Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

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

agency of the United States any

5 Lease Serial No. NMNM 71036X

SUNDRY NOTICES AND REPORTS ON WELLS 10 2018 of use this form for proposale to defin 6 H. Ddian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an ATESIA abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. NMNM 71036X 1. Type of Well 8. Well Name and No. South Lucky Lake Queen Unit #003B Oil Well Gas Well Other 9. API Well No. 30-005-60377 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 3a-Address 41320 575-973-1346 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 11. Country or Parish, State NESW22 T15S R29E NMP Chaves County, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Water Shut-Off Acidize Deenen Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Request for Change Casing Repair New Construction Recomplete Subsequent Report of Operator Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 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.) This is notification that Bar V Barb, LLC is taking over operations of this well in the South Lucky Lake Queen Unit. Bar V Barb, LLC, as a new operation, accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on this lease, or portion of lease described. Accepted for record - NMOCD Bond coverage: BLM Bond File No: B001321 Change of Operator Effective: 12/16/2015 SEE ATTACHED FOR Former Operator: Tandem Energy (056124) CONDITIONS OF APPROVAL 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Steve Oldfield Title Owner/Operal Date 06/28/2016 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE Approved by

Title

Office

(Instructions on page 2)

entitle the applicant to conduct operations thereon.

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

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 West Second Street Page 11 Nov. Movice 98201

Roswell, New Mexico 88201 575-627-0272

Change of Operator of Wells on Federal Lands 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 Bob Hoskinson at (575) 627-0218 for inspection and to resolve environmental issues.
- 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 the New Mexico State BLM office in Santa Fe, NM.