

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLSFORM APPROVED
OMB NO. 1004-0135
EXPIRES: March 31, 2007Do 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

1a. Type of Well	<input type="checkbox"/> Oil Well	<input type="checkbox"/> Gas Well	<input checked="" type="checkbox"/> Other <u>Fresh water frac pond</u>
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY, LP			
3. Address and Telephone No. P.O. Box 250 Artesia, NM 575-513-0719			
4. Location of Well (Report location clearly and in accordance with Federal requirements)* S/2 SE/4 NE/4 of Sec 29, T24S, R27E			

5. Lease Serial No. NM-112269
6. If Indian, Allottee or Tribe Name
7. Unit or CA Agreement Name and No.
8. Well Name and No. Serrano 29 Federal 1
9. API Well No. 30-015-37763
10. Field and Pool, or Exploratory Wildcat; Wolfcamp (Gas)
11. County or Parish State Eddy County, NM

12. CHECK APPROPRIATE BOX(S) 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>Bld FW frac pond</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work and approximate duration thereof. If the proposal deepens directionally or recompletes horizontally, give subsurface location 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 recompletion 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 requirement, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)

Devon requests permission to construct a fresh water frac pond approximately 250' X 250' base with 10' walls; holding approximately 111,000 barrels. The pond will be built south of the Serrano 29 Fed #1H location (see attached plat) and will be lined and fenced. This pond will be utilized for Devon's Serrano 29 Fed #1H and any future wells in the area. The frac pond may also be used for the benefit of other company's nearby wells.

14. I hereby certify that the foregoing is true and correct

Signed Joe G. Lara Name Joe G. Lara Title Engineer Date 8/2/2010

(This space for Federal or State Office use)

Approved by /s/ Don Peterson Title _____ Date AUG 19 2010
Conditions of approval, if any: _____

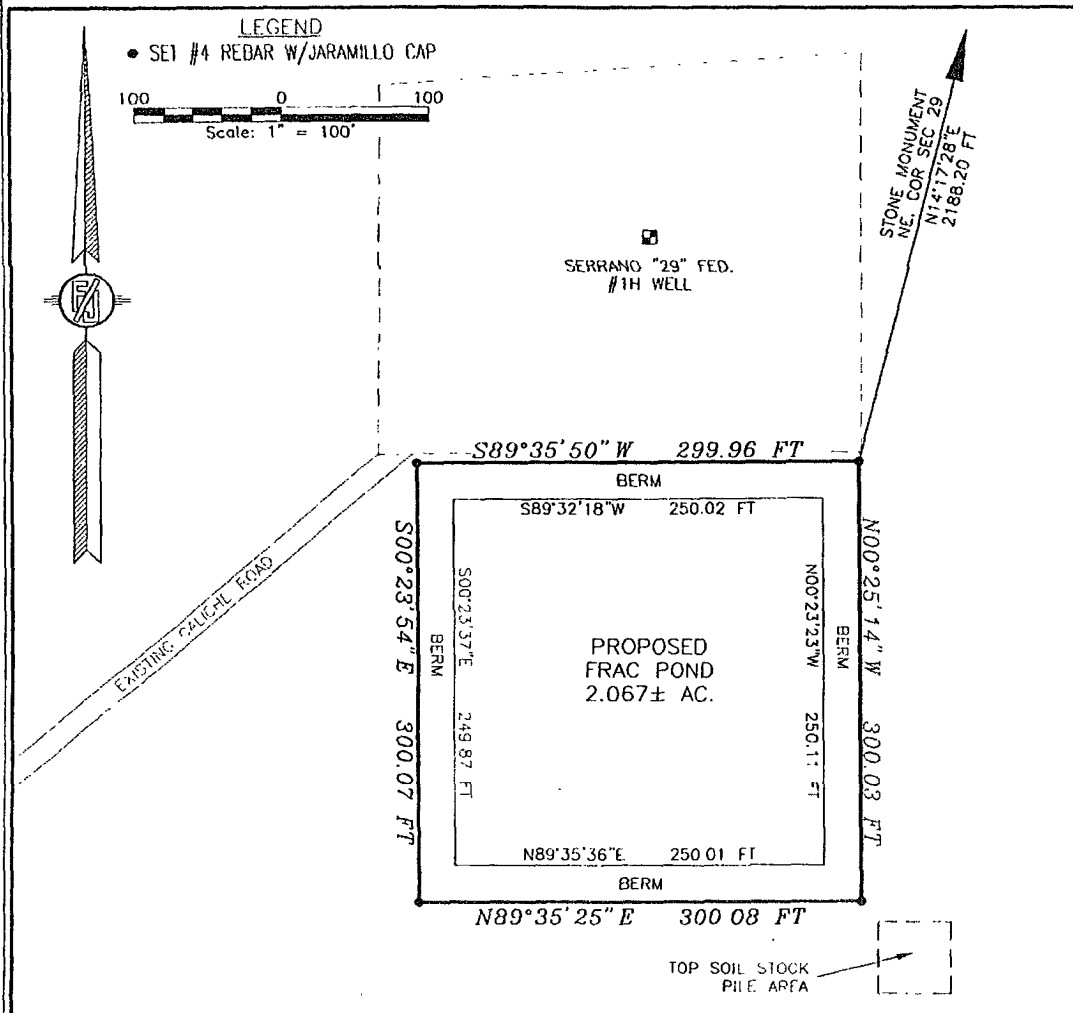
File to U.S. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction

