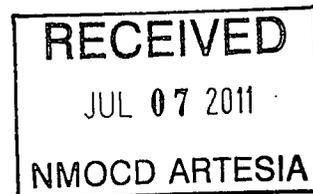




June 23, 2011

Mr. Mike Bratcher
NMOCD District 2
1301 West Grand Avenue
Artesia, NM 88210



AMARILLO
921 North Bivins
Amarillo, Texas 79107
Phone 806.467.0607
Fax 806.467.0622

ARTESIA
408 West Texas Ave.
Artesia, New Mexico 88210
Phone 575.746.8768
Fax 575.746.8905

Subject: **Remediation and Closure Report**
Devon Energy Corporation
Parkway No. 21 Release
API# 30-015-32686 -- 2RP-706

AUSTIN
911 West Anderson Lane
Suite 202
Austin, Texas 78757
Phone 512.989.3428
Fax 512.989.3487

Dear Mr. Bratcher,

Devon Energy Corporation has contracted Talon/LPE (Talon) to perform soil assessment and remediation services at the above referenced Parkway No. 21 release. The incident description, soil assessment, remediation activities and closure request are submitted herein.

HOBBS
318 East Taylor Street
Hobbs, New Mexico 88240
Phone 575.393.4261
Fax 575.393.4658

Incident Date

January 23, 2011

MIDLAND
2901 State Hwy 349
Midland, Texas 79706
Phone 432.522.2133
Fax 432.522.2180

Background Information

The Parkway No. 21 is located approximately thirty-one (31) miles southeast of Artesia, New Mexico. The legal location for the site is Section 28, Township 19 South and Range 29 East in Eddy County, New Mexico. More Specifically the latitude and longitude for the release are 32.62534 North and -104.07259 West.

SAN ANTONIO
11 Commercial Place
Schertz, Texas 78154
Phone 210.265.8025
Fax 210.568.2191

According to the soil survey provided by the United States Department of Agriculture National Resources Conservation Services the soil in this area is made up of Reeves-Gypsum land complex soils with 0 to 3 percent slopes. The local surface and shallow geology, Quaternary Age sedimentary deposits is comprised of alluvium and eolian sands which includes silty soils underlain by gypsum and hard caliches. Drainage courses in this area are normally dry. The New Mexico State Engineer web site indicates the nearest ground water data to be in S34-T19S-R29E. The ground water in Section 34 is reported to be at an average depth of 60' below ground surface (bgs).

TULSA
525 South Main Street
Suite 535
Tulsa, Oklahoma 74103
Phone 918.742.0871
Fax 918.382.0232

The ranking for this site is 10 based on the as following:

| | |
|--------------------------------|-----------|
| Depth to ground water | 50'- 100' |
| Wellhead Protection Area | >1000' |
| Distance to surface water body | >1000' |

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING
CONSTRUCTION
SPILL MANAGEMENT
GENERAL CONTRACTING

Toll Free: 866.742.0742
www.talonlpe.com

Incident Description

On January 1, 2011 a valve located on the load line running from the stock tank froze and then ruptured. The valve was replaced. One hundred and fifty-two (152) barrels of hydrocarbon fluids were released. A vacuum truck was brought to the location and twenty-three (23) barrels of fluid were recovered. The affected area is on the location in front of the tank battery. The hydrocarbon impacted area is estimated to be one hundred feet (100') long by sixty feet (60') wide. The bermed area of the tank battery was lined and no further corrective actions are required.

Actions Taken

On February 9, 2011 Talon/LPE mobilized personnel were on the site to begin the site assessment and soil sampling for the construction of a work plan. Grab soil samples were collected utilizing a split spoon auger rig. A bore hole was drilled into the impacted area located in front of the tank battery. Grab soil samples were collected from the surface of the impacted area on the location to a depth of six feet (6') bgs.

The grab soil samples were collected by Talon personnel wearing clean nitrile gloves. The soil samples were placed in laboratory provided sample containers, stored on ice or refrigerated, and transported to Cardinal Laboratories in Hobbs, New Mexico for analysis. The samples were tested for volatile organics (BTEX) per EPA Method 8021B; total Petroleum Hydrocarbons (TPH) per EPA Method 8015M; and total chlorides via Method SM 4500Cl-B. All analytical testing was performed on a standard turn-around basis. The complete laboratory report is attached.

