

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**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.  
NMNM 019440

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  
Ray Westall Operating, Inc.

3a. Address  
P.O. Box 4  
Loco Hills, NM 88255

3b. Phone No. (include area code)  
575-677-2370

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

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

8. Well Name and No.  
Ritz Federal 1 & 2

9. API Well No.  
See attached

10. Field and Pool or Exploratory Area  
Shugart; Yates - 7R - QN - GB

11. Country or Parish, State  
Eddy County, NM

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

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input 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 checked="" 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 |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | OPERATOR                                  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            | CHANGE                                    |

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 recomplete 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 recompletion 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.)

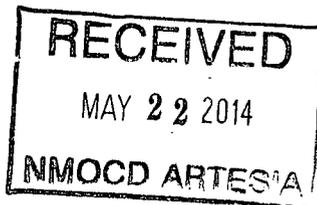
Operator has changed from Endurance Resources, LLC to Ray Westall Operating, Inc.

Ray Westall Operating, Inc., as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described.

Ray Westall Operating, Inc. meets federal bonding requirements as follows:

Bond Coverage: Statewide  
BLM Bond NMXXXXXX ~~103853064~~ NM0322

Effective date of the change is April 1, 2014



Accepted for record  
5/22/14  
NMOCD

SUBJECT TO LIKE APPROVAL BY STATE

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Name (Printed/Typed)  
Ray Westall

Title  
Bookkeeper

Signature  
*[Signature]*

Date  
04/15/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by  
*[Signature]*

Title  
Office

APPROVED  
MAY 16 2014

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 and any Department or Agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

| Well Name      | ULSTR          | API Number   | Footage               |       | Pool                                  |
|----------------|----------------|--------------|-----------------------|-------|---------------------------------------|
| Ritz Federal 1 | O-35-T18S-R30E | 30-015-24642 | 660' FSL & 1980' FEL  | 56439 | Shugart Yates 7 Rivers Queen Grayburg |
| Ritz Federal 2 | J-35-T18S-R30E | 30-015-24798 | 1650' FSL & 1980' FEL | 56439 | Shugart Yates 7 Rivers Queen Grayburg |

**BUREAU OF LAND MANAGEMENT**  
**Carlsbad Field Office**  
**620 East Greene Street**  
**Carlsbad, New Mexico 88220**  
**575-234-5972**

Effective 4/1/2014  
Bond NM0322

**5/16/2014 Approved subject to Conditions of Approval. JDB**  
**Change of Operator**  
**Conditions of Approval**

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. All Reporting to ONRR ( OGOR Reports) must be brought current within 30 days of this approval including any past history.
9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
10. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.