UNITED STATES

Operator Copy

DEFAKLMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT DEPARTMENT OF THE INTERIOR

| FORM APPROVED | |
|--------------------------|---|
| GMB Na. 1004-0137 | |
| Expires: October 31, 201 | ļ |

| 5. | Lease | Scrial | No. |
|----|-------|--------|-----|
| M | NA077 | Ε. | |

| Do not use this f abandoned well. | 6 If Indian, Allottee or Tribe Name | | | | | | |
|---|--|---|--|---|------------------|--|--|
| SUBMI | 7. If Unit of CN/Agreement, Name and for No. | | | | | | |
| I Type of Well Oil Welt Gas Well Other | | | | 8 Well Name and No. Federal Davis #4 | | | |
| 2. Name of Operator Resolute Natural Resources Co., LLC | | | | 9. API Well No. 30-025-36968 | | | |
| 3a. Address 1675 Broadway Ste 1950 | | 3b. Phone No. (include area code) 303-573-4886 | | 10. Field and Pool or Exploratory Arca Knowles, S (Devonian) | | | |
| 4. Location of Well (Foolage, Sec., T a 2400 FNL & 930 FEL Sec. 13, T17S,R38E |)) | | 11. County or Parish, State Lea County NM | | | | |
| I2. CHEC | K THE APPROPRIATE BO | DX(ES) TO INDICATE NATUR | E OF NOTE | CE, REPORT OR OTHE | R DATA | | |
| TYPE OF SUBMISSION | | | ZPE OF ACT | TON | | | |
| Notice of Intent | Acidire Alte: Casang | Deepen Fructure Treat | _ | luction (Start/Resume) amation | Water Sh | sguly. | |
| Subsequent Report | Casing Repair | New Construction | | omplete | ✓ Other <u>C</u> | hange of operator | |
| Fanal Abandonment Notice | Change Plans Convert to Injection | Plug and Abandon Plug Back | · | | | | |
| API NO | r final inspection.) I applicable terms, conditions Standard 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | SUBJECT TO LIKE | ans concert | | cted on the lea | ased leand or | |
| 14. Thereby certify that the foregoing is to Sherry Glass | rue and correct. Name (Frinte | | Title Sr. Regulatory Technician | | | | |
| Signature & Mility | ellass | Date 07/30/2 | 013 | | | | |
| ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | THIS SPACE | FOR FEDERAL OR S | ATE OF | FICE USEPPR | OVED | 77 77 77 77 77 77 77 77 77 77 77 77 77 | |
| Conditions of approval, if any are attached that the applicant holds legal or equitable tentific the applicant to conduct operations. Title 18 U.S.C. Section 1001 and Title 43 fictitious or fraudulent statements or repre | thereon. | ct lease which would Office | and willfully. | | 84:2013 | | |

(Instructions on page 2)

MAB/OCD 1/7/2014

1105 F@ MAL.

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

Effective 8/1/2012 Bond NMB001033

12/18/2013 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.