District !
1625 N. French Dr., Hobbs, NM 88240
District !!
1301 W. Grand Avenue, Artesia, NM 88210
District !!!
1000 Rio Brazos Road, Aztec, NM 87410
District !V
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr.

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD

| District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 | Santa Fe, NM 87505 Part of Devon Clean-up Program | provide a copy to the appropriate NMOCD District Office. |
|---|--|---|
| | , Closed-Loop System, Below-Grade Tar Alternative Method Permit or Closure Pla | |
| Type of action: ☐ Permit ☐ Closure ☐ Modifi | of a pit, closed-loop system, below-grade tank, or e of a pit, closed-loop system, below-grade tank, cation to an existing permit e plan only submitted for an existing permitted or | or proposed alternative method or proposed alternative method |
| •• | ication (Form C-144) per individual pit, closed-loop system | · · · · · · |
| | at relieve the operator of <u>liability</u> should operations result of its responsibility to comply with any other applicable g | |
| 1. | | |
| 1 | FION COMPANY, L.P. OGRID #: van, Farmington, NM 87401 | |
| | van, raminigion, Nivi 6/401 | |
| | OCD Permit Number: | |
| j. | Township 31-N Range 07-W | |
| | 688 Longitude -107.54518 | |
| Surface Owner: X Federal X State Private | | |
| 2. | | |
| Pit: Subsection F or G of 19.15.17.11 NMA | AC | |
| Temporary: Drilling Workover | | |
| ☐ Permanent ☐ Emergency ☐ Cavitation ☐ | P&A | |
| ☐ Lined ☐ Unlined Liner type: Thickness _ | | her |
| String-Reinforced | | |
| Liner Seams: Welded Factory Other | Volume: <u>12,857</u> _bbl | Dimensions: L 120' x W 75' x D 10' |
| 3. Closed-loop System: Subsection H of 19.15 | 17.11 ND44C | |
| | vell Workover or Drilling (Applies to activities when the second control of the second | high require prior approval of a permit or notice of |
| intent) | Worker of Dinning (Applies to activities wi | |
| Drying Pad Above Ground Steel Tanks | | Other Other |
| | mil LLDPE HDPE PVC | Other |
| Liner Seams: Welded Factory Other | | Other CEIVED & |
| 4. Below-grade tank: Subsection I of 19.15.17 | 7.11 NMAC | overflow shut-off |
| | fluid: | LE WS DIV. |
| Tank Construction material: | | COLOR LA CHÂN |
| ☐ Secondary containment with leak detection [| ☐ Visible sidewalls, liner, 6-inch lift and automatic o | overflow shut-off |
| | valls only Other | |
| Liner type: Thicknessmi | HDPE PVC Other | |
| 5. | | |
| Alternative Method: Submittal of an exception request is required. Ex | sceptions must be submitted to the Santa Fe Environm | ental Bureau office for consideration of approval |
| Submittal of all exception reduces is reduced. | respinois must be submitted to the same i e shirthomic | |
| | | 23 |
| -society; ropographic map | | - · · · |
| Within a 100-year floodplain FEMA map | | ☐ Yes ☐ No |
| | | |
| | | |
| | | |
| closure plan. Please indicate, by a check mark in i | the Love that the January of the Love that the Love the | rne-jouowing uems musi ve auacnea wine |
| Protocols and Procedures - based upon the ap | propriate requirements of 19.15.17.13 NMAC | |
| ☐ Disposal Facility Name and Permit Number (| based upon the appropriate requirements of Subsectio for liquids, drilling fluids and drill cuttings) | |
| Soil Backfill and Cover Design Specifications | s - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMA | tion H of 19.15.17.13 NMAC |
| Site Reclamation Plan - based upon the appropri | operiate requirements of Subsection 1 of 19.15.17.13 NMA operiate requirements of Subsection G of 19.15.17.13 N | IMAC |
| | | |
| | | |
| | | |

| Name (Print): Mike Pippin | Title: Petroleum Engineer |
|------------------------------------|---------------------------|
| Signature: Milotyppin | Date: June 23, 2009 |
| e-mail address: mike@pippinllc.com | Telephone: 505-327-4573 |

| Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks) | | | | | | | |
|--|---|--|--|--|--|--|--|
| Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospit institution on abuseh) | | | | | | | |
| institution or church) ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet | | | | | | | |
| Alternate. Please specify | | | | | | | |
| 7. | | | | | | | |
| Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) | | | | | | | |
| Screen Netting Other | | | | | | | |
| Monthly inspections (If netting or screening is not physically feasible) | | | | | | | |
| 8. Signs: Subsection C of 19.15.17.11 NMAC | | | | | | | |
| 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers | | | | | | | |
| ☐ Signed in compliance with 19.15.3.103 NMAC | | | | | | | |
| 9. | | | | | | | |
| Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. | | | | | | | |
| Please check a box if one or more of the following is requested, if not leave blank: | | | | | | | |
| Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval. | office for | | | | | | |
| Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. | | | | | | | |
| 10. Siting Critoria (regarding parmitting): 10.15.17.10 NMAC | | | | | | | |
| Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acce | | | | | | | |
| material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appro office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a | | | | | | | |
| Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system. | | | | | | | |
| Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. | ☐ Yes ☐ No | | | | | | |
| - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | | | | | | | |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). | ☐ Yes ☐ No | | | | | | |
| - Topographic map; Visual inspection (certification) of the proposed site | | | | | | | |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) | ☐ Yes ☐ No ☐ NA | | | | | | |
| - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | | | | | | | |
| Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. | ☐ Yes ☐ No☐ NA | | | | | | |
| (Applies to permanent pits) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | | | | | | | |
| Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock | ☐ Yes ☐ No | | | | | | |
| watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site | | | | | | | |
| Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance | ☐ Yes ☐ No | | | | | | |
| adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality | | | | | | | |
| Within 500 feet of a wetland. | □ v□ v- | | | | | | |
| - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | ☐ Yes ☐ No | | | | | | |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | ☐ Yes ☐ No | | | | | | |
| Within an unstable area. | ☐ Yes ☐ No | | | | | | |
| Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map | | | | | | | |
| Within a 100-year floodplain FEMA map | ☐ Yes ☐ No | | | | | | |

| Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number: |
|---|
| |
| Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC |
| Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Previously Approved Design (attach copy of design) API Number: |
| Previously Approved Operating and Maintenance Plan API Number:(Applies only to closed-loop system that use |
| above ground steel tanks or haul-off bins and propose to implement waste removal for closure) |
| Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. |
| Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration) |
| Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC |

| Waste Removal Closure For Closed-loop Systems That Utilize Above Ground State Instructions: Please indentify the facility or facilities for the disposal of liquids, facilities are required. | | | | | | | |
|--|---|------------------------|--|--|--|--|--|
| Disposal Facility Name: | Disposal Facility Permit Number: | | | | | | |
| Disposal Facility Name: Disposal Facility Permit Number: | | | | | | | |
| Will any of the proposed closed-loop system operations and associated activities of ☐ Yes (If yes, please provide the information below) ☐ No | | | | | | | |
| Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection | requirements of Subsection H of 19.15.17.13 NMA I of 19.15.17.13 NMAC | С | | | | | |
| Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may required considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC | e administrative approval from the appropriate dist I Bureau office for consideration of approval. Just | trict office or may be | | | | | |
| Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data | obtained from nearby wells | ☐ Yes ☐ No ☐ NA | | | | | |
| Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data | obtained from nearby wells | ☐ Yes ☐ No ☐ NA | | | | | |
| Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | | | | | | | |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sig lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site | nificant watercourse or lakebed, sinkhole, or playa | ☐ Yes ☐ No | | | | | |
| Within 300 feet from a permanent residence, school, hospital, institution, or church Visual inspection (certification) of the proposed site; Aerial photo; Satellite | | ☐ Yes ☐ No | | | | | |
| Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site | | | | | | | |
| Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approv | • | ☐ Yes ☐ No | | | | | |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visus | al inspection (certification) of the proposed site | ☐ Yes ☐ No | | | | | |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining | and Mineral Division | ☐ Yes ☐ No | | | | | |
| Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map | y & Mineral Resources; USGS; NM Geological | ☐ Yes ☐ No | | | | | |
| Within a 100-year floodplain FEMA map | | ☐ Yes ☐ No | | | | | |
| 18. On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. □ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Construction/Design Plan of Temporary Pit (for in-place burial of a drying protocols and Procedures - based upon the appropriate requirements of 19.1 □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and Compliant of Soil Cover Design - based upon the appropriate requirements of Subsection □ Re-vegetation Plan - based upon the appropriate requirements of Subsection □ Site Reclamation Plan - based upon the appropriate requirements of Subsection | uirements of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC oppropriate requirements of 19.15.17.11 NMAC ad) - based upon the appropriate requirements of 19. 5.17.13 NMAC uirements of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC lrill cuttings or in case on-site closure standards cann H of 19.15.17.13 NMAC I of 19.15.17.13 NMAC | 15.17.11 NMAC | | | | | |

| Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and comple | ete to the best of my knowledge and belief. |
|--|--|
| Name (Print): Title: _ | |
| Signature: Dat | e: |
| e-mail address: Telepho | one: |
| 20. OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only). ☐ | OCD Conditions (see attachment) |
| OCD Representative Signature: | Approval Date: 1/01/2011 |
| | t Number: |
| 21. Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17. Instructions: Operators are required to obtain an approved closure plan prior to implementin The closure report is required to be submitted to the division within 60 days of the completion section of the form until an approved closure plan has been obtained and the closure activities. | g any closure activities and submitting the closure report. of the closure activities. Please do not complete this |
| ⊠ Closur | re Completion Date: 11/25/08 |
| 22. Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure M ☐ If different from approved plan, please explain. | Method Waste Removal (Closed-loop systems only) |
| 23. Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize A Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and two facilities were utilized. | |
| Disposal Facility Name: Disposal Fac | cility Permit Number: |
| Disposal Facility Name: Disposal Fac | cility Permit Number: |
| Were the closed-loop system operations and associated activities performed on or in areas that w Yes (If yes, please demonstrate compliance to the items below) No | ill not be used for future service and operations? |
| Required for impacted areas which will not be used for future service and operations: Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique | |
| 24. Closure Report Attachment Checklist: Instructions: Each of the following items must be attemark in the box, that the documents are attached. □ Proof of Closure Notice (surface owner and division) □ Proof of Deed Notice (required for on-site closure) □ Plot Plan (for on-site closures and temporary pits) □ Confirmation Sampling Analytical Results (if applicable) □ Waste Material Sampling Analytical Results (required for on-site closure) □ Disposal Facility Name and Permit Number □ Soil Backfilling and Cover Installation □ Re-vegetation Application Rates and Seeding Technique □ Site Reclamation (Photo Documentation) □ On-site Closure Location: Latitude N36.85688 Longitude W-107. | |
| 25. Operator Closure Certification: | |
| I hereby certify that the information and attachments submitted with this closure report is true, at belief. I also certify that the closure complies with all applicable closure requirements and conditions. | |
| Name (Print): Mike Pippin Title: | Petroleum Engineer |
| Signature: Milatuppin Dat | te: <u>June 23, 2009</u> |
| e-mail address: mike@pippinllc.com Telephon | ne: <u>505-327-4573</u> |

DEVON ENERGY PIT CLOSURE NEBU #68N

Block #24, Box #4

The attached analytical data was taken by Blagg Engineering & analyzed by Envirotech Laboratories and passed all the State criteria.

Block #24, Box #6

All liquids were hauled to one of the following company disposal wells:

Middle Mesa SWD #2 SWD-441
Middle Mesa SWD #1 SWD-365
Simms Mesa SWD #1 SWD-339
Pump Mesa SWD #1 SWD-366

Block #24, Box #7

The liner was removed above "mud level" after stabilization. Pit contents were mixed with clean soil. After solidification and testing, the pit was backfilled with compacted, non-waste containing, soil. The pit was filled with clean excavated dirt and covered with 1 foot of top soil.

