Form 3160-5 **UNITED STATES** (November 1994)

DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004-0135 Expires July 31, 1996

| BUREAU OF LAND MANAG | 5. Lease Serial No. | |
|--|--|---|
| SUNDRY NOTICES AND REPORT | NMSF 079161 | |
| Do not use this form for proposals to abandoned well. Use Form 3160-3 (APD | o drill or reenter anton Field O Bureau of Land Manag of for such proposals. | 6 If Indian, Allottee or Tribe Name |
| SUBMIT IN TRIPLICATE – Other instru | actions on reverse side | 7. If Unit or CA/Agreement, Name and/or N |
| 1. Type of Well | | |
| X Oil Well X Gas Well Other | | 8. Well Name and No. |
| 2. Name of Operator | | Candado 21 |
| DJR Operating, LLC | | 9. API Well No. |
| 3a. Address | 3b. Phone No. (include area code) | 30-039-21667 |
| 1600 Broadway Suite 1960 Denver, CO 80202 | 303-595-7433 | 10. Field and Pool, or Exploratory Area |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Descript | ion) | Otero Chacra & Blanco Mesa Ver |
| 1030' FNL x 1470' FEL | | 11. County or Parish, State |
| B Sec.4-T26N-R7W | | Rio Arriba County, NM |

RECEIVED

| TYPE OF ACTION | | | |
|----------------------|---|---|---|
| Acidize | Deepen | Production (Start/Resume) | ☐ Water Shut-Off |
| Alter Casing | Fracture Treat | Reclamation | ☐ Well Integrity |
| Casing Repair | | Recomplete | Other |
| Change Plans | Plug and Abandon | Temporarily Abandon | Change of Operator |
| Convert to Injection | Plug Back | Water Disposal | |
| | Acidize Alter Casing Casing Repair Change Plans | Acidize Deepen Alter Casing Fracture Treat Casing Repair New Construction Change Plans Plug and Abandon | Acidize Deepen Production (Start/Resume) Alter Casing Fracture Treat Reclamation Casing Repair New Construction Recomplete Change Plans Plug and Abandon Temporarily Abandon |

13. Describe Proposed or Completed Operations (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 shall 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 Fαrm 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

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

Effective May 1st, 2017, operations of the above well were transferred from Elm Ridge Exploration CO LLC to DJR Operating, LLC. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by DJR Operating, LLC under its nationwide bond, Bond # NMB001464. DJR Operating will be responsible for compliance under the terms and conditions of the lease.

> OIL CONS. DIV DIST. 3 JUN 1 4 2017

| 14. I hereby certify that the foregoing is true and correct | | | |
|---|------------------------|--------|-------------------------|
| Name (Printed/Typed) | Title | | |
| Dominic J. Bazile II | E | VP-COO | |
| Signature Di- hst | Date May 1, 2017 | | |
| THIS SPACE FOI | R FEDERAL OR STATE USE | | ACCEPTED FOR RECOR |
| Approved by Dave Mankiewicz | Title | Date | MAY 2 3 2017 |
| Conditions of approval, if any, are attached. Approval of this notice does not warrecrify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon. | | • | FARMINGTON FIELD OFFICE |

Title 18 U.S.C. Section 1001, makes 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.

