

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.

5. Lease Serial No.
NM103898

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Stanolind Operating LLC DBA Stanolind NM LLC

3a. Address
310 West Wall Street, Suite 1000
Midland, Texas 79701

3b. Phone No. (include area code)
432-640-0000

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
330' FSL & 330' FWL, Section 18 Township 26 South, Range 30 East, N.M.P.M.

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

8. Well Name and No.
McKenna Federal #2

9. API Well No.
30-015-20222

10. Field and Pool or Exploratory Area
Brushy Draw; Delaware

11. County or Parish, State
Eddy County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) 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>Change of Operator</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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 and 43 CFR 3162.3, we are notifying you of a change of operator on the above reference lease effective May 1, 2012.

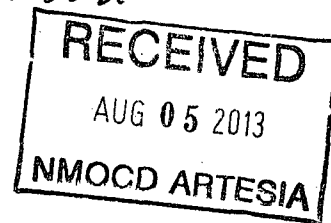
Stanolind Operating LLC DBA Stanolind NM LLC, as the new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease, or portion of the lease as described above.

Our Bond has been accepted and made effective on October 3, 2012. BLM Bond No: ~~NMB000975~~

Low bond

*Low
103898*

*Accepted for record
8/6/2013
NMOC*



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

Billy M. Priebe

Title Vice President - Operations

Signature

Billy M. Priebe

Date 11/05/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

James J. Shultz

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)