

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. CEM FEDERAL 2
2. Name of Operator DEVON ENERGY PRODUCTION CO. L.P. Contact: DAVID H COOK Email: david.cook@devn.com		9. API Well No. 30-015-05804
3a. Address 333 WEST SHERIDAN AVENUE OKLAHOMA CITY, OK 73102-5010	3b. Phone No. (include area code) Ph: 405-552-7848	10. Field and Pool, or Exploratory HACKBERRY; YATES-7 RIVERS
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T19S R31E NENE 660FNL 660FEL		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Successor of Operator
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 3100.0-5(a) and 43 CFR 3162.3, we are notifying you of a change of operator on the referenced Well. Devon Energy Production Company, L.P., as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease portion of the lease described.

Devon Energy Production Company, L.P. meets federal bonding requirements as follows (43 CFR 3104):

BLM Bond File No: CO1104 & NMB-000801

EFFECTIVE 6-1-2011

JDade 10/30/12
Accepted for record
NMOCD

OK JB
File online w/NMOCD
SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED

OCT 29 2012

NMOCD ARTESIA

APPROVED

OCT 26 2012

14. I hereby certify that the foregoing is true and correct.		BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
Electronic Submission #153498 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO., L.P., sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 10/10/2012		
Name (Printed/Typed) DAVID H COOK	Title REGULATORY SPECIALIST	
Signature (Electronic Submission)		Date 10/05/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
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 _____

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

**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.
CEM Federal #1 & #2
Lease NMLC063622 3001505803 & 3001505804**

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. Submit for approval of water disposal method.
3. Submit updated facility diagrams as per Onshore Order #3
4. This agency shall be notified of any spill or discharge as required by NTL-3A.
5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
6. 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.
7. Subject to like approval by NMOCD.