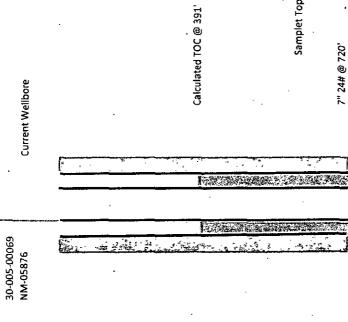
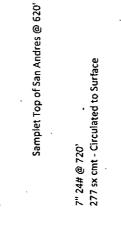
I SUNDF Do not use ti	UNITED STATI DEPARTMENT OF THE BUREAU OF LAND MAN RY NOTICES AND REP his form for proposals fell. Use Form 3160-3 (A	ES INTERIOR JAGEMENT ORTS ON WELL	s MAR 28 2	TRI ST Lease Serial No. NMNM05876	FORM APPROVED OMB No. 1004-0137 xpires: October 31, 2014 or Tribe Name		
SU	IBMIT IN TRIPLICATE - Othe				ement, Name and/or No.		
I. Type of Well Oil Well Gas Well Other				Dekalb Federal #3			
2. Name of Operator Larry Marker dba Marker Oil				9. API Well No. 30-005-00069			
3a. Address 3b. Phone No. (include area code) PO box 3168, Roswoll, NM 88202 575 910 0300					10. Field and Pool or Exploratory Area Bitter Lake, San Andres, South		
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 1980 FNL, 660 FWL, Section 27, TOS, R25E				H. County or Parish, State Chaves, NM			
12. (CHECK THE APPROPRIATE BO	DX(ES) TO INDICATE	NATURE OF NO	TICE, REPORT OR OTH	ER DATA	_	
TYPE OF SUBMISSION		TYPE OF ACTION					
Notice of Intent	Acidize Alter Casing Casing Repair	Deepen Fracture Trea	at 🔲 R	roduction (Start/Resume) eclamation ecomplete	Water Shut-Off Well Integrity Other		
Final Abandonment Notice	Change Plans	Plug and Aba		emporarily Abandon /ater Disposal			
Attach the Bond under which following completion of the i	casing @ 720' w/ cmt circulate im attached.	ovide the Bond No. on ion results in a multiple be filed only after all re ed to surface, 4 1/2" 1	file with BLM/BIA completion or reco quirements, includi 1.6# casing @ 82 EE ATTA(. Required subsequent rep mpletion in a new interval ing reclamation, have been 26', calculated TOC 391' CHED FOR	ports must be filed within 30 , a Form 3160-4 must be filed a completed and the operator . 3 7/8" lateral hole, TD M	days d once has	
RIH w/ bit and scraper to botton	n of 4 1/2" casing.	C	ONDITIO	NS OF APPR			
Pump a 80 ex Class C plug @			ufrace.	NMOCD)		
After plugging is complete, the				ition cleared and leveled	d to BLM standards.		
NOTE: A detailed well bore dia	•			Approved a	as to plucaing of the Liability under bon- until surface resto	d	
14. I hereby certify that the foregoin	g is true and correct. Name (Printe	d/Typed)		1	1-1-1		
Larry Marker		Title	Owner	(\ppp(<u></u>	
Signature			03/15/2016		2006		
	THIS SPACE	FOR FEDERAL	OR STATE O			/	
Approved by				PUREAU OF LANI	MASUSEMENT Date OFFICE		
Conditions of approval, if any, are att that the applicant holds legal or equit entitle the applicant to conduct operat	able title to those rights in the subje		Office				
Title 18 U.S.C. Section 1001 and Tit fictitious or fraudulent statements or			owingly and willfull	y to make to any departmen	t or agency of the United States	s any false,	
(Instructions on page 2)							

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Well Bore Diagram

Larry Marker dba Marker Oil Dekalb #3 API 30-005-00069 Lease NM-05876





4 1/2" 11.6# @ 826 35 sx Cmt - Calculated TOC 391'

37/8" Open Latteral hole EOH .05' N and 119' East of surface location

EOH .05' N and 119' East of surface location 80 sx plug to fill 4 1/2" casing and 7X4 1/2" annulus to surface Samplet Top of San Andres @ 620' 7" 24# @ 720' 277 sx cmt - Circulated to Surface 4 1/2" 11.6# @ 826 35 sx Cmt - Calculated TOC 391[°] 3 7/8" Open Latteral hole Calculated TOC @ 391 ł WellBore After Plugging Squeeze Hole @ 350' I CIBP @ 776' 1111111

Dekalb Federal 3 30-005-00069 Larry Marker dba Marker Oil March 17, 2016 Conditions of Approval

Work to be completed by April 17, 2016.

- 1. Operator shall RIH and tag the bottom of the well. If Tag is shallower than 826' contact BLM prior to continuing.
- 2. Operator shall place CIBP at 800' and place Class C cement on top. WOC and tag a minimum of 400'. No perforating shall be done until this plug is set.
- 3. Operator shall perf casing at 350' as proposed and place Class C cement plug from 400'- surface as proposed.
- 4. See Attached for general plugging stipulations.

JAM 031716

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 W. Second STreet Roswell, New Mexico 88201 575-627-0272

General Requirements for Plug Backs

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. Call 575-627-0205.

3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. <u>Mud Requirement</u>: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.

5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. <u>Subsequent Plug back Reporting</u>: Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date work was</u>-completed.

7. <u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.