

OCD-ARTESIA

Form 3160-5
(February 2005)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No 1004-0137
Expires March 31, 2007**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.

NMLC 063622

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 Co., LP

3a. Address

20 North Broadway
OKC, OK 73102

3b Phone No (include area code)

(405)-552-7802

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

8 Well Name and No.

Pacer 28 Federal 1

9. API Well No.

30-015-32178

10. Field and Pool or Exploratory Area

Lusk; Morrow, West (Gas)

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 28-T19S-R31E

1880' FNL & 1980' FEL

11. Country or Parish, State

Eddy County, NM

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 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 checked="" type="checkbox"/> Other <u>Change of Operator:</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Lynx to Devon</u>
	<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 recompleat 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 recompleat 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.)

As required by 43 CFR 3100.5(a) and 43 CFR 3162.3 we are notifying you of a change of operator on the above referenced well:

Pacer 28 Federal 1 30-015-32178 Sec 28-T19S-R31E 1880' FNL & 1980' FEL

Devon Energy Production Co., LP as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease portion of lease described.

Devon Energy Production Co., LP meets federal bonding requirements as follows (43 CFR 3104):

Bond Coverage: Individually Bonded

BLM Bond File: CO-1104

Effective Date: 06/01/2011

This well was previously operated by Lynx Petroleum Consultants. See attached documentation and approval from the NMOCD.

RECEIVED

JUL 15 2011

NMOCD ARTESIA

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Stephanie A. Ysasaga

Title Sr. Staff Engineering Technician

Signature

Date 06/01/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

APPROVED

JUL 14 2011

s/ JD Whitlock Jr

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.

(Instructions on page 2)

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

Conditions of Approval

Devon Energy Production Co., LP

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. All above ground structures and equipment on the lease shall be painted Shale Green (5Y 4/2). This is to be done within 90 days, if you have not already done so.
3. Submit for approval of water disposal method.
4. Submit updated facility diagrams as per Onshore Order #3
5. This agency shall be notified of any spill-or discharge as required by NTL-3A.
6. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
7. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
8. Subject to like approval by NMOCD.

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District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
1301 W. Grand Ave., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

State of New Mexico
Energy, Minerals and Natural
Resources

Form C-145
Permit 132203

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

HOBS OCD

JUN 02 2011

Change of Operator **RECEIVED**

Previous Operator Information

OGRID: 13645
Name: LYNX PETROLEUM
CONSULTANTS INC
Address: PO BOX 1708

City, State, Zip: HOBS, NM 88241

New Operator Information

Effective Date: Effective on the date of approval by the OCD

OGRID: 6137
Name: DEVON ENERGY PRODUCTION
COMPANY, LP
Address: 20 N Broadway

City, State, Zip: Oklahoma City, OK 73102

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

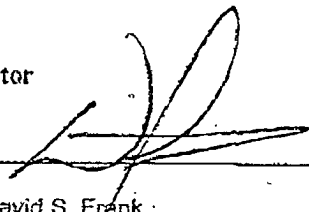
Additionally, by signing below, DEVON ENERGY PRODUCTION COMPANY, LP certifies that it has read and understands the following synopsis of applicable rules.

Previous Operator

Signature: 
Printed Name: Larry R. Scott

Title: PresidentDate: 6/02/11 Phone: 575-392-6950

New Operator

Signature: 
Printed Name: David S. Frank

Title: David S. Frank - Attorney-in-FactDate: 06/01/2011 Phone: (405)-552-7881**NMOCD Approval**Electronic Signature: Randy Dade, District 2Date: June 02, 2011

Devon Energy Production Co., L.P. assumes operations of the attached list effective 06/01/2011.

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DEVON ENERGY PRODUCTION COMPANY, LP certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells are in compliance with 19.15.17 NMAC, have been closed pursuant to 19.15.17.13 NMAC, or have been retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.