Analytical Results

Analytical results received from Cardinal Laboratories are summarized below:

| <u>Sample, Depth</u> | <u>Chlorides</u> | <u>BTEX</u> | <u>TPH</u> |
|----------------------|------------------|-------------|-------------|
| S-1 0-feet | 240 mg/kg | 442.6 mg/kg | 24850 mg/kg |
| S-1 1' | 144 | <50 | 59.2 |
| S-1 2' | 112 | <50 | <10 |
| S-1 3' | 80 | <50 | 137 |
| S-1 4' | 32 | <50 | <10 |
| S-1 6' | 16 | | |

Remedial Actions

On April 21, 2011 Talon personnel mobilized to the site to begin excavation of the impacted soil located in front of the stock tank. A total of 630 cubic yards of impacted soil was excavated to a depth of 1-foot below land surface and transported to an NMOCD approved solid waste disposal facility, CRI, for disposal. The excavated area was left open until an approval for backfilling of the site was obtained from NMOCD. April 22, 2011 NMOCD Environmental Specialist Mr. Bratcher granted approval to backfill the excavated area with no confirmation soil samples required, based on previously submitted lab data.

On May 2, 2011 Talon personnel returned to the site to backfill the excavated area. The excavated area on the location was backfilled to grade using new material transported from a local borrow pit.

Conclusions and Recommendations

- Ground water in the project vicinity is 60-feet below land surface per the New Mexico State Engineer Database.
- The impacted area has been excavated to a depth of 1-foot deep.
- Based upon the results of the sampling and analytical program, all chemical parameters tested for are reported to be less than their respective Recommended Remedial Action Levels (RRALs), below the excavated depth.
- Therefore, on behalf of Devon Energy Corporation, we respectfully request that no further actions be required and that closure with respect to this release be granted.

Should you have any questions or if further information is required, please do not hesitate to contact us at 575.746.8768.

Respectfully submitted,

TALON/LPE



Mike Stubblefield
Project Manager



David J. Adkins
District Manager

GROUNDWATER DATA



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

| POD Number | Sub basin | Use | County | Q 64 | Q 16 | Q 4 | Sec | Tws | Rng | X | Y | Distance | Depth Well | Depth Water | Water Column |
|------------|-----------|-----|--------|------|------|-----|-----|-----|-----|--------|----------|----------|-------------------------|-------------|----------------|
| CP 00681 | PRO | ED | ED | 1 | 1 | 3 | 34 | 19S | 29E | 587230 | 3609127* | 1912 | | | |
| CP 00741 | PRO | ED | ED | 1 | 3 | 2 | 34 | 19S | 29E | 588030 | 3609533* | 1997 | 230 | 60 | 170 |
| CP 00830 | STK | LE | LE | 2 | 1 | 04 | | 20S | 29E | 586118 | 3608193* | 2786 | 120 | | |
| | | | | | | | | | | | | | Average Depth to Water: | | 60 feet |
| | | | | | | | | | | | | | Minimum Depth: | | 60 feet |
| | | | | | | | | | | | | | Maximum Depth: | | 60 feet |

Record Count: 3

UTMNAD83 Radius Search (in meters):

Easting (X): 586608

Northing (Y): 3610936

Radius: 3000

*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.

LABORATORY REPORTS

February 15, 2011

MIKE STUBBLEFIELD
TALON LPE
408 W. TEXAS AVE.
ARTESIA, NM 88210

RE: PARKWAY BS #21

Enclosed are the results of analyses for samples received by the laboratory on 02/11/11 16:38.

Cardinal Laboratories is accredited through Texas NELAP for:

| | |
|--------------------|--|
| Method SW-846 8021 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
| Method SW-846 8260 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
| Method TX 1005 | Total Petroleum Hydrocarbons |

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

| | |
|------------------|------------------------------|
| Method EPA 552.2 | Haloacetic Acids (HAA-5) |
| Method EPA 524.2 | Total Trihalomethanes (TTHM) |
| Method EPA 524.4 | Regulated VOCs (V2, V3) |

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene
Lab Director/Quality Manager

Analytical Results For:

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

Received: 02/11/2011
Reported: 02/15/2011
Project Name: PARKWAY BS #21
Project Number: 700794.006.01
Project Location: SEC 28 - 19S-29E

Sampling Date: 02/09/2011
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: S - 1 0' (H100281-01)

| BTEX 8021B | | mg/kg | | Analyzed By: CMS | | | | | | |
|-----------------------|-------------|-----------------|------------|------------------|------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | 12.1 | 5.00 | 02/15/2011 | ND | 2.13 | 106 | 2.00 | 1.96 | | |
| Toluene* | 159 | 5.00 | 02/15/2011 | ND | 2.12 | 106 | 2.00 | 1.07 | | |
| Ethylbenzene* | 59.5 | 5.00 | 02/15/2011 | ND | 2.15 | 107 | 2.00 | 1.25 | | |
| Total Xylenes* | 212 | 15.0 | 02/15/2011 | ND | 6.41 | 107 | 6.00 | 0.261 | | |

