Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR Oil Cons. BUREAU OF LAND MANAGEMENTM. DIV-Dist. 2

| FOR | KM AP | PR | ROVED |) |
|--------|--------|-----|---------|---|
| Budget | Bureau | Νo. | 1004-01 | 3 |

| | 1301 W. Grand Avenue | Budget Bureau No. 1004-0135 Expires March 31, 1993 | | | | |
|--|---|--|--|--|--|--|
| SUNDRY NOTICES | 5. Lease Designation and Serial No. | | | | | |
| Do not use this form for proposals to drill o | NM-NM83037 | | | | | |
| Use "APPLICATION FO | 6. If Indian, Allottee or Tribe Name | | | | | |
| SUBMIT | IN TRIPLICATE | N/A 7. If Unit or CA, Agreement Designation | | | | |
| 1. Type of Well Gas Well Other Other | 45° A 20 15'6' | N/A | | | | |
| 2. Name of Operator | (2) 1/3 (2) (2) (3) | 8. Well Name and No. | | | | |
| Devon Energy Production Co. LP | ONE CINED CINE OF | Jones Canyon "4" Federal #9 | | | | |
| 3. Address and Telephone No. | REC ARTE OF | 9. API Well No. | | | | |
| 20 N. Broadway, Suite 1500, Oklahoma | 30-015-32622 | | | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey | Perceintion 2 | 10. Field and Pool, or Exploratory Area | | | | |
| 2659' FNL & 391' FWL Sec. 4-T22S-R24E, | Indian Basin (Upper Penn) Assoc. | | | | | |
| 2009 FNL & 391 FVVL 386. 4-1223-R24E, | Description) Eddy County, NM | 11. County or Parish, State | | | | |
| | | Eddy County, New Mexico | | | | |
| CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | |
| Notice of Intent | Abandonment | Change of Plans | | | | |
| _ | Recompletion | New Construction | | | | |
| Subsequent Report | Plugging Back | Non-Routine Fracturing | | | | |
| | Casing Repair | Water Shut-Off | | | | |
| Final Abandonment Notice | Altering Casing | Conversion to Injection | | | | |
| | Other | Dispose Water | | | | |
| | | Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) | | | | |
| 13. Describe Proposed or Completed Operations (Clearly state all | pertinent details, and give pertinent dates, including estimated date of starting any p | roposed work. If well is directionally drilled, give | | | | |

subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Devon Energy Production Co. LP requests permission to dispose water via existing gathering system pipeline to our Jones Canyon 4 Fed #6 SWD in Sec 4, T22S, R24E per NMOCD Administrative Order SWD-756. Request alternate disposal via existing gathering system pipeline to Old Ranch Knoll 8 Fed #4 SWD in Sec 8, T22S, R24E NMOCD order SWD-585. Current production is 3200 bbls water per day. Water analysis is attached.

| | | 2003 MAY BUREAU CARLS BA |
|---|--------------------------|---|
| | APPROVED | |
| | MAY - 7 2003 LES BABYAK | RECEIVED 5 PM 1 50 0F LAND MGMT. FIELD OFFICE |
| 14. I hereby certify that the foregoing is true and correct | Joe Huber | Date 5-2-03 |
| (This space for Federal or State office use) | Title Foreman | Date |
| Approved by Conditions of approval, if any: | Title | Date |

Champion

Technologies, Inc.

Water Report

Date Entered: Test Date: 04/30/2003 04/30/2003

Customer: Devon Energy Contact Name: Joe Huber

CC1: CC2: Address:

City State

ZIP

Salesman: Lee Mallett

Lab Technician: Cynthe Sims

Celestite (Strontium Sulfate)

Lease Name: Jones Canyon

Target Name: Jones Canyon 4-9

Sample Point: Jones Canyon 4-9

Sample Date: 04/28/2003 Test Date: 04/30/2003

Formation:

Appended Data(mg/L) **Physical Properties** Water Analysis(mg/L) 50 Ionic Strength(calc.) 1363 CO₂ 0.29 Calcium H2S 325 Magnesium 923 pH(calc.) Barium iron 3 Temperature(°F) 108 Pressure(psia) **Strontium** Oxygen 105 1208 Additional **Density** 8.40 Sodium(calc.) **Bicarbonate Alkalinity Specific Gravity** 1.01 **Dew Point** 939 Total Dissolved Solids(Mg/L) 1924 11357 Lead **Sulfate** Total Hardness(CaCO3 Eq 7190 5000 Zinc Chloride SI && PTB Calcite Value Scale Type SI PTB Calculation Calcite (Calcium Carbonate) Known pH 6.90 0.89 313.90 Gypsum (Calcium Sulfate) -0.43Hemihydrate (Calcium Sulfate) -0.33Remarks: Anhydrite (Calcium Sulfate) -0.56 Barite (Barium Sulfate)