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FEB 07 2011

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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.

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

5. Lease Serial No.

NMNM 15317

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Paduca AIG Federal #1

9. API Well No.

30-025-30387

10. Field and Pool, or Exploratory Area

Nobien; Wolfcamp; Penn (Gas)

11. County or Parish, State

Lea Co., NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Devon Energy Production Company, LP

3a. Address

20 N. Broadway, Oklahoma City, OK 73102

3b. Phone No. (include area code)

405-228-8973

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

Sec. 23-T25S-R32E

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|--|
| ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☒ Other Change of |
| ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | Operator |
| ☐ Convert to Injection | ☐ Plug Back | ☐ 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 recomple 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 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 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 above referenced lease.

Devon Energy Production Company, 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 Company, LP meet federal bonding requirements as follows (43 CFR 3104):

Bond Coverage: Individually Bonded
BLM Bond File No.: CO1104

Effective Date: November 1, 2010

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED

FEB 2 2011
/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Spence Laird

Title Regulatory Analyst

Signature

Date

10/26/2010

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.

(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 Company – Amoco DB Federal #1 & Paduca AIG Federal #1

1. Submit plan for approval of well operations within 30 days of this approval to change operator.

43 CFR 3162.3-4 (C) requires that wells incapable of production in paying quantities be promptly plugged and abandoned and requires approval for any well temporarily abandoned for more than 30 days.
2. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
3. 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.
4. Submit for approval of water disposal method.
5. Submit updated facility diagrams as per Onshore Order #3
6. This agency shall be notified of any spill or discharge as required by NTL-3A.
7. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
8. Paduca AIG Federal #1 3002530387 is a Federal Communitization Agreement #NM85330 Submit for designation of successor operator for the CA.