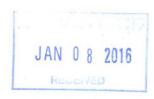
## NMOCD Hobbs

|   | Hobbs  |   |  |                 | FORM APPROVED  |   |  |
|---|--|---|--|-----------------|--|---|--|
| Form 3160-5<br>(June 2015) DEP  | UNITED STATES ARTMENT OF THE INTERIOR                                |   |  |                 | OMB No. 1004-0137<br>Expires: January 31, 2018           |   |  |
| BUR   | EAU OF LAND MAN  | U OF LAND MANAGEMENT                                |  |                 | 5. Lease Serial No. NMNM54432                            |   |  |
| Do not use this t   | IOTICES AND REP<br>form for proposals<br>Use Form 3160-3 (A          | to drill or to                                      | re-enter an  | 8 2016          | If Indian, Allottee o                                    | r Tribe Name  |  |
| SUBMIT IN TRIPLICATE - Other instructions on page 2                     |  |   |  |                 | 7. If Unit of CA/Agreement, Name and/or No.              |   |  |
| 1. Type of Well  ✓ Oil Well  Gas Well  Other                            |  |   |  |                 | 8. Well Name and No. MARK FEDERAL #4                     |   |  |
| 2. Name of Operator READ OPERATING COMPANY LLC                          |  |   |  | 9.              | 9. API Well No. 30-025-31818                             |   |  |
| 3a. Address P.O. BOX 1518<br>ROSWELL, NM 88202                          | 2  | 3b. Phone No. (include area code)<br>(575) 622-3770 |  |                 | 10. Field and Pool or Exploratory Area  LEA; DELAWARE NE |   |  |
| 4. Location of Well (Footage, Sec., T.,R<br>SEC 3, T20S-R34E 330' F&L & | )  | 11. Country or Parish<br>LEA COUNTY, N              |  |                 |  |   |  |
| 12. CHE   | CK THE APPROPRIATE B   | BOX(ES) TO IND                                      | DICATE NATURI  | E OF NOTICE     | , REPORT OR OTH  | HER DATA  |  |
| TYPE OF SUBMISSION  | TYPE OF A  |   |  |                 | TION   |   |  |
| ✓ Notice of Intent  ☐ Subsequent Report  ☐ Final Abandonment Notice     | Acidize Alter Casing Casing Repair Change Plans Convert to Injection | New Plug a  | aulic Fracturing Construction and Abandon            | Reclama Recomp  | olete<br>arily Abandon                                   | Water Shut-Off  Well Integrity  ✓ Other   |  |
|   | tices must be filed only after                                       | all requirements                                    | s, including reclan                                  | nation, have be |  | 160-4 must be filed once testing has been the operator has detennined that the site |  |
| Read Operating Company LLC<br>P. O. Box 1518<br>Roswell, NM 88202-1518  |  | VMB001324   |  |                 |  |   |  |
|   | Rea<br>Pion  | d Operating Co                                      | ash Plugging Boompany LLC, Pringer Mell Depository ( | ncipal          | DITIONS<br>#0140101609                                   | OF APPROVAL   |  |
| Change of Operator will take pla  | ace January 1, 2016.   |   |  |                 |  |   |  |
| The undersigned accepts all ap thereof, as described above.             | plicable terms, conditions   | s, stipulations, a                                  | and restrictions of                                  | concerning or   | perations conducte                                       | ed on the leased land or portion  |  |
|   |  |   |  |                 | /  |   |  |
| 14. I hereby certify that the foregoing is Rory McMinn                  | ·  |   | President<br>Title                                   |                 |  | ppout p   |  |
| Signature B   | All Ope  | rator Chang   | ges must be t<br>the NMOCD                           | through         | 11/20/20   | 015   |  |
|   | THE alectro  | Micany  | LITO .   |                 | USE J  | AN 4/2016/ // /   |  |
| Approved by   | E-pern   | nitting   |  |                 |  |   |  |

Conditions of approval, if any, are attached. Approval of the certify that the applicant holds legal or equitable title to those regards in the subject lease which 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.

## Read Operating Company LLC January 4, 2016 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.
- 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.

**JAM 010416**