Surrogate: 4-Bromofluorobenzene (PIL) 54.8 % 70-130

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: HM | | | | | | |
|----------------------|------------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Chloride | 240 | 16.0 | 02/13/2011 | ND | 432 | 108 | 400 | 0.00 | | |

| TPH 8015M | | mg/kg | | Analyzed By: AB | | | | | | | S-06 |
|------------------------|--------------|-----------------|------------|-----------------|-----|------------|---------------|-------|-----------|--|------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | | |
| GRO C6-C10 | 9850 | 50.0 | 02/15/2011 | ND | 214 | 107 | 200 | 0.929 | | | |
| DRO >C10-C28 | 15000 | 50.0 | 02/15/2011 | ND | 226 | 113 | 200 | 1.74 | | | |

Surrogate: 1-Chlorooctane 134 % 70-130

Surrogate: 1-Chlorooctadecane 102 % 70-130

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

Received: 02/11/2011
Reported: 02/15/2011
Project Name: PARKWAY BS #21
Project Number: 700794.006.01
Project Location: SEC 28 - 19S-29E

Sampling Date: 02/09/2011
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: S - 1 1' (H100281-02)

| BTEX 8021B | | mg/kg | | Analyzed By: CMS | | | | | | |
|----------------|--------|-----------------|------------|------------------|------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.13 | 106 | 2.00 | 1.96 | | |
| Toluene* | 0.188 | 0.050 | 02/14/2011 | ND | 2.12 | 106 | 2.00 | 1.07 | | |
| Ethylbenzene* | 0.094 | 0.050 | 02/14/2011 | ND | 2.15 | 107 | 2.00 | 1.25 | | |
| Total Xylenes* | 0.381 | 0.150 | 02/14/2011 | ND | 6.41 | 107 | 6.00 | 0.261 | | |

Surrogate: 4-Bromofluorobenzene (PIL) 99.7 % 70-130

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: HM | | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Chloride | 144 | 16.0 | 02/13/2011 | ND | 432 | 108 | 400 | 0.00 | | |

| TPH 8015M | | mg/kg | | Analyzed By: AB | | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| GRO C6-C10 | <10.0 | 10.0 | 02/15/2011 | ND | 214 | 107 | 200 | 0.929 | | |
| DRO >C10-C28 | 59.2 | 10.0 | 02/15/2011 | ND | 226 | 113 | 200 | 1.74 | | |

Surrogate: 1-Chlorooctane 117 % 70-130

Surrogate: 1-Chlorooctadecane 133 % 70-130

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

Received: 02/11/2011
Reported: 02/15/2011
Project Name: PARKWAY BS #21
Project Number: 700794.006.01
Project Location: SEC 28 - 19S-29E

Sampling Date: 02/09/2011
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: S - 1 2' (H100281-03)

| BTEX 8021B | | mg/kg | | Analyzed By: CMS | | | | | | |
|----------------|--------|-----------------|------------|------------------|------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.13 | 106 | 2.00 | 1.96 | | |
| Toluene* | 0.066 | 0.050 | 02/14/2011 | ND | 2.12 | 106 | 2.00 | 1.07 | | |
| Ethylbenzene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.15 | 107 | 2.00 | 1.25 | | |
| Total Xylenes* | <0.150 | 0.150 | 02/14/2011 | ND | 6.41 | 107 | 6.00 | 0.261 | | |

Surrogate: 4-Bromofluorobenzene (PII) 95.3 % 70-130

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: HM | | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Chloride | 112 | 16.0 | 02/13/2011 | ND | 416 | 104 | 400 | 0.00 | | |

| TPH 8015M | | mg/kg | | Analyzed By: AB | | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| GRO C6-C10 | <10.0 | 10.0 | 02/15/2011 | ND | 214 | 107 | 200 | 0.929 | | |
| DRO >C10-C28 | <10.0 | 10.0 | 02/15/2011 | ND | 226 | 113 | 200 | 1.74 | | |

Surrogate: 1-Chlorooctane 87.5 % 70-130

Surrogate: 1-Chlorooctadecane 95.9 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

Received: 02/11/2011
Reported: 02/15/2011
Project Name: PARKWAY BS #21
Project Number: 700794.006.01
Project Location: SEC 28 - 19S-29E

Sampling Date: 02/09/2011
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: S - 1 3' (H100281-04)

| BTEX 8021B | | mg/kg | | Analyzed By: CMS | | | | | | |
|----------------|--------|-----------------|------------|------------------|------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.13 | 106 | 2.00 | 1.96 | | |
| Toluene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.12 | 106 | 2.00 | 1.07 | | |
| Ethylbenzene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.15 | 107 | 2.00 | 1.25 | | |
| Total Xylenes* | <0.150 | 0.150 | 02/14/2011 | ND | 6.41 | 107 | 6.00 | 0.261 | | |

