OCD-ARTESIA FORM APPROVED **UNITED STATES** OMB No 1004-0137 DEPARTMENT OF THE INTERIOR Expires March 31, 2007 SEP 07 2010 BUREAU OF LAND MANAGEMENT 5. Lease Serial No N196822 NATION OF THE PROPERTY OF WELLS 6 If Indian, Allottee or Tribe Name is form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2. 1 Type of Well 8 Well Name and No Oil Well ✓ Gas Well Other Levers Federal 1 2 Name of Operator Devon Energy Production Co., LP 9 API Well No 30-015-20174 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 3a. Address 20 North Broadway OKC, OK 73102-8260 Springs; Upper Penn (Gas) (405)-552-7802 4 Location of Well (Foolage, Sec., T.,R.,M., or Survey Description) Sec 2-1218-R25E 11. Country or Parish, State Eddy County, New Mexico 1594' FNL & 660' FWL 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Deepen Production (Start/Resume) Water Shut-Off Acidize Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other MIT Test & Chart Casing Repair New Construction Recomplete Subsequent Report For TA Status Plug and Abandon Change Plans Temporarily Abandon Plug Back Water Disposal Final Abandonment Notice Convert to Injection 13. Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. the proposal is to deepen directionally or recomplete 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 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 determined that the site is ready for final inspection) Devon Energy Production Company, L.P. respectfully requests approval to run an MIT on the referenced well for TA status as follows: SEE ATTACHED FOR (see attached) CONDITIONS OF APPROVAL Accepted for record NMOCD RE I hereby certify that the pregoing is true and correct Name (Printed/Typ Stephanie A. Ysasa Title Sr. Staff Engineering Technician Date 08/27/2010 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by 9/2/10 JD Whitlock Jr /s/ 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

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





Levers Fed #1

Workover Non-AFE

Objective - Pull production tbg, ESP w/ cable, & capillary string. Set RBP above perfs. Circulate packer fluid.

API# - 30-015-20174

Location - Sec 2-21S-25E: 1594'FNL & 660' FWL

GL - 3298'

KB - 3309' (11')

TD - 10362'

PBTD - 9495'(?)

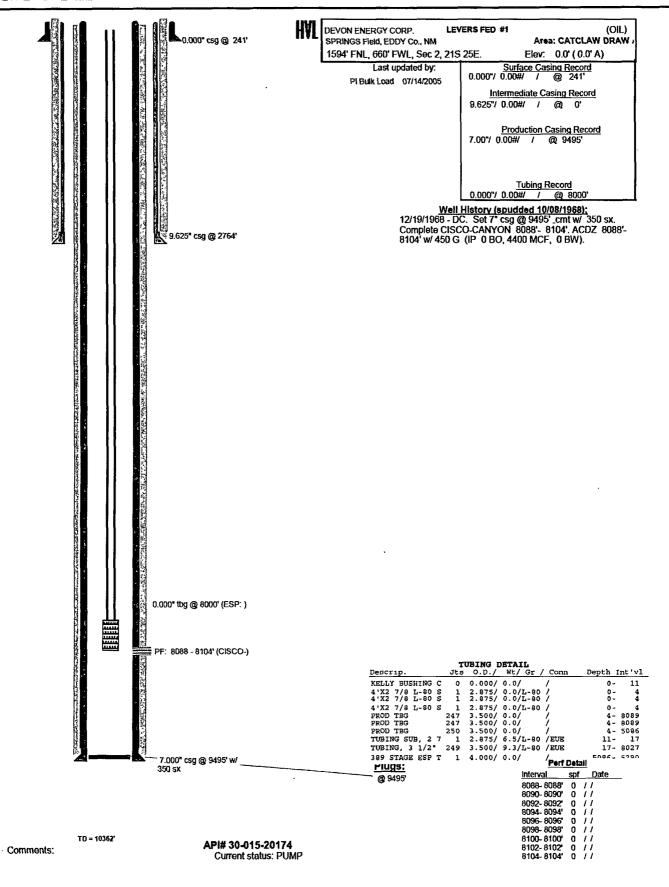
Casing	OD	WT/FT	Grade	TOP	Bottom	TOC
Surface	16"	65.00#		0'	241'	Surface
Intermediate	9 5/8"	36.00#		0'	2764'	Surface
Production	7"	23.00#		0'	9495'	?
Tubing						<u></u>
Production	3 1/2"	9.30#	J-55	0'	8026'	-

Current perforations - 8088-8104'

Procedure

- 1) Test anchors. MIRU WSU, cable spoolers, & cap string spoolers. POOH w/ production tbg, ESP w/ cable, & cap string.
- 2) Send ESP to Schlumberger for inspection.
- 3) RIH w/ tbg & RBP. Set RBP @ 8000'. Circulate pkr fluid. Test RBP to 250 psi. Leave tbg in hole.
- 4) RDMO all equipment.





BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

- 1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval <u>with well bore diagram</u> with all perforations and CIBP's and tops of cement on CIBP's.
- Describes the temporary abandonment procedure.
- 3. Attaches a clear copy or the original of the pressure test chart.
- 4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

Levers Federal #1. Well may be approved to be TA/SI for a period of 90 days until December 3, 2010 after successful MIT and subsequent report with well bore diagram is submitted. This will be the only TA approval for this well. Well must be P&A or plans to return to beneficial use submitted by December 3, 2010.