Block #24, Box #8

The area where the temporary drilling pit has been buried in place was seeded on 12/5//08 with 50 lbs of BLM seed mix for precipitation less than 10". The total acreage was 2.5 acres. The seed rate was 20 lbs PLS/acre for mechanical and 35 lbs PLS/acre for hand/broadcast and Harrow. The drilling pit on this well (#68N) was also used for the drilling of #257H.

| Submit To Appropriate Two Copies | nate Distric | t Office | • | State of New Mexico Energy, Minerals and Natural Resources | | | | | | | Form C-105 | | | | | | | | | |
|--|------------------|--------------|---------------------------------------|--|---------------------------------------|------------------------|----------|-----------------|--|------------|------------|--|-----------|---------------------------------------|--|------------|--------------|--|--|--|
| District I 1625 N. French Dr | , Hobbs, N | M 8824 | 40 | En | ergy, l | Minerals and | d Nat | ural | Re | sources | | July 17, 2008 1. WELL API NO. | | | | | | | | |
| District II 1301 W. Grand Av | enue, Artes | ia, NM | 88210 | | Oi | l Conserva | tion l | Divi | isio | m | | 30-045-34 | 677 | | | | | | | |
| District III 1000 Rio Brazos R | d., Aztec, N | VM 874 | 110 | 1220 South St. Francis Dr. | | | | | | | | 2. Type of Lease ☐ STATE ☐ FEE ☐ FED/INDIAN | | | | | | | | |
| District IV 1220 S. St Francis | Dr., Santa | Fe, NM | 1 87505 | | | | | | | | | 3. State Oil & Gas Lease No | | | | | | | | |
| WELL COMPLETION OR RECOMPLETION REPORT AND LOG | | | | | | | | | 40000000000000000000000000000000000000 | | | | 4.00 | Security 1999 | | | | | | |
| 4. Reason for fil | ing: | | | | | | | | | | | Lease Name or Unit Agreement Name | | | | | | | | |
| ☐ COMPLET | ION REP | PORT | (Fill in boxe | s #1 thro | ugh #31 | for State and Fe | e wells | only) |) | | | Northeast Blanco Unit 6. Well Number: 68N | | | | | | | | |
| C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC) | | | | | | | | | | | | | | | | | | | | |
| 7. Type of Com | | า พก | RKOVER [| J DEED | ENING | □PLUGBACI | Пг | JIEEE | REN | IT RESERV | /OIR | OTHER | | | | | | | | |
| 8. Name of Oper | | | | | | | <u> </u> | <i>/</i> (1 1 L | KLI | VI KESEK V | Oik | 9. OGRID: (| 6137 | · · · · · · · · · · · · · · · · · · · | | | ···· | | | |
| 10. Address of O | nerator: | | | | | | | | | | | 11. Pool name | e or W | ildcat: | | | | | | |
| To. Addiess of C | | | | | | | | | | | | | | | | | | | | |
| 12.Location | Unit Ltr | | Section | Towns | ship | Range | Lot | | | Feet from | the | N/S Line | Feet | from the | E/W | Line | County | | | |
| | | \dashv | | | | | | | | | | | ļ | | | | | | | |
| 13. Date Spudde | d 14. Da | ate T.I | D. Reached | 15. I 8/4/0 | | lling Rig Releas | ed | T | 16 | Date Comp | letec | I (Ready to Pro | duce | | 7. Eleva T, GR, | | and RKB, | | | |
| 18. Total Measur | red Depth | of We | ll | | | ck Measured Dep | pth | | 20. | Was Direct | tiona | al Survey Made | ? | | | | her Logs Run | | | |
| 22. Producing In | terval(s), o | of this | completion - | Тор, Во | · · · · · · · · · · · · · · · · · · · | | | | | | | | | | | | | | | |
| 23. | | | | | | ING REC | ORI |) (R | | | rin | | | ==== T | | | | | | |
| CASING SI | ZE | V | VEIGHT LB. | /FT. | | DEPTH SET | | | НО | LE SIZE | | CEMENTIN | IG RE | CORD | A | MOUNT | PULLED | | | |
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| 24. SIZE | TOP | | D(| TTOM | LIN | ER RECORD SACKS CEM | | SCR | EEN | ı | 25. SIZ | | | NG REC | | PACKI | ED CET | | | |
| SIZE | 101 | | | 71 TOW | | SACKS CEIVI | LIVI | SCR | Lier | <u> </u> | 312 | <u> </u> | 12 | SF III SE | | FACKI | ER SET | | | |
| 26. | | | | | | | | | | | | ACTURE, CI | | | | | | | | |
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| | | | | | | | 200 | D.T. | | TON. | | | | | | | | | | |
| Date First Produc | etion | | Produc | tion Met | hod (Fla | owing, gas lift, p | | | | ION | n) | Well Statu | Proc | d or Shut | in) | | | | | |
| | | | | | -10 4 (1 10 | | | 5 2 | | a ope pang | ٠, | , won state | 3 (1 . 00 | 0, 0,,,,,, | , | | | | | |
| Date of Test | Hours | Teste | d Ci | oke Size | | Prod'n For | | Oil - | Bbl | | Gas | s - MCF | W | ater - Bbl. | | Gas - C | Dil Ratio | | | |
| | | | į | | | | l | | | ĺ | | | | | | | | | | |
| Flow Tubing Press. | Casing | g Press | | lculated our Rate | 24- | Oil - Bbl. | | | Gas - | - MCF | } | Water - Bbl. | | Oil Gra | vity - A | PI - (Cori | ·.) | | | |
| 29. Disposition o | f Gas (Sol | ld, use | d for fuel, ve | nted, etc. |) | | | | | ····· | | | 30. 1 | est Witne | ssed By | r | | | | |
| 31. List Attachm | ents | | | | | | | | | | | | L | | | | | | | |
| 32. If a temporar | y pit was u | ised at | the well, att | ach a pla | t with th | e location of the | tempo | гагу р | it. | | | | | | | | ···· | | | |
| 33 If an on-site t | ourial was | used a | at the well, re | port the | exact loc | ation of the on- | site bur | ial · | | | | | | | | | | | | |
| I hereby certi | 6, that th | ho int | Communition | shown . | on hote | Latitude | | .8568 | | and comm | loto | Longitude | | 07.54518 | | NAD 192 | | | | |
| | y inui il Vac | ie irij V | | oniown (|] | Printed | | | ucl | _ | | | • | | | _ | | | | |
| Signature | i/IL | et a | LYRRUN | | 1 | Name Mik | e Pipp | oin | | Title: 1 | Petr | oleum Engir | neer | Date | : 6/23 | 3/09 | | | | |