DEVON ENERGY PRODUCTION COMPANY, LP understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

As the operator of record of wells in New Mexico, DEVON ENERGY PRODUCTION COMPANY, LP agrees to the following statements:

1. I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
2. I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See 19.15.9.9.B NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See 19.15.9.9.C(2) NMAC.
3. I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See 19.15.7.24.C NMAC.
4. I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed on approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance, even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See 19.15.8.9.C NMAC. I understand that I can check my compliance with the single-well financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
6. I am responsible for reporting releases as defined by 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record.
7. I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits. See 19.15.26.8 NMAC.
8. For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand

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that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.

9. I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See 19.15.9.8.C NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
10. If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See 19.15.9.9.B NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.

From Operator LYNX PETROLEUM CONSULTANTS INC OGRID 13645
 To Operator DEVON ENERGY PRODUCTION COMPANY, LP OGRID 6137
 Wells Selected for Transfer, Permit 132203
 Permit Status: APPROVED

OCD District Hobbs

Property Well	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name
309482 ARCO STATE #001Y	S	E-35-15S-36E	E	30-025-29324	O	16720	DEAN;PERMO PENN
309483 CONTINENTAL COM FEDERAL #001	F	O-6-19S-32E	O	30-025-20912	O	41589	LUSK;STRAWN
309465 FEDERAL M. #001	F	L-27-18S-33E	L	30-025-21893	O	13160	CORBIN;BONE SPRING, SOUTH
309488 HAWKEYE 7 FEDERAL #001	F	4-7-19S-32E	M	30-025-00892	O	41440	LUSK;BONE SPRING
HAWKEYE 7 FEDERAL #002	F	J-7-19S-32E	J	30-025-35661	O	41440	LUSK;BONE SPRING
309487 LYNX FEDERAL #001	F	O-15-17S-32E	O	30-025-27861	O	43329	MALJAMAR;GRAYBURG-SAN ANDRES
LYNX FEDERAL #002	F	E-15-17S-32E	E	30-025-27857	G	80960	MALJAMAR;QUEEN (GAS)
LYNX FEDERAL #003	F	N-15-17S-32E	N	30-025-27929	O	43329	MALJAMAR;GRAYBURG-SAN ANDRES
LYNX FEDERAL #004	F	K-15-17S-32E	K	30-025-28372	O	43329	MALJAMAR;GRAYBURG-SAN ANDRES
LYNX FEDERAL #005	F	F-15-17S-32E	F	30-025-28679	O	43329	MALJAMAR;GRAYBURG-SAN ANDRES
LYNX FEDERAL #006	F	D-15-17S-32E	D	30-025-29272	O	43329	MALJAMAR;GRAYBURG-SAN ANDRES
LYNX FEDERAL #007	F	L-15-17S-32E	L	30-025-00559	O	43329	MALJAMAR;GRAYBURG-SAN ANDRES
LYNX	F	J-15-	J	30-	O	43329	MALJAMAR;GRAYBURG-

FEDERAL #008	17S-	025-	SAN ANDRES
	32E	00561	
309475 NANCY #001 P	N-24-	30-	
	21S- N	025- O	6660 BLINEBRY OIL AND GAS (OIL)
	37E	23219	
NANCY #001 P	N-24-	30-	
	21S- N	025- O	60240 TUBB OIL AND GAS (OIL)
	37E	23219	
NANCY #001 P	N-24-	30-	
	21S- N	025- O	62700 WANTZ;ABO
	37E	23219	
309459 REED SANDERSON F	4-3 -	30-	
UNIT #002	20S- D	025- O	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04172	
REED SANDERSON F	3-3 -	30-	
UNIT #003	20S- C	025- I	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04178	
REED SANDERSON F	2-3 -	30-	
UNIT #004	20S- B	025- O	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04187	
REED SANDERSON F	F-3 -	30-	
UNIT #005	20S- F	025- O	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04179	
REED SANDERSON F	E-3 -	30-	
UNIT #006	20S- E	025- I	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04180	
REED SANDERSON P	I-4 -	30-	
UNIT #008	20S- I	025- I	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04189	
REED SANDERSON F	L-3 -	30-	
UNIT #009	20S- L	025- O	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04182	
REED SANDERSON F	K-3 -	30-	
UNIT #010	20S- K	025- I	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04181	
REED SANDERSON F	J-3 -	30-	
UNIT #011	20S- J	025- O	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04186	
REED SANDERSON F	N-3 -	30-	
UNIT #013	20S- N	025- O	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04183	
REED SANDERSON F	M-3 -	30-	
UNIT #014	20S- M	025- I	22800 EUMONT;YATES-7 RVRS-QUEEN (OIL)
	36E	04184	
REED P	P-4 - P	30- O	22800 EUMONT;YATES-7 RVRS-

