| Form 3160-5<br>(March 2012)   | DEP                                    | UNITED STATES<br>PARTMENT OF THE INTERIOR                    |   | OCD Artesia                    |                                | FORM APPROVED<br>OMB No. 1004-0137<br>Expires: October 31, 2014<br>5. Lease Serial No.<br>NMLC061638 |                          |           |  |
|---|--|--|---|--------------------------------|--------------------------------|--|--------------------------|-----------|--|
|   | EAU OF LAND MAN                        |  |   |                                |                                |  |                          |           |  |
| Do no   | t use this f                           | OTICES AND REPC<br>orm for proposals t<br>Use Form 3160-3 (A | o drill or to   | re-enter ar                    |                                | 6. If Indian, Allottee or  | Tribe Name               |           |  |
| SUBMIT IN TRIPLICATE – Other instructions on page 2.                                      |  |  |   |                                |                                | 7. If Unit of CA/Agreement, Name and/or No.<br>NMNM70941X  |                          |           |  |
| 1. Type of Well       Image: Oil Well     Image: Gas Well     Image: Other                |  |  |   |                                |                                | 8. Well Name and No.<br>E Hi Lonesome Federal #29  |                          |           |  |
| 2. Name of Operator Le  | 9. API Well No.<br>30-015-21502        |  |   |                                |                                |  |                          |           |  |
| 3a. Address   | ind, TX 79702                          | <ol> <li>3b. Phone No.</li> <li>432-689-5</li> </ol>         | (include area code)       10. Field and Pool or Exploratory Area         200       High Lonesome; Queen |                                |                                |  |                          |           |  |
|   | R., M., or Survey Description,         | }  | 11. County or Parish, State<br>Eddy Co., NM   |                                |                                |  |                          |           |  |
| 825' FNL & 1295' FWL, U   |  |  |   |                                |                                |  |                          |           |  |
| 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOT TYPE OF SUBMISSION TYPE OF AC |  |  |   |                                |                                |  |                          |           |  |
|   |  |  | Deepe   | Deepen Production (Start/Resum |                                |  |                          | Shut-Off  |  |
| Votice of Intent  |  | Alter Casing   | Fractu  | ire Treat                      | Rec                            | lamation   | 🔲 Well                   | Integrity |  |
| Subsequent Repor  | t                                      | Casing Repair  | _   | Construction<br>and Abandon    | _                              | complete<br>nporarily Abandon  | Other Change of Operator |           |  |
| Final Abandonment Notice  |  |  | Plug I  |                                | _                              | ter Disposal   |                          |           |  |
| Effective 01/01/20  | 13 COG Opera                           | ating, LLC transferred ope                                   | rations to Lega   | cy Reserves C                  | Operating L                    |  | ed for fa<br>MDCD        | čord -    |  |
|   |  | licable terms, conditions,                                   | stipulations and  | d restrictions co              | oncerning                      | operations on the lease  | land                     |           |  |
| or portion thereof,<br>Legacy Reserves  |  | bond coverage pursuant to                                    | 9 43 CFR 3104   | for lease activ                | rities is pro                  | vided by BLM Bond No.  | NMB0003                  | 94.       |  |
| JU<br>NMO   | 3 APPR                                 | BJECT TO I<br>OVAL BY  |   |                                |                                |  |                          |           |  |
| 14. I hereby certify that t   | he foregoing is t                      | rue and correct. Name (Printe                                | d/Typed)  |                                |                                | ······   |                          | <u> </u>  |  |
| Ernie Hanson  |  |  |   | Title Operations Manager       |                                |  |                          |           |  |
| Signature   | Hom                                    |  | Date 01/01/2013   |                                |                                |  |                          |           |  |
|   |  | THIS SPACE   | FOR FEDE  | RAL OR ST                      |                                | FICE USE   |                          |           |  |
| Approved by<br>Conditions of approval, if   | rry Blakley                            | s not warrant or c   | Title   |                                | APPROVEL                       | ate  |                          |           |  |
| that the applicant holds le<br>entitle the applicant to con                               | gal or equitable t<br>iduct operations | itle to those rights in the subje<br>thereon                 | ct lease which wo   | ould Office                    |                                | JUN 2 2 2013   |                          |           |  |
| fictitious or fraudulent sta  |  | BUR  | EAU OF LAND MANAGE  | MENT-                          | f the United States any false, |  |                          |           |  |
| (Instructions on page 2)  |  |  |   |                                | . L                            | PAKEZRAD FIELD OFFIC   | ν <u>ε</u>               |           |  |

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## 6/21/2013 Approved subject to Conditions of Approval. Recent Bond review. JDB

## Change of Operator

**Conditions of Approval** 

## Legacy Reserves Operating LP.

- 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.
- 8. Submit plan for approval of well operations for all TA/SI wells within 90 days of this approval to change operator.
- 9. If a well is not capable of production in paying quantities submit Notice of Intent to P&A or submit documentation proving that well is capable of production in paying quantities within 90 days of approval of change of operator.