

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

COPY

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

JUN 29 2017

SUBMIT IN TRIPLICATE - Other instructions on page 2

RECEIVED

| | | |
|--|--|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM40406 |
| 2. Name of Operator LEGACY RESERVES OPERATING LP - Mail: mdickson@legacyp.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 303 W WALL ST STE 1800 MIDLAND, TX 79701 | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3b. Phone No. (include area code) Ph: 432-689-5200 Ext: 5204 | | 8. Well Name and No. HAMON FED COM #5H |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T20S R34E SWSE 605FSL 1998FEL | | 9. API Well No. 30-025-43230 |
| | | 10. Field and Pool or Exploratory Area TEAS; BONE SPRING, EAST |
| | | 11. County or Parish, State LEA CO COUNTY, NM |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 recompleat 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 recompleat 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.

Legacy Reserves Operating respectfully request approval to add an additional option for the intermediate casing cement procedures. This option would allow for a three-stage cement job utilizing two DV tools. Both DV tools shall be set a minimum of 50 feet below the previous casing shoe and a minimum of 200 feet above the current shoe and adjust cement proportionately based on placement. Please see the following update to the cementing details for a three-stage cement job.

| | |
|--|-------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #379690 verified by the BLM Well Information System For LEGACY RESERVES OPERATING LP, sent to the Hobbs | |
| Name (Printed/Typed) MATT DICKSON | Title DRILLING ENGINEER |
| Signature (Electronic Submission) | Date 06/23/2017 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-------------|--------------|
| Approved By _____ | Title _____ | Date _____ |
| 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 entitle the applicant to conduct operations thereon. | | Office _____ |

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 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.

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

KZ

Hamon #5H

Intermediate Casing

In the event that circulation is lost (> 50%) while drilling the 12-1/4" intermediate hole in the Capitan Reef at +/-4000', we will plan to install a DV tool and external casing packer within 200' of the top depth where lost circulation occurred and will pump a two-stage cement job with the potential to add an additional DV tool for a three-stage cement job. If there is no lost circulation a single stage cementing procedure will be followed. Legacy plans to cement to surface regardless of whether a single stage, 2-stage or 3-stage procedure is implemented.

No DV tool (80% excess on lead & 80% excess on tail to design for cement top at surface)

Lead: 1400 sx (35:65) poz (fly ash) class C cement+ 4% bwoc bentonite II + 5% bwoc MPA-5 + 0.25% bwoc FL- 52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk cello flake+ 0.005 lbs/sk defoamer + 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

With (1) DV Tool (100% excess on lead & 100% excess on tail to design for cement top at surface)

Assuming DV tool set at 3950' but if the setting depth changes, cement volumes will be adjusted proportionately.

Stage 1

Lead: 400 sx (35:65) paz (fly ash) class C cement+ 4% bwoc Bentonite II+ 5% bwoc MPA-5 + 0.25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk cello flake+ 0.005 lbs/sk defoamer + 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

Stage 2

Lead: 1100 sx (35:65) paz (fly ash) class C cement+ 4% bwoc bentonite II + 5% bwoc MPA-5 + 0.25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk Cello Flake+ 0.005 lbs/sk Static Free+ 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

With (2) DV Tools (100% excess on lead & 100% excess on tail to design for cement top at surface)

Assuming one DV tool set at 3950' and one DV tool set at 1800' but if the setting depths change, cement volumes will be adjusted proportionately.

Stage 1

Lead: 400 sx (35:65) paz (fly ash) class C cement+ 4% bwoc Bentonite II+ 5% bwoc MPA-5 + 0.25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk cello flake+ 0.005 lbs/sk defoamer + 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

Stage 2

Lead: 600 sx (35:65) paz (fly ash) class C cement+ 4% bwoc bentonite II + 5% bwoc MPA-5 + 0,25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk Cello Flake+ 0.005 lbs/sk Static Free+ 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

Stage 3

Lead: 600 sx (35:65) paz (fly ash) class C cement+ 4% bwoc bentonite II + 5% bwoc MPA-5 + 0,25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk Cello Flake+ 0.005 lbs/sk Static Free+ 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

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21-Jun-2016