	SANDERSON		20S-		025-		QUEEN (OIL)
	UNIT #015		36E		04191		
	REED		A-9 -		30-		
	SANDERSON F		20S-	A	025- I	22800	EUMONT;YATES-7 RVR-
	UNIT #016		36E		04196		QUEEN (OIL)
	REED		D-10-		30-		
	SANDERSON F		20S-	D	025- O	22800	EUMONT;YATES-7 RVR-
	UNIT #017		36E		04202		QUEEN (OIL)
	REED		C-10-		30-		
	SANDERSON F		20S-	C	025- I	22800	EUMONT;YATES-7 RVR-
	UNIT #018		36E		04207		QUEEN (OIL)
	REED		B-10-		30-		
	SANDERSON F		20S-	B	025- O	22800	EUMONT;YATES-7 RVR-
	UNIT #019		36E		04203		QUEEN (OIL)
309480	ROBIN 28		A-28-		30-		
	FEDERAL #001 F		18S-	A	025- G	13195	CORBIN;DELAWARE,
			33E		35844		WEST
309476	SHINNER Y 1		I-1 -		30-		
	FEDERAL #001 F		18S-	I	025- O	65350	YOUNG;BONE SPRING,
			32E		30627		NORTH
309469	STATE CP #001 S		4-1 -		30-		
			18S-	D	025- O	13150	CORBIN;ABO
			33E		20013		
			E-1 -		30-		
	STATE CP #002 S		18S-	E	025- O	19950	E-K;YATES-SEVEN
			33E		20029		RIVERS-QUEEN

OCD District: Artesia

Property Well	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name
FASKEN		34-5 -		30-			
309494 FEDERAL #002	F	21S-26E	N	015-21246	G	70880	AVALON;ATOKA (GAS)
FEDERAL HJ-27 #001	F	E-27-19S-31E	E	30-015-25780	O	96746	HACKBERRY;BONE SPRING,EAST
HANNIFIN		E-1 -		30-			
309467 FEDERAL #002	F	19S-31E	E	015-22960	G	85300	SHUGART;MORROW (GAS)
JONES D		E-24-		30-			
309463 FEDERAL #001	F	19S-31E	E	015-10278	O	41480	LUSK;BONE SPRING, WEST
JONES		P-23-		30-			
309485 FEDERAL B F #003	F	19S-31E	P	015-10394	O	41480	LUSK;BONE SPRING, WEST

309458	KITTY HAWK FEDERAL #001	F	J-1 - 19S- 31E	J	30- 015- 32746	G	96211	HACKBERRY;DELAWARE, NORTHEAST
309486	NO AGUA 7 FEDERAL #001	F	8-7 - 21S- 26E	D	30- 015- 34956	G	70920	AVALON;MORROW (GAS)
	NO AGUA 7 FEDERAL #001	F	8-7 - 21S- 26E	D	30- 015- 34956	G	74400	CATCLAW DRAW;STRAWN, EAST (GAS)
309468	PACER 28 FEDERAL #001	F	G-28- 19S- 31E	G	30- 015- 32178	G	80840	LUSK;MORROW, WEST (GAS)
309462	PAN AM STATE COM #001	S	J-11- 23S- 26E	J	30- 015- 20296	G	73800	CARLSBAD;ATOKA, SOUTH (GAS)
309495	RADAR 24 FEDERAL #001	F	C-24- 19S- 31E	C	30- 015- 31357	O	41480	LUSK;BONE SPRING, WEST
	RADAR 24 FEDERAL #001	F	C-24- 19S- 31E	C	30- 015- 31357	O	41540	LUSK;DELAWARE, WEST