New Mexico Oil Conservation Division, District I rom-1 (8 Form 3160-5 1625 N. Frendh Drive UNITED STATES (August 2007) OMB No. 1004-0137 DEPARTMENT OF THE INTERIOR. Expires: July 31, 2010 Hobbs, NM BUREAU OF LAND MANAGEMENT NMNM0272961 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allonee or Tribe Nume Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. I. Type of Well 8. Well Name and No Oil Well Gas Well Other A NM FEDERAL 2. Name of Operator 9. API Well No. ENERGY CO 30 041 20267 PITTS 3a. Address 3b. Phone No. (include area code) 600 N. MARIENFELD, #101 10. Field and Pool or Exploratory Area 79701 432/682-4101 600 REMIDLAND; ETX VADA PENN 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State 1980 FSL, 1980 FEL, NW SE SEC 27-T8S-R36E NEW MEXICO 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize 🔲 Осереп Production (Stan/Resume) Water Shut-Off _ Notice of intent Alter Casing Fracture Treat Well tritogrity Reclamation Casing Repair **New Construction** Recomplete X Subsequent Report L Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 recomplete 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 recompletion in a new interval, a Form 3160-4 must be filled 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.) PRODUCED WATER NOW BEING TRUCKED FROM LEASE BY STEARNS, INC., HC 165, BOX 988 CROSSROADS, NM 88114 HOBBS OCD ADDIEDNIED ROE 1.4 1 1 2014 RECORD MAR 0 6 2014 RECEIVED

ASSISTANT Field Manager.

14. I hereby cenify that the foregoing is true and correct. Name (Primed/Typed)

JULIE OSTERHOUT

Title OPERATIONS CLERK

Signature Date APRIL 28, 2010

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 cenify that the applicant holds legal or equitable title to those rights in the subject lease which would emitte the applicant to conduct operations thereon.

Title 18 U.S.C. Section 100] 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)

MUS/OCD 3/12/2014

WATER PRODUCTION & DISPOSAL INFORMATION

1. Name of formation producing water on lease. PENNSYLVANTAN

2. Amount of water produced from all formations in barrels per day.

12.6 BWPD

3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, pH and the concentration of chlorides and sulfates. (One sample will suffice if water is commingled)

4. How water is stored on lease. STORED IN 1500 BBL TANK

5. How water is moved to the disposal facility. TRIICKED OFF LEASE BY STEARNS, INC.

6. Identify the Disposal Facility by:

A. Facility Operators name: U/K

B. Name of facility or well name and number.

C. Type of facility or well (WDW) (WIW) ect.

Submit to this office, 2909 W Second St. Roswell, NM 88201, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, with the abatement period. (This form may be used as an attachment to the Sundry Notice).

D. Location by ¼ ¼ Section Township Range