*See Instruction on Reverse Side

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DEVON ENERGY PRODUCTION COMPANY, L.P.
SERRANO FRAC POND
IN THE S/2 SE/4 NE/4 OF
SECTION 29, TOWNSHIP 24 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JULY 23, 2010



DESCRIPTION

A CERTAIN PIECE OR PARCEL OF LAND AND REAL ESTATE LYING IN THE S/2 SE/4 NE/4 OF SECTION 29, TOWNSHIP 24 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

BEGINNING AT THE NORTHEAST CORNER OF THE PARCEL, WHENCE THE NORTHEAST CORNER OF SECTION 29, TOWNSHIP 24 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS N14°17'28"E, A DISTANCE OF 2188.20 FEET;
THENCE S89°35'50"W A DISTANCE OF 299.96 FEET TO THE NORTHWEST CORNER OF THE PARCEL;
THENCE S00°23'54"E A DISTANCE OF 300.07 FEET TO THE SOUTHWEST CORNER OF THE PARCEL;
THENCE N89°35'25"E A DISTANCE OF 300.08 FEET TO SOUTHEAST CORNER OF THE PARCEL;
THENCE N00°25'14"W A DISTANCE OF 300.03 FEET TO THE NORTHEAST CORNER OF THE PARCEL, THE POINT OF BEGINNING;
CONTAINING 2.067 ACRES MORE OR LESS

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT SOCORRO,

NEW MEXICO, THIS 23RD DAY OF JULY 2010

Filimon F. Jaramillo
FILIMON F. JARAMILLO, PLS. #12797
1511 10TH AVENUE
CARLSBAD, NEW MEXICO 88502

