

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
OCD ArtesiaFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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 reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. LAGUNA SALADO 22 FEDERAL 6H
2. Name of Operator DEVON ENERGY Contact: MELANIE CRAWFORD E-Mail: melanie.crawford@dmv.com	9. API Well No. 30-015-37371
3a. Address 20 NORTH BROADWAY OKLAHOMA CITY, OK 73102	10. Field and Pool, or Exploratory HARROUN RANCH, DELAWARE NE
3b. Phone No. (include area code) Ph: 405-552-4524	11. County or Parish, and State EDDY COUNTY COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T23S R29E	

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

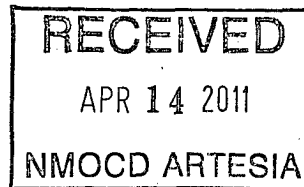
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Off-Lease Measurem t
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 CTB, Off Lease Gas Measurement & Sales for the following wells:

Laguna Salado 22 Federal 2 (API: 30-015-34677), Laguna Salado 22 Federal 3H (API: 30-015-35073), Laguna Salado 22 Federal 4H (API: 30-015-36461), Laguna Salado 22 Federal 5H (API: 30-015-36738), Laguna Salado 22 Federal 6H (API: 30-015-37371), Laguna Salado ~~SOUTH~~ 1 (API: 30-015-26407)

The CTB and header are located at the Laguna Salado South Unit 1 site. Production from all the wells will flow to the header, then the P/W Separator. The gas will then flow to DCP CDP Sales Meter 718711-000 located approximately 1/2 a mile north in Sec 15, T23S, R29E, Eddy County, New Mexico. No other wells are connected to the gas line and reported gas volumes are the CDP sales meter volumes.

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #104462 verified by the BLM Well Information System For DEVON ENERGY, sent to the Carlsbad	
Name (Printed/Typed) MELANIE CRAWFORD	Title OPERATIONS
Signature (Electronic Submission)	Date 03/16/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <i>J.D. W. Little</i>	Title <i>LPE 7</i>	Date <i>4/12/11</i>
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 <i>CFO</i>

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.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

Accepted for record - NMOCD

4-18-11

**Additional data for EC transaction #104462 that would not fit on the form**

---

**32. Additional remarks, continued**

ROW will or has already been obtained.

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

**Laguna Salado South Unit #1**  
**API 30-015-26407**  
**22-23S-29E**

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:

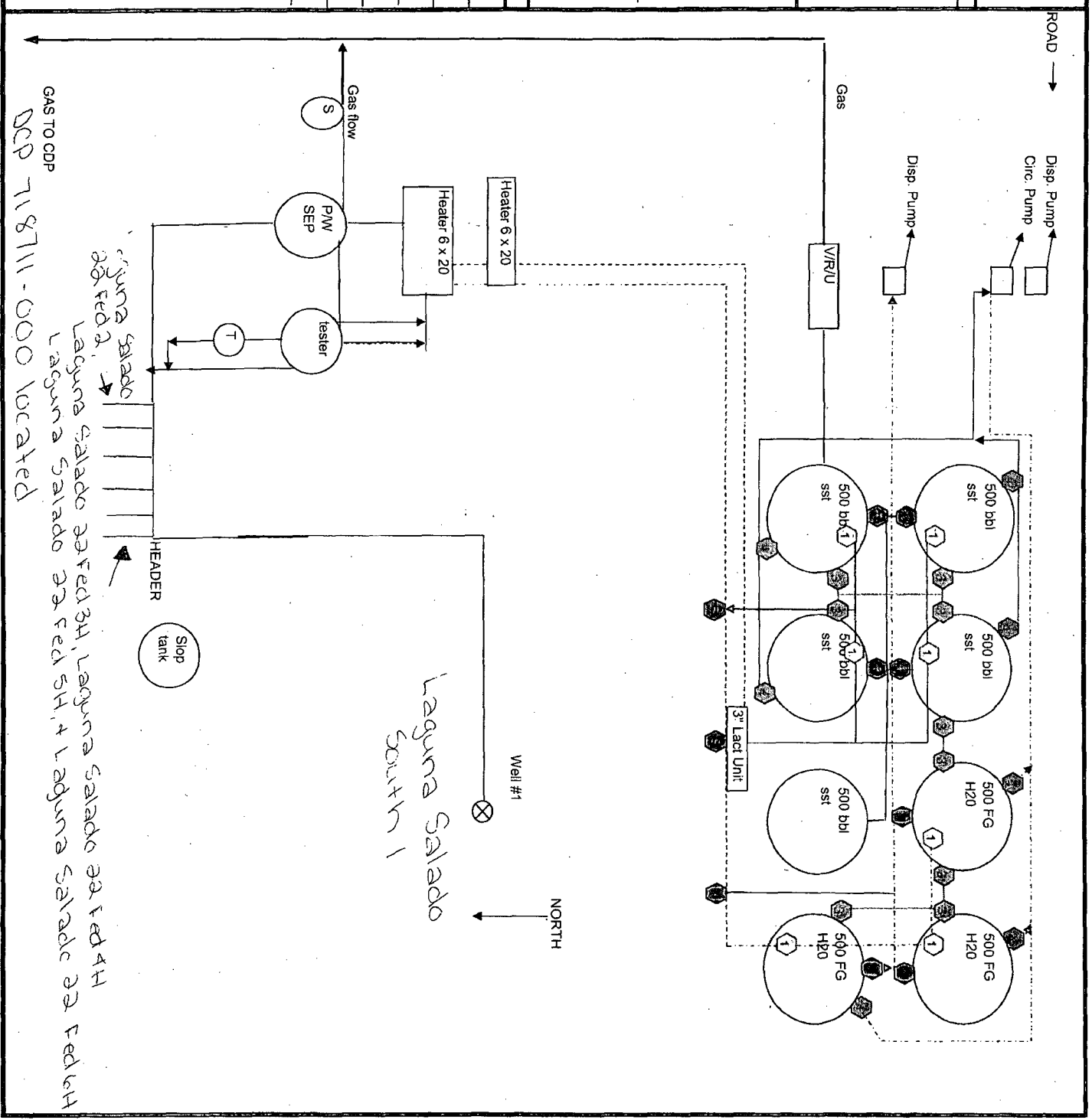
Wellhead:

Stak-pak:

Production line:

Water line:

Gas Meter





Ken Gray  
Senior Advisor, Land

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

February 24, 2011

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

Re: Off Lease Gas Measurement and Sales  
Laguna Salado Lease  
Section 22-T23S-R29E  
Eddy County, New Mexico

Gentlemen:

I have reviewed the files of Devon Energy Production Company, L.P. ("Devon") regarding the ownership of the wells listed below and the associated federal oil and gas lease NM-66425 and find that the ownership of the working interest, royalty and overriding royalty interests are uniform with respect to Devon's application for Off Lease Gas Measurement and Sales from the following pool, insofar as such pool covers the following wells:

Laguna Salado 22 Federal 2	API: 30-015-34677	96878 – Harroun Ranch; Delaware NE
Laguna Salado 22 Federal 3H	API: 30-015-35073	96878 – Harroun Ranch; Delaware NE
Laguna Salado 22 Federal 4H	API: 30-015-36461	96878 – Harroun Ranch; Delaware NE
Laguna Salado 22 Federal 5H	API: 30-015-36738	96878 – Harroun Ranch; Delaware NE
Laguna Salado 22 Federal 6H	API: 30-015-37371	96878 – Harroun Ranch; Delaware NE
Laguna Salado SOUTH 1	API: 30-015-26407	96878 – Harroun Ranch; Delaware NE

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.

Ken Gray  
Senior Advisor, Land

CHK, Liberty, etal  
11/2013

16



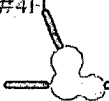
15

14

NM-66425

Laguna Salada 22 Fed #4H

Laguna Salada 22 Fed #2H



Laguna Salada 22 Fed #6H

Laguna Salada 22 Fed #5H



Laguna Salada South Unit #1

21

23S229E

23

/2017

Laguna Salada 22 Fed #3H

Yeso  
Salazar  
McHines  
Double R  
Star  
McHeb

Chesapeake  
Oxy  
Chevron  
Allar  
Twin Montana

27

26



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@dvn.com](mailto:Melanie.Crawford@dvn.com)