Surrogate: 4-Bromofluorobenzene (PIL) 103 % 70-130

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: HM | | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Chloride | 80.0 | 16.0 | 02/13/2011 | ND | 416 | 104 | 400 | 0.00 | | |

| TPH 8015M | | mg/kg | | Analyzed By: AB | | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| GRO C6-C10 | <10.0 | 10.0 | 02/15/2011 | ND | 214 | 107 | 200 | 0.929 | | |
| DRO >C10-C28 | 137 | 10.0 | 02/15/2011 | ND | 226 | 113 | 200 | 1.74 | | |

Surrogate: 1-Chlorooctane 90.6 % 70-130

Surrogate: 1-Chlorooctadecane 90.4 % 70-130

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

Received: 02/11/2011
Reported: 02/15/2011
Project Name: PARKWAY BS #21
Project Number: 700794.006.01
Project Location: SEC 28 - 19S-29E

Sampling Date: 02/09/2011
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: S - 1 4' (H100281-05)

| BTEX 8021B | | mg/kg | | Analyzed By: CMS | | | | | | |
|----------------|--------|-----------------|------------|------------------|------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.13 | 106 | 2.00 | 1.96 | | |
| Toluene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.12 | 106 | 2.00 | 1.07 | | |
| Ethylbenzene* | <0.050 | 0.050 | 02/14/2011 | ND | 2.15 | 107 | 2.00 | 1.25 | | |
| Total Xylenes* | <0.150 | 0.150 | 02/14/2011 | ND | 6.41 | 107 | 6.00 | 0.261 | | |

Surrogate: 4-Bromofluorobenzene (PIL) 95.9 % 70-130

| Chloride, SM4500C1-B | | mg/kg | | Analyzed By: HM | | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Chloride | 32.0 | 16.0 | 02/13/2011 | ND | 416 | 104 | 400 | 0.00 | | |

| TPH 8015M | | mg/kg | | Analyzed By: AB | | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| GRO C6-C10 | <10.0 | 10.0 | 02/15/2011 | ND | 214 | 107 | 200 | 0.929 | | |
| DRO >C10-C28 | <10.0 | 10.0 | 02/15/2011 | ND | 226 | 113 | 200 | 1.74 | | |

Surrogate: 1-Chlorooctane 87.3 % 70-130

Surrogate: 1-Chlorooctadecane 91.7 % 70-130

Sample ID: S - 1 6' (H100281-06)

| Chloride, SM4500C1-B | | mg/kg | | Analyzed By: HM | | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Chloride | 16.0 | 16.0 | 02/13/2011 | ND | 416 | 104 | 400 | 0.00 | | |

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

- S-LOW Low surrogate recovery confirmed as a matrix effect by a second analysis.
- S-06 The recovery of this surrogate is outside control limits due to sample dilution required from high analyte concentration and/or matrix interference's.
- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

FORM C-141

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

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | |
|---|-------------------------------------|
| Name of Company – Devon Energy | Contact – Roy White, Foreman |
| Address – 6488 Seven Rivers Hwy – PO Box 250 | Telephone No. – 575-513-1741 |
| Facility Name – Parkway # 21 | Facility Type |

| | | |
|---------------|---------------|-------------------------------------|
| Surface Owner | Mineral Owner | Lease No. API# 30-015-32686 2RP-706 |
|---------------|---------------|-------------------------------------|

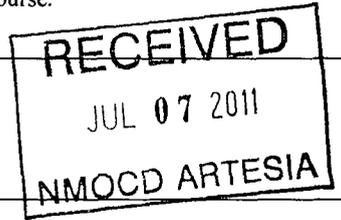
LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| P | 28 | 19S | 29E | 330' | South | 400' | East | Eddy |

Latitude 32.62534 Longitude -104.07259

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release – Oil | Volume of Release 152 bbls | Volume Recovered 23 bbls |
| Source of Release – Load line valve in front of tank broke | Date and Hour of Occurrence 1/23/11 – 10:30 am | Date and Hour of Discovery 1/23/11 – 10:30 am |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Darold Gray – OCD | |
| By Whom? – Roy White, Foreman | Date and Hour 1/23/11 – 11:55 am | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |



If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Load line valve in front of tank froze and broke in two. Tanks were cleaned, bottoms recoated and all valves replaced. A vacuum truck was used to recover 23 bbls of oil. Removed impacted soil from release area.

Describe Area Affected and Cleanup Action Taken.*
Impacted area 10'x100' in front of tanks. Impacted area was excavated to the depth of 1 foot; contaminated soil transported to a NMOCD approved facility for disposal. The area was backfilled to grade using new material transported from local borrow pit.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

| | | |
|--|----------------------------------|-----------------------------------|
| Signature: | OIL CONSERVATION DIVISION | |
| Printed Name: David Adkins, TALON/LPE | Approved by District Supervisor: | |
| Title: Agent/Devon Energy | Approval Date: | Expiration Date: |
| E-mail Address: dadkins@talonlpe.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 6/23/11 | Phone: 575-746-8768 | |

* Attach Additional Sheets If Necessary