E-mail Address: mike@pippinllc.com

Castro, Melisa

From:

Castro, Melisa

Sent:

Thursday, August 21, 2008 9:22 AM

To:

M Dombrowski - BOR SC

Subject:

NEBU 68N Temporary Pit Closure Notification

Attachments: Pit Closure Plan.doc

Devon Energy Corporation 20 North Broadway Oklahoma City, OK 73102-8260 405 552 7917 Phone www.devonenergy.com

August 21, 2008

IN RE: NEBU 68N

API # 30-045-34677

SW NW 2,375' FNL & 1,260' FWL

Sec. 35, T31N, R7W

Rio Arriba County, New Mexico

VIA EMAIL:

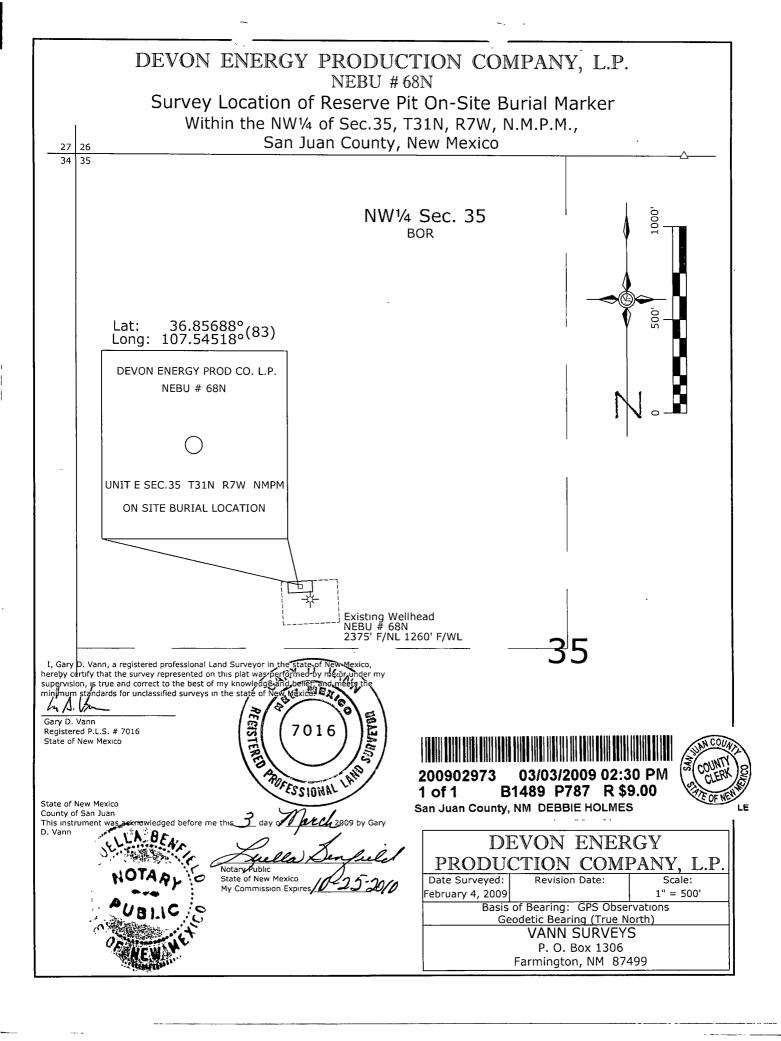
Dear Mr. Dombrowski,

This submittal is pursuant to Rule 19.15.17.13 requiring operators to notify the surface owners of an onsite burial of a temporary pit. Devon Energy Production Company, L.P. is herby providing written documentation of our intention to close the temporary pit associated with the aforementioned location by means of in place on-site burial.

Please feel free to contact me with any questions or require further information. My contact information is listed below.

Respectfully,

Melisa S. Castro
Devon Energy Production Company, L.P.
Senior Staff Operations Technician
405-323-3184 - Cell.
405-323-1357 - Fax
Melisa.Castro@dvn.com



Peat from the

5053260050

District 1 1625 N. French Dr., Hobbs NM 88240 District II

1301 W. Grand Avenue, Anesia, NM 87210

District III 1000 Rin Brazos Rd., Azsec, NM 87410

UL or Las No.

