answered.
Did this release impact groundwater or surface water	Not answered.
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Not answered.
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.
An occupied permanent residence, school, hospital, institution, or church	Not answered.
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.
Any other fresh water well or spring	Not answered.
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.
A wetland	Not answered.
A subsurface mine	Not answered.
An (non-karst) unstable area	Not answered.
Categorize the risk of this well / site being in a karst geology	Not answered.
A 100-year floodplain	Not answered.
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.

Remediation Plan

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	No
<i>The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.</i>	

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 514788

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 514788
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

CONDITIONS

Created By	Condition	Condition Date
nvez	None	10/14/2025

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**State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505**

QUESTIONS

Action 540390

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 540390
	Action Type: [NOTIFY] Notification Of Liner Inspection (C-141L)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2528078197
Incident Name	NAPP2528078197 MERLYN 27-22 FED CTB @ FAPP2123648262
Incident Type	Produced Water Release
Incident Status	Initial C-141 Approved
Incident Facility	[fAPP2123648262] MERLYN 27-22 FED CTB

Location of Release Source	
Site Name	MERLYN 27-22 FED CTB
Date Release Discovered	10/07/2025
Surface Owner	State

Liner Inspection Event Information	
<i>Please answer all the questions in this group.</i>	
What is the liner inspection surface area in square feet	10,076
Have all the impacted materials been removed from the liner	Yes
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	01/09/2026
Time liner inspection will commence	12:00 PM
Please provide any information necessary for observers to liner inspection	Lupe Carrasco (575) 725-0787
Please provide any information necessary for navigation to liner inspection site	32.43901,-103.76607

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CONDITIONS

Action 540390

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 540390
	Action Type: [NOTIFY] Notification Of Liner Inspection (C-141L)

CONDITIONS

Created By	Condition	Condition Date
jraley	Failure to notify the OCD of liner inspections including any changes in date/time per the requirements of 19.15.29.11.A(5)(a)(ii) NMAC, may result in the inspection not being accepted.	1/6/2026

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QUESTIONS

Action 591274

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591274
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2528078197
Incident Name	NAPP2528078197 MERLYN 27-22 FED CTB @ FAPP2123648262
Incident Type	Produced Water Release
Incident Status	Remediation Closure Report Received
Incident Facility	[fAPP2123648262] MERLYN 27-22 FED CTB

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	MERLYN 27-22 FED CTB
Date Release Discovered	10/07/2025
Surface Owner	State

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Human Error Valve Produced Water Released: 5 BBL Recovered: 5 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Valve inadvertently left open on recycle pump. Allowed release of fluids to lined secondary containment.

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QUESTIONS, Page 2

Action 591274

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591274
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	More info needed to determine if this will be treated as a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No
Reasons why this would be considered a submission for a notification of a major release	<i>Unavailable.</i>
<i>With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.</i>	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	<i>Not answered.</i>

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dvn.com Date: 06/03/2026
--	--

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QUESTIONS, Page 3

Action 591274

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591274
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Site Characterization

Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Between 100 and 500 (ft.)
What method was used to determine the depth to ground water	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Greater than 5 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Greater than 5 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Greater than 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Greater than 5 (mi.)
Any other fresh water well or spring	Greater than 5 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Greater than 5 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	None
A 100-year floodplain	Greater than 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	Yes
<i>Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.</i>	
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
On what estimated date will the remediation commence	12/15/2026
On what date will (or did) the final sampling or liner inspection occur	12/15/2025
On what date will (or was) the remediation complete(d)	12/15/2025
What is the estimated surface area (in square feet) that will be remediated	10076
What is the estimated volume (in cubic yards) that will be remediated	0

These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed. The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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QUESTIONS, Page 4

Action 591274

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591274
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Remediation Plan (continued)	
<i>Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:	
<i>(Select all answers below that apply.)</i>	
Is (or was) there affected material present needing to be removed	No
Is (or was) there a power wash of the lined containment area (to be) performed	Yes
OTHER (Non-listed remedial process)	Not answered.
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.	
I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dvnm.com Date: 06/03/2026
<i>The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.</i>	

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QUESTIONS, Page 6

Action 591274

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591274
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Liner Inspection Information	
Last liner inspection notification (C-141L) recorded	540390
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	01/09/2026
Was all the impacted materials removed from the liner	Yes
What was the liner inspection surface area in square feet	10076

Remediation Closure Request	
<i>Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.</i>	
Requesting a remediation closure approval with this submission	Yes
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
What was the total surface area (in square feet) remediated	10076
What was the total volume (cubic yards) remediated	0
Summarize any additional remediation activities not included by answers (above)	Liner Inspected

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (in .pdf format) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.ralej@dv.com Date: 06/03/2026
--	---

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CONDITIONS

Action 591274

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591274
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

CONDITIONS

Created By	Condition	Condition Date
nvelez	Liner inspection approved, release resolved. Restoration complete.	6/5/2026