

U.S. Department of the Interior  
BUREAU OF LAND MANAGEMENT

<b>Well Name:</b> SERPENTINE 35-26 FED COM	<b>Well Location:</b> T22S / R33E / SEC 35 / SESW /	<b>County or Parish/State:</b> /
<b>Well Number:</b> 10H	<b>Type of Well:</b> OIL WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM113969	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 300255140700S1	<b>Well Status:</b> Producing Oil Well	<b>Operator:</b> DEVON ENERGY PRODUCTION COMPANY LP

**Subsequent Report**

**Sundry ID:** 2774140

**Type of Submission:** Subsequent Report

**Type of Action:** Produced Water Disposal

**Date Sundry Submitted:** 02/08/2024

**Time Sundry Submitted:** 08:57

**Date Operation Actually Began:** 02/08/2024

**Actual Procedure:** 1. Name(s) of formation(s) producing water on the lease: Wolf camp XY 2. Amount of water produced from all formations in barrels per day: 3900 3. What location is the water stored at until it is sent to disposal Serpentine 35 Facility 1 4. How many tanks for water storage 3 5. What size are the water storage tanks 750 6. How is water moved to disposal facility(trucked or piped) Piped 7. Name of primary disposal facility where water is disposed of: Rio Blanco 4-3 SWD

**SR Attachments**

**Actual Procedure**

Rio\_Blanco\_4\_3\_SWD\_Order\_no\_\_R\_13410\_20240208085724.pdf

Well Name: SERPENTINE 35-26 FED COM

Well Location: T22S / R33E / SEC 35 / SESW /

County or Parish/State: /

Well Number: 10H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM113969

Unit or CA Name:

Unit or CA Number:

US Well Number: 300255140700S1

Well Status: Producing Oil Well

Operator: DEVON ENERGY PRODUCTION COMPANY LP

**Operator**

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: WINDELL SALTER

Signed on: FEB 08, 2024 08:57 AM

Name: DEVON ENERGY PRODUCTION COMPANY LP

Title: Agent

Street Address: 333 W SHERIDAN AVE

City: OKLAHOMA CITY State: OK

Phone: (405) 919-9461

Email address: WINDELL.SALTER@DVN.COM

**Field**

Representative Name:

Street Address:

City: State: Zip:

Phone:

Email address:

**BLM Point of Contact**

BLM POC Name: DEBORAH L MCKINNEY

BLM POC Title: Legal Instruments Examiner

BLM POC Phone: 5752345931

BLM POC Email Address: dmckinne@blm.gov

Disposition: Accepted

Disposition Date: 02/09/2024

Signature: Deborah McKinney

Form 3160-5  
(June 2019)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2021

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No. **NMNM113969**

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** - Other instructions on page 2

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator **DEVON ENERGY PRODUCTION COMPANY LP**

3a. Address **333 WEST SHERIDAN AVE, OKLAHOMA CITY,** 3b. Phone No. (include area code) **(405) 235-3611**

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)  
**SEC 35/T22S/R33E/NMP**

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

8. Well Name and No. **SERPENTINE 35-26 FED COM/10H**

9. API Well No. **3002551407**

10. Field and Pool or Exploratory Area  
**BELL LAKE/WOLFCAMP, NORTH**

11. Country or Parish, State  
**LEA/NM**

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

TYPE OF SUBMISSION	TYPE OF ACTION				
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" 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 recomplate 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 perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

1. Name(s) of formation(s) producing water on the lease: Wolf camp XY
2. Amount of water produced from all formations in barrels per day: 3900
3. What location is the water stored at until it is sent to disposal Serpentine 35 Facility 1
4. How many tanks for water storage 3
5. What size are the water storage tanks 750
6. How is water moved to disposal facility(trucked or piped) Piped
7. Name of primary disposal facility where water is disposed of: Rio Blanco 4-3 SWD

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
**WINDELL SALTER / Ph: (405) 919-9461**

Signature (Electronic Submission)

Title **Agent**

Date **02/08/2024**

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

Approved by  
**DEBORAH L MCKINNEY / Ph: (575) 234-5931 / Accepted**

Legal Instruments Examiner

Date **02/09/2024**

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 **CARLSBAD**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13*: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

## Additional Information

### Location of Well

0. SHL: SESW / 254 FSL / 1418 FWL / TWSP: 22S / RANGE: 33E / SECTION: 35 / LAT: 32.34167 / LONG: -103.547113 ( TVD: 0 feet, MD: 0 feet )

PPP: SESW / 100 FSL / 2178 FWL / TWSP: 22S / RANGE: 33E / SECTION: 35 / LAT: 32.341236 / LONG: -103.54465 ( TVD: 12072 feet, MD: 12171 feet )

PPP: SESW / 174 FSL / 2184 FWL / TWSP: 22S / RANGE: 33E / SECTION: 26 / LAT: 32.3559471 / LONG: -103.5446691 ( TVD: 12275 feet, MD: 17500 feet )

BHL: NENW / 20 FNL / 2178 FWL / TWSP: 22S / RANGE: 33E / SECTION: 26 / LAT: 32.369928 / LONG: -103.544691 ( TVD: 12275 feet, MD: 22586 feet )

CONFIDENTIAL

STATE OF NEW MEXICO  
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

RECEIVED  
JUN 20 2011  
WESTERN LAND

CASE NO. 14600  
ORDER NO. R-13410

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR  
APPROVAL OF A SALT WATER DISPOSAL WELL, LEA COUNTY, NEW  
MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on March 17, 2011, at Santa Fe, New Mexico, before Examiner William V. Jones.