District IV 1220 St. Francis Dr., Santa Po, NM 87505 State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87504-2088

"As Prilled"

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies

Fee Lense - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 'API Num | hor | ¹ Pool Code | Pont Name | |
|-----------------|-------|------------------------|----------------------------|-----------------------|
| 30-045- | 34677 | 72319/80690 | Blanco Mesaverale & los Pa | 05 F & Victural Chats |
| * Property Code | | | Property Name | • Well Number |
| 19641 | · NI | E BU | | # 68N |
| OGRID No. | | | Operator Name | Bevaling |
| 4137 | De | von Energy Product | don Company, L.P. | 6207 |

Surface Location

Feet from the

| Į | L L | 35 | 31 N | 7 W | L | 2375 | NORTH | 1260 | MF21 | SAN JUAN |
|---|----------------------------|---------|----------------|--------------|-----------|---------------|------------------|---------------|---------------|------------|
| | | | | " Bon | om Hole | Location If | Different From | n Surface | | |
| ď | ¹ UL or Int no. | Section | Township | Runge | Let life | Peet from the | North/South line | Feet from the | East/West Ime | County |
| 7 | J | 35 | 31 N | 7 W | | 1840 | SOUTH | 1849 | EAST | Rio Arriba |
| 1 | " Dedicated Acres | 15 Join | et or Infill M | Consolidatio | m Code 13 | Order No. | <u> </u> | | | |
| ı | 6/2-270 | | į. | | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

10 OPERATOR CERTIFICATION
1 Analyse until paid to indimultie calculated laters in the use of mights in the section of the sectio

09/03/2008 11:38AM (GMT-05:00)

B

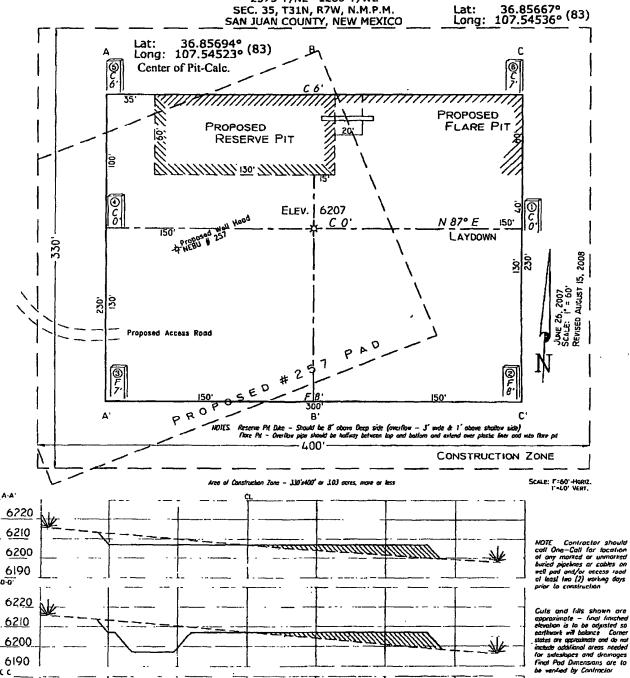
<u>6220</u> <u>621</u>0

6200

6190

PAD LAYOUT PLAN & PROFILE DEVON ENERGY PRODUCTION COMPANY, L.P.

Nebu # 68N'
2375' F/NL 1260' F/WL
SEC. 35, T31N, R7W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



08/20/2008 9:02AM (GMT-05:00)

VANN SURVEYS

P O. Box 1306

Farmington, NM

CHAIN OF CUSTODY RECORD

| Client: Project Name / Location: | | | | | | | | | | | | ANAL | YSIS | / PAR | AME | ΓERS | | | | | | |
|--|---------|--------|---------------|---------------|-------------------|------------------|---------------------|-------|-------------------|--------------------|-------------------|---------------|----------------|-------|---------------|-----------|-------------|----------|--------|----|--------------------|---------------|
| BLAGE/DEV | 10 N | | DRILLING RE | SENE | Pir | SAMPL | NU | | | | | · | | | | <u>-</u> | | | | | | |
| Client Address: | | : | Sampler Name: | | 6 | | | | 5). | BTEX (Method 8021) | (00 | | | | | | | ! | | | | |
| | | | | | | | | | 801 |)8 p | 826 | sis | _ | | ۵ | | | | | | | |
| Client Phone No.: | | (| Client No.: | - 10 | | | | | hod | otte | hod | Neta | nior | | Ī | | 3.1) | ш | | | 00 | Itaci |
| | | | 94034 | | | | | | TPH (Method 8015) | (<u>X</u> | VOC (Method 8260) | RCRA 8 Metals | Cation / Anion | | TCLP with H/P | | TPH (418.1) | CHLORIDE | | | Sample Cool | Sample Intact |
| Sample No./ | Sample | Sample | Lab No. | 1 | mple | No./Volume of | | | 품 | EX | 20 | CR/ | ation | P.C. | J. | PAH | Ŧ | 물 | | | amb | amp |
| NEBU 257H/68N | Date | Time | | 3000 | atrix | of Containers | HgCl ₂ H | u | E | B | > | Ĭ. | Ö | œ | Ĕ. | 4 | F | Ö | | - | Š | ď |
| 5-Pt Coup | 1/26/03 | 1100 | 48369 | Soil Solid | Sludge Aqueous | 1-400 | | | × | × | | | | | | | × | × | | | \times | × |
| | | | | Soil Solid | Sludge Aqueous | | | | | | | | | | | | | | | | | |
| NEBU 354E S-pt coup | 1 (| 1230 | 483700 | Soil Solid | Sludge Aqueous | 1-403 | | | × | × | | | | | | | × | X | | | > | ¥ |
| | | | | Soil Solid | Sludge Aqueous | | | | | | | | | | | | | | | | | |
| | | | | Soil Solid | Sludge Aqueous | | | | | | | | | | | | | | | | | |
| | | | | Soil Solid | Sludge Aqueous | | | | | | | | | | | | | | | | | |
| | | | | Soil Solid | Sludge Aqueous | | | - | | | | | | | | | | | | | | |
| | | | | Soil Solid | Sludge Aqueous | | | | | | | | | | | | | | | | | |
| | | | | Soil Solid | Sludge Aqueous | | | | | | | | | | | | | | | | | |
| | | | | Soil Solid | Sludge Aqueous | | | | | | | | | | | | | | | | | |
| Relinquished by: (Signa | ature) | | | <u> </u> | Date | Time | Re | ceive | ed by: | (Signa | ature) | 1 | l | | | _ | L | | Da | te | Tin | ne |
| Jell Stry |) | | | | 12/3/00 | 1305 | | I | 1 | A | | 5 | | | | | | | 12-3 | 07 | 13 | 005 |
| Relinquished by: (Signa Relinquished by: (Signa | ature) | | | | | | Re | ceive | ed by: | (Sign | ature) | 1 | | | | | | | | | , , , , | |
| Relinquished by: (Signa | ature) | | | | | | Re | ceive | ed by: | (Signa | ature) | | | | · ···· | | | | | | | |
| | | | | | | <u></u> | <u></u> | | | | | | | | | | | | | | | _ |
| | | | | Sever | = nN/ | DAT | | | | | | | | | | | | | | | | |

ENVIROTECH INC.

