e.	OCD Hobbs	
Form 3160-5 C UNITED STATES (April 2000 D DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Do noteise this form for proposals to drill or to re-enter an abarboried well. Use Form 3160-3 (APD) for such proposals.		FORM APPROVED OM B No. 1004-0137. Expires: March 31, 2007 5. Lease Serial No. NMNM036852 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well Oil Well Gas Well Of Conter		Young DP 3 Fed 8. Well Name and Man +
2. Name of Operator NADEL AND GUSSMAN HEYCO, LLC		Young Deep 3 Federal #1
3a. Address 3b. Phone No. (include area code)		9. API Well No. 3002527369
PO BOX 1936 ~ ROSWELL NM 88202-1936 575.623.6601 4. Location of Well (Footage, Sec., T., R, M, or Survey Description) 575.623.6601		10. Field and Pool, or Exploratory Area Young;Bone Spring North
4. Location of weil (<i>Poolage, Sec., 1., K. M. or Survey Description</i>) 660' FSL & 1980' FEL, Sec. 3 SWSE, T18S, R32E		11. County or Parish, State
		Lea, New Mexico
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Subsequent Report Casing Repair New Construction Reclamation Well Integrity Final Abandonment Notice Convert to Injection Plug and Abandon Temporarily Abandon 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration the cof. If the proposal is to deepen directionally or recomplete horizontally, give substrace 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 BL/MBIA. Required subsequent reports 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.) This is a notification of Change of Operator on the above referenced well. Harvey E. Yates Company, as new operator, accept all applicable terms, conditions, stipulations and restrictions concerning operatings conducted on this lease or portion of lease described. BLM Bond No. NMB000317 Harvey E. Yates Company, P.O. Box 1933 Roswell, NM 88202-1933 Change of Operator EFFECTIVE 9/1/2014 Weight Will be filed only after all requirements, including reclamation, have b		
14. I hereby certify that the forego Name (Printed/Typed) Tampy R Link Signature		PROVED 09/10/2014
THIS SPACE FOR FEDERAL OR STATE OFFICE USE / 1015		
Approved by 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. Title I8 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 anymatter within its jurisdiction.		

(Instructions on page 2)

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BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 620 E. Greene St Carlsbad, NM 88220 Ph: (575) 234-5972

Conditions of Approval for Change of Operator

- 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.

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- 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 BLM office in Santa Fe, NM.

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