

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

JUN 07 2016

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1616055657

OPERATOR

Initial Report Final Report

| | |
|--|--|
| Name of Company Devon Energy Production <i>U137</i> | Contact Jake Harrington, Production Foreman |
| Address 6488 Seven Rivers Hwy Artesia, NM 88220 | Telephone No. 432-214-5175 |
| Facility Name Snapping 2 State I-Y | Facility Type Oil |
| Surface Owner State | Mineral Owner State |
| API No. 30-015-39104 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| N | 2 | 26S | 31E | 330 | FSL | 1710 | FWL | Eddy |

Latitude: 32.0657578

Longitude: -103.7519608

NATURE OF RELEASE

| | | |
|---|--|--|
| Type of Release Natural Gas | Volume of Release 60 MCF | Volume Recovered 0 MCF |
| Source of Release Buy back gas line | Date and Hour of Occurrence June 3, 2016 @ 11:30 AM | Date and Hour of Discovery June 3, 2016 @ 11:30 AM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Shelly Tucker, BLM Mike Bratcher, OCD | |
| By Whom? Ray Carter, Asst. Production Foreman | Date and Hour Shelly Tucker, BLM June 6, 2016 @ 7:50 AM Mike Bratcher, OCD June 6, 2016 @ 7:55 AM | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse N/A | |

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*

Two check valves on the buyback line failed causing the line to rupture releasing 60 MCF. The valves on both sides of the line were immediately shut to stop any further release.

Describe Area Affected and Cleanup Action Taken.*

The line ruptured causing a 60 MCF air release. The valves have been replaced to correct the failure. No further action is required.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

| | | |
|--|---------------------------------------|-----------------------------------|
| Signature: <i>Sheila Fisher</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Sheila Fisher | Signed By <i>Mike Bratcher</i> | |
| Title: Field Admin Support | Approved by Environmental Specialist: | |
| E-mail Address: Sheila.Fisher@dvn.com | Approval Date: <i>6/8/16</i> | Expiration Date: <i>N/A</i> |
| Date: 6/6/16 Phone: 575.748.1829 | Conditions of Approval: FINAL | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

ARP-3723