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505-632-0615



EPA METHOD 8015 Modified Nonhalogenated Volatile Organics **Total Petroleum Hydrocarbons**

| • | | | |
|------------------------|---------------|---------------------|------------|
| Client: | Blagg/Devon | Project #: | 94034-0010 |
| Sample ID: | NEBU 257H/68N | Date Reported: | 12-09-08 |
| Laboratory Number: | 48369 | Date Sampled: | 11-26-08 |
| Chain of Custody No: | 5853 | Date Received: | 12-03-08 |
| Sample Matrix: | Soil | Date Extracted: | 12-05-08 |
| Preservative: | Cool | Date Analyzed: | 12-08-08 |
| Condition ⁻ | Intact | Analysis Requested: | 8015 TPH |

| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) |
|------------------------------|--------------------------|--------------------------|
| Gasoline Range (C5 - C10) | ND | 0.2 |
| Diesel Range (C10 - C28) | 8.1 | 0.1 |
| Total Petroleum Hydrocarbons | 8.1 | 0.2 |

ND - Parameter not detected at the stated detection limit.

References.

Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste,

SW-846, USEPA, December 1996.

Comments:

Drilling Reserve Pit Sampling, 5-pt Comp.

Analyst

Review

Ph (505) 632-0615 Fr (800) 362-1879 Fx (505) 632-1865 lab@envirotech-inc.com envirotech-inc.com



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| | | | * |
|------------------------|---------------|---------------------|------------|
| Client: | Blagg/Devon | Project #: | 94034-0010 |
| Sample ID: | NEBU 257H/68N | Date Reported: | 12-09-08 |
| Laboratory Number: | 48369 | Date Sampled: | 11-26-08 |
| Chain of Custody: | 5853 | Date Received: | 12-03-08 |
| Sample Matrix: | Soil | Date Analyzed: | 12-08-08 |
| Preservative: | Cool | Date Extracted: | 12-05-08 |
| Condition ⁻ | Intact | Analysis Requested: | BTEX |

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) |
|--------------|--------------------------|--------------------------|
| | | |
| Benzene | 1.1 | 0.9 |
| Toluene | 16.1 | 1.0 |
| Ethylbenzene | 6.2 | 1.0 |
| p,m-Xylene | 37.2 | 1.2 |
| o-Xylene | 17.5 | 0.9 |
| Total BTEX | 78.1 | |

ND - Parameter not detected at the stated detection limit.

| Surrogate Recoveries: | Parameter | Percent Recovery |
|-----------------------|---------------------|------------------|
| | Fluorobenzene | 96.0 % |
| | 1,4-difluorobenzene | 96.0 % |
| | Bromochlorobenzene | 96.0 % |

References:

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846,

USEPA, December 1996.

Comments:

Drilling Reserve Pit Sampling, 5-pt Comp.

Analyst

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

| Client: | Blagg/Devon | Project #: | 94034-0010 |
|----------------------|---------------|------------------|------------|
| Sample ID: | NEBU 257H/68N | Date Reported: | 12-05-08 |
| Laboratory Number: | 48369 | Date Sampled: | 11-26-08 |
| Chain of Custody No: | 5853 | Date Received: | 12-03-08 |
| Sample Matrix: | Soil | Date Extracted: | 12-05-08 |
| Preservative: | Cool | Date Analyzed: | 12-05-08 |
| Condition: | Intact | Analysis Needed: | TPH-418.1 |

| | | Det. |
|-----------|---------------|---------|
| | Concentration | Limit |
| Parameter | (mg/kg) | (mg/kg) |

Total Petroleum Hydrocarbons

731

5.0

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

Drilling Reserve Pit Sampling 5-pt Comp.

Analyst

Mester Weeters Review



Chloride

| Client: | Blagg/Devon | Project #: | 94034-0010 |
|----------------|---------------|-------------------|------------|
| Sample ID: | NEBU 257H/68N | Date Reported: | 12-09-08 |
| Lab ID#: | 48369 | Date Sampled: | 11-26-08 |
| Sample Matrix: | Soil | Date Received: | 12-03-08 |
| Preservative: | Cool | Date Analyzed: | 12-05-08 |
| Condition: | Intact | Chain of Custody: | 5853 |

Parameter

Concentration (mg/Kg)

Total Chloride

320

Reference:

U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.

Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments:

Drilling Reserve Pit Sampling 5 - pt Comp.

Analyst



EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Quality Assurance Report

| Client: | QA/QC | Project #: | N/A |
|--------------------|--------------------|---------------------|----------|
| Sample ID: | 12-08-08 QA/QC | Date Reported: | 12-09-08 |
| Laboratory Number: | 48367 | Date Sampled: | N/A |
| Sample Matrix: | Methylene Chloride | Date Received: | N/A |
| Preservative: | N/A | Date Analyzed: | 12-08-08 |
| Condition: | N/A | Analysis Requested: | TPH |

| | I-Cal Date | I Gal RE | C-CaiRF, % | Difference | Accept Range |
|-------------------------|------------|-------------|-------------|------------|--------------|
| Gasoline Range C5 - C10 | 05-07-07 | 9.9611E+002 | 9.9651E+002 | 0.04% | 0 - 15% |
| Diesel Range C10 - C28 | 05-07-07 | 1.0111E+003 | 1 0115E+003 | 0.04% | 0 - 15% |