March 15, 2011

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

**Re: Central Tank Battery, Off Lease Gas Measurement & Sales  
Laguna Salado 22 Federal 2, Laguna Salado 22 Federal 3  
Laguna Salado 22 Federal 4H, Laguna Salado 22 Federal 5H  
Laguna 22 Federal 6H, & Laguna Salado South Unit 1  
API # 30-015-34677, 30-015-35073, 30-015-36461, 30-015-36738, 30-015-37371, &  
30-015-26407  
Sec 22-T23S-29E  
Lease NM-66425  
Harroun Ranch; Delaware NE - Pool Code: 96878  
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 a Central Tank Battery and Off Lease Gas Measurement & Sales of the aforementioned wells. The working interest, royalty interest and overriding royalty interest owners in the lease are unformed; 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

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

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.

Melanie Crawford  
 Print or Type Name

Signature

Regulatory Analyst  
 Title

Date

Melanie.Crawford@dvn.com  
 e-mail Address

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

## Energy, Minerals and Natural Resources

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 ☒ STATE ☐ FEE ☐

6. State Oil &amp; Gas Lease No.

NM-66425

7. Lease Name or Unit Agreement Name

See Below

8. Well Number

See Below

9. OGRID Number

6137

10. Pool name or Wildcat

96878 - Harroun Ranch; Delaware NE

## 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

Unit Letter \_\_\_\_\_ feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_ line

Section 22 Township 23S Range 29E NMPM Eddy County New Mexico

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

n/a

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 &amp; 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 CTB, Off Lease Gas Measurement & Sales for the following wells:

Laguna Salado 22 Federal 2H (API: 30-015-34677), Laguna Salado 22 Federal 3H (API: 30-015-35073), Laguna Salado 22 Federal 4H (API: 30-015-36461), Laguna Salado 22 Federal 5H (API: 30-015-36738), Laguna Salado 22 Federal 6H (API: 30-015-37371), Laguna Salado South Unit 1 (API: 30-015-26407)

The CTB and header are located at the Laguna Salado South Unit 1 site. Production from all the wells will flow to the header, then the P/W Separator. The gas will then flow to DCP CDP Sales Meter 718711-000 located approximately 1/2 a mile north in Sec 15, T23S, R29E, Eddy County, New Mexico. No other wells are connected to the gas line and reported gas volumes are the CDP sales meter volumes.

ROW will or has already been obtained.

The working interest, royalty interest and overriding royalty interest owners in the lease are uniformed; no additional 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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Melanie Crawford TITLE Regulatory Analyst DATE 3-15-11Type or print name Melanie CrawfordE-mail address: Melanie.Crawford@devn.comTelephone No. (405) 552-4524