MADRON SURVEYING, INC.
3011 520TH AVENUE
CARLSBAD, NEW MEXICO 86220
Phone (505) 897-5630

GENERAL NOTES

1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE ON BLM LAND FOR THE PURPOSE OF BUILDING A FRAC. POND

2.) BASIS OF BEARING IS NEW MEXICO STATE PLANE, EAST ZONE

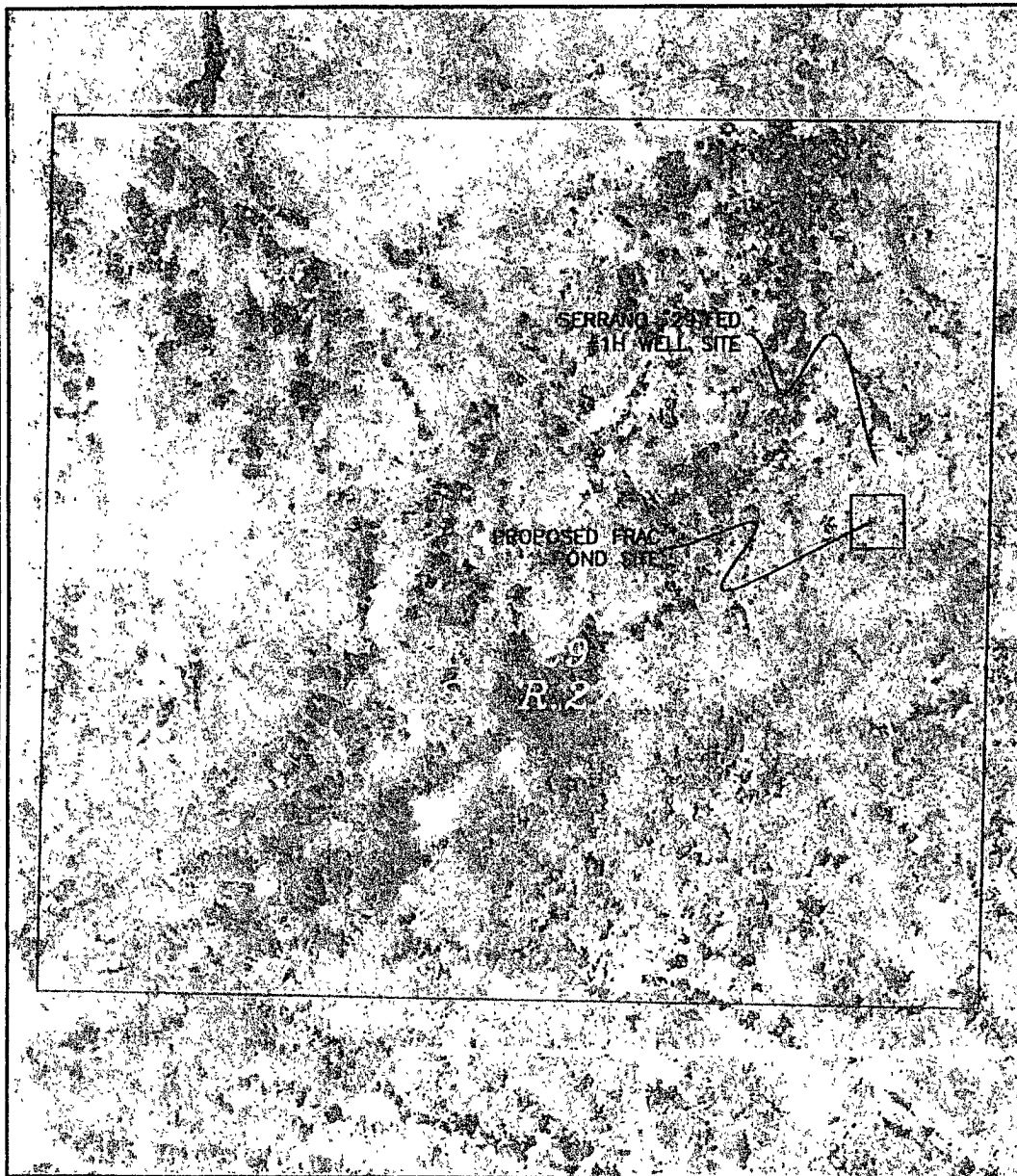
SURVEY NO 157

MADRON SURVEYING, INC. CARLSBAD, NEW MEXICO

DEVON ENERGY PRODUCTION COMPANY, L.P.
SERRANO FRAC POND
SECTION 29, TOWNSHIP 24 SOUTH,
RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JULY 23, 2010

SITE AERIAL PHOTO FOR A PROPOSED FRAC. POND



2009 AERIAL PHOTO
GOOGLE EARTH - USDA

SURVEY NO. 157

MADRON SURVEYING, INC. 231 SOUTH CANAL CARLSBAD, NEW MEXICO
(575) 887-5830

BLM LEASE NUMBER NM-112269
COMPANY NAME Devon
ASSOCIATED WELL NO. & NAME Serrano 29 Federal #1

FRAC POND CONDITIONS OF APPROVAL

A copy of the Sundry Notice and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following conditions of approval to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
3. Required Standard Mitigation:
 - The frac pond will only be authorized to contain freshwater and testing of water quality is required.
 - If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly.
 - Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing the wells.
 - Confine all construction and maintenance activity to the authorized area.
 - Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.
 - The frac pond will be lined.
 - The plastic lining will be removed prior to final abandonment
 - The operator shall stockpile topsoil in a low profile manner, reasonably protected from wind and water erosion
 - Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation.
 - The frac pond shall be fenced on all sides.
 - Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.

- Earthwork for final reclamation must be completed within 3 months of completion of frac operations on associated wells.

Requirements for Operations and Final Reclamation:

4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.
6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
7. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
8. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
9. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact a BLM surface protection specialist **prior** to surface reclamation operations. Jim Amos, Supervisor, Environmental Protection – (575)234-5909).
10. Seeding is required: Use the following seed mix.

<input type="checkbox"/> seed mixture 1	<input checked="" type="checkbox"/> seed mixture 3
<input type="checkbox"/> seed mixture 2	<input type="checkbox"/> seed mixture 4
<input type="checkbox"/> LPC mixture	<input type="checkbox"/> Aplomado Falcon mix
11. Special Stipulations:

Blading is only allowed in constructing the pond and its berms, sufficient to provide a 250' X 250' pond (inside pond perimeter dimensions).

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

12. Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

EA File # 10-1016