| HOBBS | OC | C |
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| | UNITED STATES DEPARTMENT OF THE | INTERIOR | HOBR2 O | | FORM APPROVED OM B No. 1004-0135 Expires: January 31, | 2004 | | |
|---|---|----------------------------------|-----------------------------|--------------------|---|-------------------|--|--|
| SUNDRY Do not use ti | BUREAU OF LAND MAN NOTICES AND REF his form for proposals t rell. Use Form 3160-3 (| PORTS ON WE | enter an | 6. If Indian | ial No. 2 048 n, Allottee or Tribe N | Vame | | |
| | IPLICATE- Other instr | ructions on rever | rse side. | 7. If Unit o | or CA/Agreement, Na | ame and/or No. | | |
| 1. Type of Well Oil Well O Gas Well O Other | | | | | 8. Well Name and No. | | | |
| 2. Name of Operator Sheridan Pro | oduction Company, LLC | | | 9. API We | Federal #1 ell No. | / | | |
| 3a Address 3b. Phone No. (include area code) 9 Greenway Plaza, STE 1300, Houston, TX 77046 713-548-10/73 | | | | | 30-025-07896 10. Field and Pool, or Exploratory Area | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | 39330 Littman; San Andres | | | |
| Surface: 990' FSL & 330' FEL of Section 9-21S-38E | | | 11. County or Parish, State | | | | | |
| | | | | Lea Co | ., NM | | | |
| | PPROPRIATE BOX(ES) TO | | | REPORT, OF | ROTHER DATA | 1 | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | | | |
| Notice of Intent | Acidize | Deepen | Production (S | Start/Resume) | Water Shut-O | | | |
| | Alter Casing Casing Repair | Fracture Treat New Construction | Reclamation Recomplete | | Well Integrity | ge of Operator | | |
| Subsequent Report | Change Plans | Plug and Abandon | Temporarily A | Abandon | | | | |
| Final Abandonment Notice | Convert to Injection | Plug Back | Water Disposa | | | | | |
| following completion of the in | he work will be performed or provi volved operations. If the operation nal Abandonment Notices shall be y for final inspection.) | results in a multiple comp | oletion or recompletion | n in a new interva | al, a Form 3160-4 sha | all be filed once | | |
| Sheridan Production Con Exploration & Production | npany, LLC respectfully request, LLC. | sts a Change of Opera | tor on the stated w | ell, Wylie Fede | eral #1, from Sand | Ridge | | |
| The undersigned accepts a thereof. | all applicable terms, conditions | s, stipulations and rest | rictions concerning | g operations on | the leased lands o | or portions | | |
| Effective Date: January 1 | | | | | | | | |
| Location: Lea County, NI BLM Bond: RLB0014991 | М | DR | | ATT AT | TTACHED | FOR | | |
| NMB 00102 | D SIII | BJECT TO LIKI | E ÷a | SEE A | NS OF AP | PROVAL | | |
| | | OVAL BY STA | TE CC | MDITIO | IAD OI 111 | | | |
| 14. Thereby certify that the fore Name (Printed/Typed) | going is true and correct | | | | | | | |
| Ruth Magee | | Title L | and Manager | | | | | |
| Signature | RMaare | Date | | 02/26/2013 | OL/ED - | | | |
| | THIS SPACE FOR F | EDERAL OR S | TATE OFFICI | EASEPK | UVEU_ | | | |
| _' | y Blakley | | itle | DEC ! |)ate 2012 | | | |
| Conditions of approval, if any, are a certify that the applicant holds legal which would entitle the applicant to | l or equitable title to those rights in | a 12 a 1 | ffice | DEC | U 2013 | | | |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and will be the AND default of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

WAS /OCD 12/12/2013

DEC 1 2 2013

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Effective 1/1/2013 Bond NMB001020

12/6/2013 Approved subject to Conditions of Approval. JDB Change of Operator 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 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. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.