Form 3160-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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FORM APPROVED OM B No. 1004-0135 Expires: January 31, 2004

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| BUREAU OF LAND MANAGEMENT | J. Lease Schairto. | | | | | |
| SUNDRY NOTICES AND REPORTS C | | | | | | |
| Do not use this form for proposals to drill or abandoned well. Use Form 3160-3 (APD) for s | to re-enter an uch proposals. 6. If Indian, Allottee or Tribe Name | | | | | |
| SUBMIT IN TRIPLICATE- Other instructions o | 7. If Unit or CA/Agreement, Name and/or No. | | | | | |
| 1. Type of Well ☐ ☐ Gas Well ☐ ☐ Other ☐ Other | 8. Well Name and No. | | | | | |
| 2. Name of Operator sogo III LLC (309220) | USM Well #1, #2, #3, #4 9. API Well No. | | | | | |
| | See Attached List | | | | | |
| 310 W. Wall, Suite 1000, Midland, TX 79701-5122 432-640-4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | | |
| , | 11. County or Parish, State | | | | | |
| See Attached List | Lea, New Mexico | | | | | |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE | NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | |
| TYPE OF SUBMISSION TYPE OF ACTION | | | | | | |
| Acidize Deepen Alter Casing Fracture T Subsequent Report Casing Repair New Const Change Plans Plug and A | Production (Start/Resume) Treat Reclamation Well Integrity Struction Recomplete ✓ Other Change of Operator | | | | | |
| Final Abandonment Notice Convert to Injection Plug Back | Water Disposal | | | | | |
| following completion of the involved operations. If the operation results in a multiesting has been completed. Final Abandonment Notices shall be filed only after determined that the site is ready for final inspection.) Change of operator from Stanolind Operating LLC DBA Stanolind N The effective date of change is January 2015 production (February 1, SOGO III LLC meets federal bonding reguirements. Bond Coverage: BLM Oil & Gas Lease - \$150,000 (Bond Number 11 SOGO III LLC, as operator, is responsible under the terms and cond | 30-026124327 | | | | | |
| portion thereof per 43 CFR 3100.0-5 (a). The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased tand or portion thereof. | | | | | | |
| SEE ATTACHED FOR CONDITIONS OF APPROVAL | | | | | | |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) A Tammy Kennedy | Title Land/Regulatory Administrator AND MANAGEMENT | | | | | |
| Signature Umny Kennedy | Date 07/09/2015 BUREAU OF LAISBAD FIELD UPTO | | | | | |
| 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 warra certify that the applicant holds legal or equitable title to those rights in the subject lewhich would entitle the applicant to conduct operations thereon. | | | | | | |

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.

SOGO III LLC

Lea County New Mexico Properties

Sundry Notice Attachment USM Well #1, #2, #3, #4

| Well Name | API | Well Type | Lease Sérial No. | Unit/Agree | Location |
|-----------|--------------|-----------|------------------|------------|-----------------------------------|
| U.S.M. #1 | 30-025-24327 | Oil | NMLC-067775 | | B-27-09S-37E, 660' FNL 1980' FEL |
| U.S.M. #2 | 30-025-24358 | SWD | NMLC-067775 | | H-27-09S-37E, 1980' FNL 810' FEL |
| U.S.M. #3 | 30-025-24621 | Oil | NMLC-067775 | | A-27-09S-37E, 519' FNL 801' FEL |
| U.S.M. #4 | 30-025-24834 | Oil | NMLC-067775 | | G-27-09S-37E, 1980' FNL 2180' FEL |

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.
- 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.