| Blank Conc. (mg/L - mg/Kg) | Concentration | Detection Limit |
|------------------------------|---------------|-----------------|
| Gasoline Range C5 - C10 | ND | 0.2 |
| Diesel Range C10 - C28 | ND | 0.1 |
| Total Petroleum Hydrocarbons | ND | 0.2 |

| Duplicate Conc. (mg/Kg) | Sample | Duplicate. | . % Difference | Accept, Range |
|-------------------------|--------|------------|----------------|---------------|
| Gasoline Range C5 - C10 | ND | ND | 0.0% | 0 - 30% |
| Diesel Range C10 - C28 | 2.2 | 2.1 | 4.5% | 0 - 30% |

| Spike Conc. (mg/Kg) | Sample | Spike Added | Spike Result | % Recovery | Accept Range |
|-------------------------|--------|-------------|--------------|------------|--------------|
| Gasoline Range C5 - C10 | ND | 250 | 246 | 98.4% | 75 - 125% |
| Diesel Range C10 - C28 | 2.2 | 250 | 250 | 99.2% | 75 - 125% |

ND - Parameter not detected at the stated detection limit.

References:

Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste,

SW-846, USEPA, December 1996.

Comments:

QA/QC for Samples 48367 - 48370.

Analyst



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| Client | N/A | Project #: | N/A |
|--------------------|----------------|----------------------------|----------|
| Sample ID | 12-08-BT QA/QC | Date Reported: | 12-09-08 |
| Laboratory Number: | 48367 | Date Sampled: | N/A |
| Sample Matrix. | Soil | Date Received: | N/A |
| Preservative | N/A | Date Analyzed ⁻ | 12-08-08 |
| Condition | N/A | Analysis: | BTEX |

| Calibration and Detection Limits (ug/L) | (Cal RE) | C-Caller Accept Ran | %Drff je 0 - 45% | Blank Conc | Detect = |
|---|-------------|------------------------|---------------------|---------------|----------|
| Benzene | 1 5966E+006 | 1 5998E+006 | 0.2% | ND | 0.1 |
| Toluene | 1.4872E+006 | 1 4902E+006 | 0.2% | ND | 0.1 |
| Ethylbenzene | 1 4050E+006 | 1 4078E+006 | 0.2% | ND | 0.1 |
| p,m-Xylene | 3.4461E+006 | 3 4530E+006 | 0.2% | ND | 0.1 |
| o-Xylene | 1.4647E+006 | 1 4677E+006 | 0.2% | ND | 0.1 |

| Duplicate Conc. (ug/Kg) Sample Duplicate %Diff. Accept Range Detect. Limit | | | | | | |
|--|-----|-----|------|---------|-----|--|
| Benzene | 1.4 | 1.3 | 7.1% | 0 - 30% | 0.9 | |
| Toluene | 6.8 | 6.6 | 2.9% | 0 - 30% | 1.0 | |
| Ethylbenzene | 2.1 | 1.9 | 9.5% | 0 - 30% | 1.0 | |
| p,m-Xylene | 9.4 | 9.0 | 4.3% | 0 - 30% | 1.2 | |
| o-Xylene | 6.8 | 6.6 | 2.9% | 0 - 30% | 0.9 | |

| Spike Conc. (ug/Kg) Sample Amount Spiked Sample % Recovery Accept Range | | | | | | |
|---|-----|------|------|-------|----------|--|
| Benzene | 1.4 | 50.0 | 49.4 | 96.1% | 39 - 150 | |
| Toluene | 6.8 | 50.0 | 55.5 | 97.7% | 46 - 148 | |
| Ethylbenzene | 2.1 | 50.0 | 50.1 | 96.2% | 32 - 160 | |
| p,m-Xylene | 9.4 | 100 | 104 | 95.3% | 46 - 148 | |
| o-Xylene | 6.8 | 50.0 | 58.8 | 104% | 46 - 148 | |

ND - Parameter not detected at the stated detection limit.

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, References

December 1996

Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996

Comments: QA/QC for Samples 48367 - 48370 and 48392 - 48397.

Review

Analyst



EPA METHOD 418.1 TOTAL PETROLEUM HYROCARBONS QUALITY ASSURANCE REPORT

N/A

N/A

12-09-08

12-05-08

Client: QA/QC Project #:
Sample ID: QA/QC Date Reported:
Laboratory Number: 12-05-TPH.QA/QC 48392 Date Sampled:
Sample Matrix: Freon-113 Date Analyzed:

Preservative: N/A Date Ex Condition: N/A Analysis

Date Extracted: 12-05-08
Analysis Needed: TPH

 Calibration
 I-Cal Date
 I-Cal RE
 C-Cal RE
 % Difference
 Accept. Range

 12-03-08
 12-05-08
 1,590
 1,520
 4.4%
 +/- 10%

Blank Conc. (mg/Kg) Concentration Detection Limit TPH ND 31.8

Duplicate Conc. (mg/Kg) Sample Duplicate % Difference Accept. Range 83.9 89.0 6.1% +/- 30%

Spike Conc. (mg/Kg) Sample Spike Added Spike Result % Recovery Accept Range TPH 83.9 2,000 1,970 94.5% 80 - 120%

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments: QA/QC for Samples 48367, 48369 - 48374 and 48392.

Analyst

LL SITE DOCUMENTATION

Company Name: DEVON ENERGY Well Name: NEBU 68N

Legal Description: Section 35 TWNSHP 31N Range 7W

County: San Juan State: NM

Area Seeded: (See Attached Digital Photos) Dates of Seeding: 12/05/2008

Seed Mix: Southwest Colorado Seed less than 10 BLM NM/CO Certified Mix NOTE: Application rate is based upon pure live seed (PLS). BLM certified seed is delivered from Dolores, Colorado in 20 lb. sacks. 100% PLS PER BAG. Included in the cost to customer per acre is \$6.40 per PLS pound. BLM recommended seeding rate for mechanical application is 13.25 LBS PLS per acre and 26.50 LBS per acre for broadcast application. *Based upon BLM application rate chart dated May 5, 2006*

Seed Rate: Mechanical:

20.00 lbs PLS/acre

Hand/Broadcast and Harrow:

35.00 lbs PLS/acre

*Based upon BLM application rate chart

Mechanical Acreage: Acreage Meter

N/A

Broadcast and Harrow Acreage:

Acreage Total: 2.5

Note: An extra one acre charge for very rocky conditions throughout the entire area.