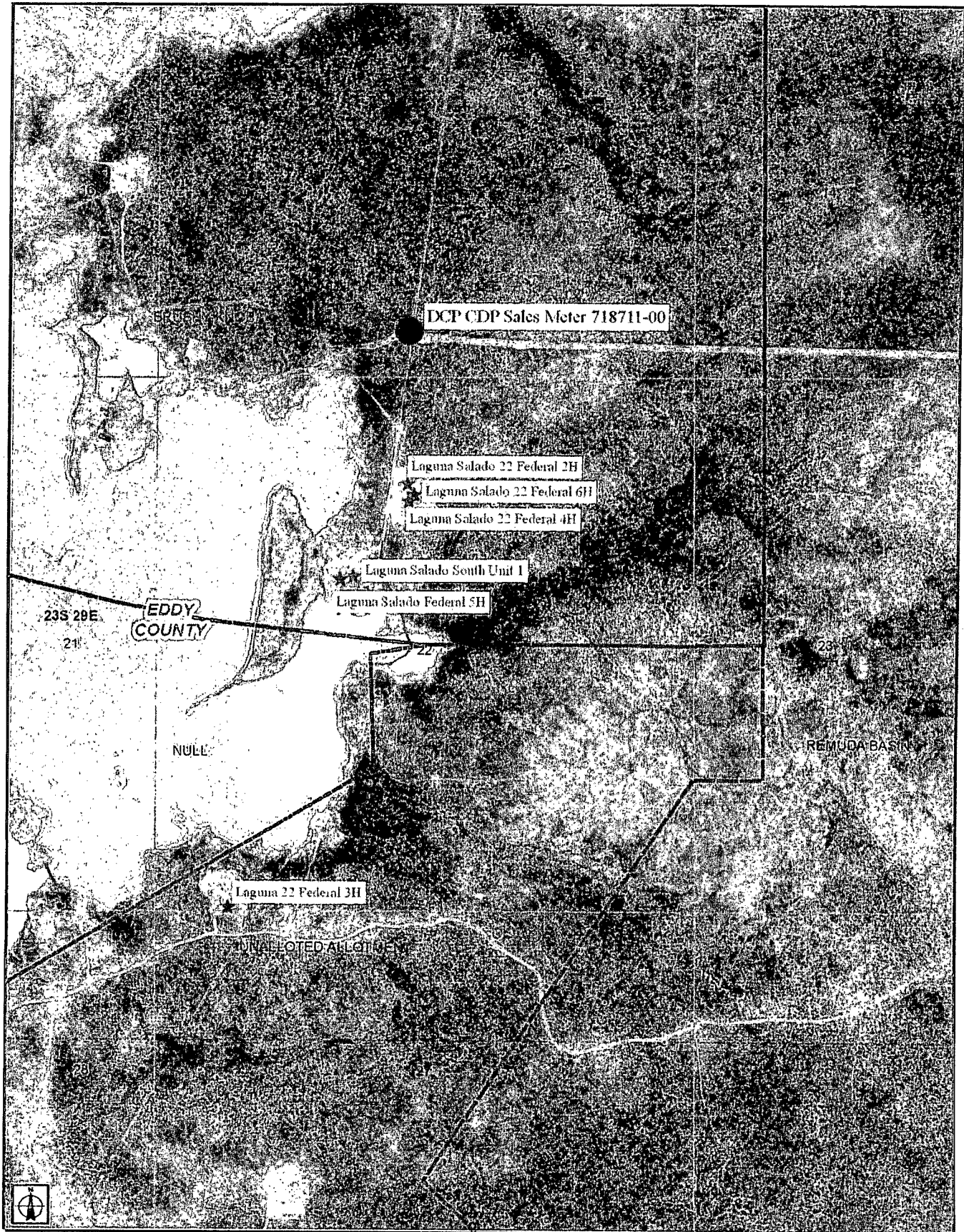
For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_



OFF LEASE PRODUCTION - EDDY COUNTY								
	08/01/10	09/01/10	10/01/10	11/01/10	12/01/10	01/01/11	02/01/11	03/01/11
Well Name	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas	Sum Est Gas
Laguna Salado 22 Federal 2H	2,568.2	2,503.71	2,750.73	2,394.05	2,583.31	2,105.21	1,776.42	151.21
Laguna Salado 22 Federal 3H	9,321.17	4,696.98	6,029.19	6,026.1	6,128.85	5,559.74	4,801.13	408.68
Laguna Salado 22 Federal 4H	4,898.77	5,036.18	1,594.93	0	0	0	0	0
Laguna Salado 22 Federal 5H	4,803.87	4,898.54	6,459.55	6,323.2	6,312.97	5,625.63	4,825.15	410.73
Laguna Salado 22 Federal 6H	0	0	0	0	0	0	0	0
Laguna Salado South Unit 1	1,828.13	1,691.67	2,041.65	1,796.73	1,773.96	1,520.36	1,320.35	112.39



016

NMNM 111416

015

014

NMNM 0554223

DCP CDP Sales Meter  
718711-00

Flow line to sales meter

Laguna Salado 22 Fed 2

Laguna Salado 22 Fed 6H

Laguna Salado 22 Fed 4H

Flow line to Facility

Laguna Salado 22 Fed 5H

Laguna Salado 1

T 023  
R 029

021

NMNM 066425

022

023

NMNM 119272

NMNM 103603

Laguna Salado 22 Fed 3H

NMNM 067103

028

NMNM 105557

027

026

NMNM 086024

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

**Off-Lease Measurement**

**Conditions of Approval: Laguna Salado Wells, Devon Energy**

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. No gas may be vented without proper measurement and prior approval. Any gas vented must be flared.
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.