Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs JUN 2 5 2013

HOBBS OCD

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

5. Lease Serial No. LC 029410 (B)

6. If Indian, Allottee or Tribe Name

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

SUNDRY NOTICES AND REPORTS ON WELLS, ECEIVED Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

| 1. Type of Well | | | | | | 4 | |
|---|--|--|--|--|----------------------------------|----------------------------|--|
| Oil Well Gas Well Other | | | | Well Name and No. Fox Federal #5 | / < | 317050 | |
| 2. Name of Operator Legacy Reserv | 9. API Well No. 30-025-36585 | | | | | | |
| Legacy Reserves Operating LP 3a. Address 3b. Phone No. (include ayea co | | |) 10. Field and Pool or Exploratory Area | | | | |
| PO Box 10848, Mid | 432-689-5200 | | Maljamar; Grayburg-SA | | | | |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) | | | | 11. County or Parish, State | | | |
| 2510' FNL & 1650' FWL, Unit Letter F, Sec. 31, T-17-S, R-32-E | | | | Lea Co., NM | | | |
| 12. CHEC | K THE APPROPRIATE BOX | X(ES) TO INDICATE NATURE | OF NOTIC | CE, REPORT OR OTH | ER DATA | | |
| TYPE OF SUBMISSION TYPE OF AC | | | | ION | | | |
| ✓ Notice of Intent | Acidize | Deepen Production (| | uction (Start/Resume) | on (Start/Resume) Water Shut-Off | | |
| | Alter Casing | Fracture Treat | Recla | arnation Well Integrity | | ~ , | |
| Subsequent Report | Casing Repair | New Construction | Reco | omplete | | Change of Operator | |
| | Change Plans | Plug and Abandon | | oorarily Abandon | | | |
| Final Abandonment Notice | Convert to Injection | Plug Back | Wate | ter Disposal | | | |
| Attach the Bond under which the violation of the involving completion of the involvitesting has been completed. Final determined that the site is ready for | ed operations. If the operation Abandonment Notices must be | results in a multiple completion | or recomp | letion in a new interval | a Form 3160 | -4 must be filed once | |
| Effective 01/01/2013 COG Ope | rating, LLC transferred oper | rations to Legacy Reserves Op | perating L | P. | | | |
| The undersigned accepts all ap or portion thereof, as described | | stipulations and restrictions cor | ncerning o | operations on the leas | se land | | |
| Legacy Reserves Operating LP | bond coverage pursuant to | 43 CFR 3104 for lease activit | ies is prov | vided by BLM Bond N | o. NMB0003 | 394. | |
| SUBJECT TO LIKE APPROVAL BY STATE | | | | SEE ATTACHED FOR CONDITIONS OF APPROVAL | | | |
| 14. I hereby certify that the foregoing is to | ue and correct. Name (Printed/ | Typed) | | | | | |
| Ernie Hanson Title Operations Ma | | | | ger | | | |
| Signature Pate 01/01/2013 | | | | | | | |
| | THIS SPACE F | OR FEDERAL OR STA | TE OF F | ICE USE | | • | |
| Approved by /s/ Jerry Bla | klev | | | <u>APPROVE</u> | D | | |
| is saily big | NICY | Title | | | Date | | |
| Conditions of approval, if any, are attached that the applicant holds legal or equitable the applicant to conduct operations to conduct operations. | itle to those rights in the subject | | | JUN 2 2 2013 | | | |
| Title 18 U.S.C. Section 1051 and Title 43 fictitious or fraudulent statements or repe | U.S.C. Section 1212, make it a c sentation at to any make ovith | rime for any person knowingly and arits jurisdiction. | ROKE | LAU OF LAND MANA(| GEMENT | he United States any false | |
| (Instructions on page 2) | | | | ARLSBAD FIELD OF | | | |
| | | | | JU | N 26 | 2013 | |

6/22/2013 Approved subject to Conditions of Approval. Recent Bond review. JDB

Change of Operator

Conditions of Approval

Legacy Reserves Operating LP.

- 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. Submit plan for approval of well operations for all TA/SI wells within 90 days of this approval to change operator.
- 9. If a well is not capable of production in paying quantities submit Notice of Intent to P&A or submit documentation proving that well is capable of production in paying quantities within 90 days of approval of change of operator.