NOW, on this 13<sup>th</sup> day of June, 2011, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

(2) The applicant, Devon Energy Production Company, L.P. ("Devon" or "applicant"), seeks authority to utilize its Rio Blanco 4 Federal Well No. 3 (API No. 30-025-36425, the "subject well"), located 1650 feet from the South line and 1650 feet from the East line, Unit J of Section 4, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, for oil field water disposal into the Devonian formation from 14,500 feet to 14,653 feet.

(3) This application was set to hearing by the applicant due to the presence of two Devonian gas wells within the ½ mile Area of Review:

- a. The Rio Blanco 4 Federal Well No. 1 (API No. 30-025-34515) operated by Devon is a vertical well producing from the Northeast Bell Lake-Devonian Gas Pool (Pool Code 97328) at approximately 200 Mcf gas per

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Order No. R-13410  
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day and 700 barrels of water per day. The estimated ultimate gas recovery from this well is 7.6 Bcf gas (Exhibit No. 3).

- b. The Rio Blanco 9 State Well No. 1 (API No. 30-025-36302) also operated by Devon is a vertical well producing from the Northeast Bell Lake-Devonian Gas Pool (Pool Code 97328) at approximately 100 Mcf gas per day and 30 barrels of water per day. The estimated ultimate gas recovery from this well is 1.1 Bcf gas (Exhibit No. 3).

(4) Devon presented exhibits and testimony at the hearing from a geologist and an engineer. An affidavit from a landman was subsequently presented for the record. The testimony and exhibits indicate the following:

- a. The subject well was completed in May of 2004 in the Northeast Bell Lake-Devonian Gas Pool (Pool Code 97328). The Devonian formation gas production from this well has totaled approximately 3.4 Bcf gas. The production has declined and the last reported production – approximately one year ago - showed the well produced at a rate of 592 Mcf gas per day and 2464 barrels of water per day.
- b. The subject well has produced approximately 2.8 million barrels of water, or more than both of the two offsetting wells combined. The water seems to have come from below rather than laterally.
- c. Devon does not intend to attempt any further production from the Devonian formation within this wellbore and intends to convert this temporarily abandoned well to injection into the existing open hole interval.
- d. Devon expects disposal waters to preferentially enter the fractures in the Devonian formation and travel down instead of horizontally.
- e. The source waters going into this well would originate primarily from Devon's local Devonian wells.
- f. There is no effect predicted on the two offsetting gas wells and if such production were in fact harmed by this disposal, then Devon could immediately cease injection into this well.
- g. Devon does not expect any waste of oil or gas to occur as a result of disposal into the Devonian formation.
- h. Devon expects to extend the producing life of the existing producing wells by using this well for disposal of waste water.

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- i. The U.S. Bureau of Land Management is the surface and mineral owner. The BLM was notified and examined the application and submitted a letter in support.
- j. The well is adequately equipped and cemented to isolate any fresh water intervals.

(5) The half mile Area of Review around this well contains no plugged wells and two wells that are active or have not yet been plugged, that penetrate the disposal interval. All Area of Review wells are adequately cased and cemented in order to isolate the disposal interval.

(6) The application has been duly filed under the provisions of 19.15.26.8 NMAC. Affected parties have been notified and no objections have been received. There were no other appearances at the hearing or objections to this application.

(7) The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

- (8) This application as presented by Devon should be approved.

**IT IS THEREFORE ORDERED THAT:**

(1) Devon Energy Production Company, L.P. (“Devon” or “operator”), is hereby authorized to utilize its Rio Blanco 4 Federal Well No. 3 (API No. 30-025-36425) located 1650 feet from the South line and 1650 feet from the East line, Unit J of Section 4, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, for oil field water disposal (limited only to UIC Class II fluids) into the Devonian formation open hole interval from 14,500 feet to 14,653 feet through lined tubing and a packer set within 100 feet above the permitted disposal interval.

(2) The operator shall take all steps necessary to ensure that the disposed water enters only the permitted disposal interval depths and is not permitted to escape to other formations or onto the surface.

(3) After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

(4) The wellhead injection pressure on the well shall be limited to **no more than 2900 psi**. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.



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(5) The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

(6) The operator shall notify the supervisor of the Division's district office of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with rules 19.15.26.13 NMAC and 19.15.7.24 NMAC.

(7) Without limitation on the duties of the operator as provided in 19.15.29 NMAC and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from or around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

(8) The injection authority granted under this order is not transferable except upon Division approval. The Division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

(9) The Division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

(10) The Division Director shall be authorized to amend this permit administratively after proper notice and opportunity for hearing.

(11) The disposal authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request, mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

(12) One year after disposal into the well has ceased, the authority to dispose will terminate *ipso facto*.

(13) Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

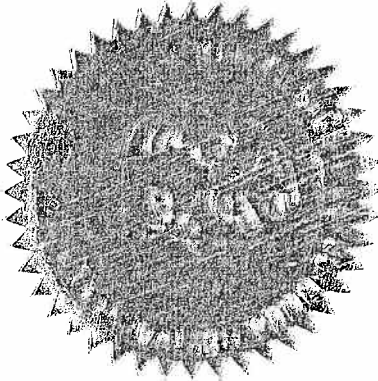
(14) Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or

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Order No. R-13410  
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upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing or prior to notice and hearing in event of an emergency, terminate the disposal authority granted herein.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "Jami Bailey", written in a cursive style.

JAMI BAILEY  
Director



**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 314664

**CONDITIONS**

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 314664
	Action Type: [C-103] Sub. General Sundry (C-103Z)

**CONDITIONS**

Created By	Condition	Condition Date
dmcclosure	ACCEPTED FOR RECORD ONLY	2/20/2024