د <del>ر</del> به م	OLD ARESIA			
SUNDRY Do not use th	UNITED STATES <b>NM OIL CONSERVATIO</b> DEPARTMENT OF THE INTERIORATESIA DISTRICT BUREAU OF LAND MANAGEMENT <b>NOTICES AND REPORTS ON WELLS</b> his form for proposals to drill or to re-enter an ell. Use Form 3160-3 (APD) for sucr proposals	FORM APPROVED         OM B No. 1004-0137         Expires: March 31, 2007         5. Lease Serial No.         NMLC062052         6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE- Other instructions on reverse side.         1. Type of Well       Gas Well       Other         2. Name of Operator       Nadel and Gussman HEYCO, LLC         3a. Address       3b. Phone No. (include area code)         PO BOX 1936 ~ ROSWELL NM 88202-1936       3b. Phone No. (include area code)         4. Location of Well (Footage, Sec., T., R., M., or Survey Description)       990' FNL & 760' FEL, Sec. 11 NENE, T18S, R31E		<ul> <li>7. If Unit or CA/Agreement, Name and/or No.</li> <li>Hudson 11 Federal</li> <li>8. Well Name and No.</li> </ul>		
			Hudson 11 Federal #5 9. API Well No.	
		3001526166         10. Field and Pool, or Exploratory Area         Tamano; Bone Spring		
			11. County or Parish, State Eddy, New Mexico	
		12. CHECK A	PPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE,	REPORT, OR OTHER DATA
		TYPE OF SUBMISSION	TYPE OF ACTION	
If the proposal is to deepen dir	Acidize       Deepen       Production (i)         Alter Casing       Fracture Treat       Reclamation         Casing Repair       New Construction       Recomplete         Change Plans       Plug and Abandon       Temporarily         Convert to Injection       Plug Back       Water Dispose         ted Operation (clearly state all pertinent details, including estimated starting date of ectionally or recomplete horizontally, give subsurface locations and measured and the work will be performed or provide the Bond No. on file with BLM/BIA. Requirements	f any proposed work and approximate duration thereof. true vertical depths of all pertinent markers and zones.		
following completion of the in testing has been completed. For determined that the site is read <b>This is a notification of C</b> <b>Harvey E. Yates Compan</b>	volved operations. If the operation results in a multiple completion or recompletion inal Abandonment Notices shall be filed only after all requirements, including reck y for final inspection.) hange of Operator on the above referenced well. hy, as new operator, accept all applicable terms, conditions, stipulations r portion of lease described.	on in a new interval, a Form 3160-4 shall be filed once amation, have been completed, and the operator has		
Change of Operator EFF		CHED FOR INS OF APPROVAL		
14. Thereby certify that the for Name (Printed/Typed) Tammy R. Dal Signature	Title Production Tech A	09/10/2014		
		AMAY YAN		
certify that the applicant holds leg which would entitle the applicant	attached. Approval of this notice does not warrant or al or equitable title to those rights in the subject lease to conduct operations thereon.	ATT KEY AND LACE AGEMENT		
Intle 18 U.S.C. Section 1001 and The States any false, fictitious or fraudu	tle 43 U.S.C. Section 1212, make it a crime for any person knowingly and will fu ulent statements or representations as to any matter within its jurisdiction.	ity to make to any department or agency of the United		

(Instructions on page 2)

## BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 620 E. Greene St Carlsbad, NM 88220 Ph: (575) 234-5972

## **Conditions of Approval for Change of Operator**

- 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. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
- 11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.