

RECEIVED

Form 3160-5
(August 2007)

AUG 27 2012

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

NMOC D ARTESIA

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.
NMNM54112

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
STRAWBERRY 7 FEDERAL #22. Name of Operator
Devon Energy Production Co LP9. API Well No.
30-015-323753a. Address
PO BOX 250, Artesia, NM 882113b. Phone No. (include area code)
575-748-018410. Field and Pool or Exploratory Area
N HACKBERRY; MORROW4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1300' FNL & 1750' FEL, Sec 7, T19S, R31E, Unit B11. Country or Parish, State
Eddy

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

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" 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	Drilling Pit	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation 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 determined that the site is ready for final inspection.)

- Devon Energy has contracted Talon/LPE to do reclamation of the closed drilling pit at the Strawberry 7 Federal #2, an active well location.
- The area on the lease road where the drilling pit material was used for road repairs will be excavated and transported to an NMOC approved disposal facility. Confirmation samples will be taken and sent to Cardinal Laboratorys for analysis.
- The surface of the closed drilling pit area will be excavated 2-feet deep below land surface to prepare for the installation of a liner.
- A composite 20 millimeter liner one hundred seventy-two (172') feet long by one hundred forty-five (145') feet wide will be installed into the excavated area. The edges of the liner will be keyed a minimum of 3-feet deep into a trench excavated at the boundaries of the closed drilling pit area.
- New soil will be transported in from downsized locations in the area or a local borrow pit. A minimum of 3-foot of new soil will be placed over the top of the 20 mil liner in closed drilling pit area.
- The soil lift will be contoured to match the surrounding terrain and will be seeded using the recommended BLM seed mixture for the area.
- Erosion control berms will be installed to help with the reclamation.

Attached COA's
T. Gregston 08/23/1214. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Lynn Smith

Title Assistant Production Foreman

Signature

Date 8/23/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

LPE7

Date

8/23/12

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

CFO

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)

SEE ATTACHED FOR
CONDITIONS OF APPROVALAccepted for record
NMOC 8/27/12
MB



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

May 29, 2012

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

RE: STRAWBERRY 7 NO. 2

Enclosed are the results of analyses for samples received by the laboratory on 05/24/12 15:57.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

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 (V1, 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,

A handwritten signature in black ink, appearing to read "Celey D. Keene". The signature is fluid and cursive, with a large, stylized 'C' at the beginning.

Celey D. Keene

Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

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

Received: 05/24/2012
Reported: 05/29/2012
Project Name: STRAWBERRY 7 NO. 2
Project Number: 700794.027.01
Project Location: SEC.7-T19S-R31E

Sampling Date: 05/22/2012
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Hope S. Moreno

Sample ID: S-1 0' LEASE ROAD (H201186-01)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	05/29/2012	ND	416	104	400	0.00	

Sample ID: S-2 0' LEASE ROAD (H201186-02)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	22400	16.0	05/29/2012	ND	416	104	400	0.00	

Sample ID: S-3 0' DRILLING PIT (H201186-03)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	27600	16.0	05/29/2012	ND	432	108	400	0.00	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celestine D. Keene

Celestine D. Keene, Lab Director/Quality Manager

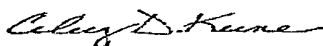
Notes and Definitions

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

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

[illegible]

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

Strawberry 7 Federal 2
API: 3001532375
T19S, R31E, sec. 7, 1300FNL, 1750FEL

DATE: 08/23/12

CONDITIONS OF APPROVAL FOR RESERVE PIT STABILIZATION PLAN:

The reserve pit stabilization plan, submitted via sundry notice on 08/23/12, for the above location is approved with the following conditions of approval:

Notification Stipulations:

- 1. A copy of the cleanup plan and conditions of approval must be given to the contractor or site work personnel and be present on the location during all cleanup operations.**
- 2. The authorized officer must be notified at the following phases of cleanup or conditions:**
 - a. Prior to moving equipment on location for cleanup
 - b. When the excavation is nearing completion and a BLM inspection of the excavation and/or liner installation is required.
 - c. When the cleanup work is nearing completion and to schedule a final onsite prior to removal of equipment.
 - d. Three days before the site is seeded.
 - e. Any time that a variance of the approved plan or conditions of approval is required.
 - f. In the event that you encounter excavation difficulties, unexpected void areas, or archeological artifacts the Authorized Officer must be contacted immediately. An onsite may be required to assess the situation.
3. The authorized officer on this undesirable event case is:
Terry Gregston
(575) 361-2635
tgregsto@blm.gov

Pad Cleanup Stipulations:

NOTE: Pad areas that have been affected by leaching from the reserve pit must be mitigated as well as the reserve pit itself. Salt affected pad areas were observed adjoining the reserve pit area during the BLM onsite of the location.