Total Acreage Seeded:

Mechanical + Hand/Broadcast Harrow Application TOTAL: 2.5 Acres 50Lbs

Seeding Process:

2006 John Deere 5205 MFW 56 HP Tractor

2004 Great Plains No-Till Drill Model 605 NT

2006 Land Pride Broadcast

2006 8 ft. Harrow

Topography: Clay moist topsoil with a considerable amount of sandstone rock formations and tree debris. Slope conditions on all four sides of location. Utilized broadcast and harrow method. Note: Split the costs between the two sites NEBU 68N and 257H.

Comments: A separate invoice will be created for the following services rendered:

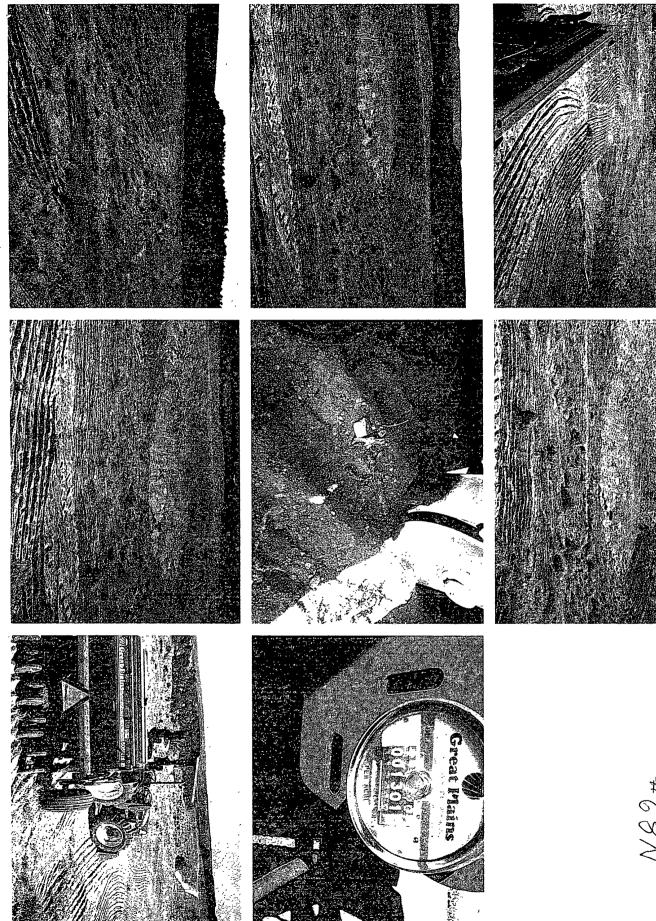
| • | Operator Hourly Rate: | \$35.00 X 4.5 = | \$157.50 |
|---|------------------------|---------------------------------|------------|
| • | Tractor Hourly Rate: | \$75.00 X 1.5 = | \$112.50 |
| • | Fuel/Milage Surcharge: | \$2.00 X 74 Miles = | \$148.00 |
| | Seeding Cost: | \$600.00 Per Acre X 2.5 acres = | \$1,500,00 |

NOTE: Cost includes the use of seeders and seed cost per acre.

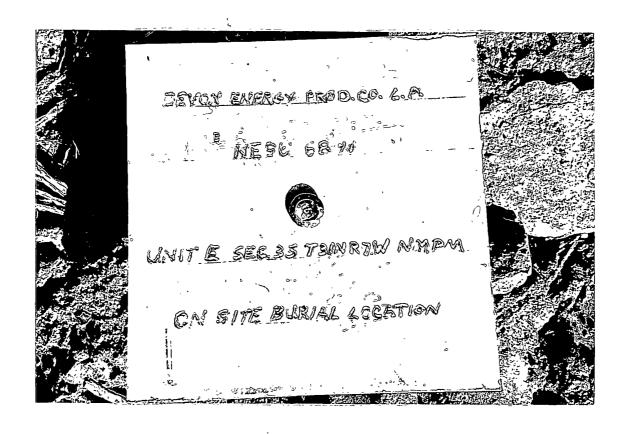
Total Invoice Cost: \$1,918.00

NOTE: There is a minimum charge of \$600.00 per acre for each well site.

ST Seeding and Tractor P.O. Box 551 Bloomfield, NM 87413 Ph: 505.793.0364



NEBU #257H





DEVON ENERGY PRODUCTION COMPANY, L.P.

Mike Pippin
3104 N. Sullivan Avenue
Farmington, NM 87401
505-327-4573 (phone) mike@pippinllc.com

October 27, 2011

NMOCD c/o Jonathan Kelly 1000 Rio Brazos Rd. Aztec, NM 87410

RE: Pit Closure Packages from 2008 and 2009, Form C-144

Northeast Blanco Unit

Dear Mr. Kelly,

I have reviewed the list of Northeast Blanco Unit wells you sent me on 10/26/11. As you indicated, many of the pit closure packages from 2008 and 2009 on these wells did not include proof that notice was given to the NMOCD within one week of the drilling pit closure, nor did they include proof of the pit inspections. Although we believe that both the notices and the pit inspections occurred, this was an oversight that the proof was not included in the pit closure packages. Unfortunately, this data is no longer available.

In the future, Devon will include proof of drilling pit closure notice and pit inspection logs in all drilling pit closure packages.

Please contact me at 505-327-4573 should you have any questions.

Very truly yours

Mike Pippin PE Petroleum Engineer ROVO BOT TO THE

OIL COMS. DIV.

DET. 2

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