1. The BLM requires horizontal cleanup of the reserve pit-impacted areas in addition to vertical cleanup/mitigation measures. The sidewalls of the excavated pit area must test below closure limits. See also COA's under liner installation.
2. The BLM may wish to inspect the excavation once it reaches cleanup depth/width. Confirmation samples of excavation bottom, sidewalls and any visibly affected areas outside of the excavation trench will be required; the BLM may witness the sampling. Contact the authorized officer to schedule.
3. Lab analysis of the confirmation sampling must be forwarded to the authorized officer for final approval before backfilling. Based on the sampling results, additional cleanup may be required or the site may be approved for closure.
4. Once final approval of cleanup is given, the excavation can be backfilled with clean soil to the level of the original native contour plus enough loft to accommodate the settling and compaction of unconsolidated fill soils.
5. Pad areas should be resurfaced with 6" of clean caliche on top of the backfill material.
6. Pad should be bermed with compactable caliche to prevent future spills from leaving the pad and impacting reclaimed pasture areas.

Reserve Pit Areas:

1. The BLM requires horizontal cleanup of the reserve pit impacted areas in addition to excavation and capping as proposed in the sundry notice. The sidewalls of the excavated pit area must test below closure limits.
2. The BLM may wish to inspect the excavation once it reaches cleanup depth/width. Confirmation samples of excavation sidewalls and any visibly affected areas outside of the excavation trench will be required; the BLM may witness the sampling. Contact the authorized officer to schedule.
3. Lab analysis of the confirmation sampling must be forwarded to the authorized officer for final approval before backfilling. Based on the sampling results, additional cleanup may be required or the site may be approved for closure.
4. Once final approval of cleanup is given, the excavation can be backfilled with clean soil to the level of the original native contour plus enough loft to accommodate the settling and compaction of unconsolidated fill soils.
5. One foot of topsoil similar to that in the surrounding native terrain must be placed atop the fill material.
6. If pastures surrounding the cleanup area are not contaminated but are impacted by cleanup operations, the impacts to the pasture areas will be mitigated by recontouring the impacted areas, ripping compacted soils, and restoring the surface as listed in items 7 through 9 of this section.
7. Install erosion control measures in the reserve pit reclamation and pasture-affected areas to prevent the unconsolidated reclamation materials from washing or blowing away until reclaimed areas settle and begin to revegetate.
8. Rip and seed reclaimed and equipment-impacted pasture areas with BLM seed mix #2 and #4, 50/50 mix.
9. Barricade entrance to reclaimed pasture areas with fencing or an earthen barrier sufficient to prevent vehicular access.
10. Continue to monitor reserve pit reclamation area to ensure reserve pit and impacted pasture areas revegetate and that erosion issues do not develop.

Installation of Liner Cap in Reserve Pit Area:

1. The installed liner must cover all reserve pit areas that are above closure limits at a 2' excavated depth. This area may be larger than what is quoted in the sundry notice as the liner dimension; if so, then a liner that is of sufficient size to cover all areas of the reserve pit that are above closure limits at 2' will be installed instead of the sundry notice specified dimensions.
2. Liner must be installed 3 or more feet below surface. The area to be covered by the liner should be slightly mounded in the center so that water/fluids do not pool and stand atop the liner. The edges of the lined area should be trenched and the liner installed so that the edges of the liner "keystone", or encase, the top portion of the containment area.
3. An inspection by the Authorized Officer is required prior to backfilling the liner installation.

Other Stipulations:

1. At the time of the final onsite for this location, the production facilities, well pad, access road, and the surrounding pasture areas must be in a condition that will pass a routine inspection.
2. All household trash, debris, disconnected pipe and equipment must be removed from the area and the surrounding pasture and hauled to an authorized landfill. Do not bury cleanup trash, equipment debris, or household garbage in the cleanup excavation.

BLM approval of this proposal does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that may pose a threat to groundwater, surface water,

human health, or the environment, or if the location fails to reclaim properly. In such an event that location does not revegetate, or future issues with contaminants are encountered, the operator will be asked to address the issues until contaminant issues are fully mitigated and the location is successfully reclaimed. In addition, BLM approval does not relieve the operator of responsibility for compliance with any other federal, state, or local laws/regulations.