

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: UNKNOWN OTH		8. Well Name and No. MALJAMAR AGI 2 ✓
2. Name of Operator FRONTIER FIELD SERVICES LLC Contact: MICHAEL W SELKE E-Mail: mselke@geolex.com		9. API Well No. 30-025-42628 ✓
3a. Address MALJAMAR, NM 88260	3b. Phone No. (include area code) Ph: 505-842-8000	10. Field and Pool, or Exploratory AGI
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T17S R32E Mer NMP SWSE 400FSL 2100FEL 32.813967 N Lat, 103.769748 W Lon		11. County or Parish, and State LEA COUNTY, NM

HOBBS OCD**APR 04 2016****RECEIVED****12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 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.)

The Maljamar #2 well was drilled from late January to early March 2016 at the prescribed surface and bottom hole locations pursuant to the approved BLM APD dated December 30, 2015 and NMOCDD Order No R-13443. The final perforation and completion of the well is scheduled to take place beginning in late March or early April 2016. Following the perforation of the well and prior to treatment or testing, the well will be swabbed in an attempt to recover formation fluid for confirmatory analysis to further confirm the results of this demonstration of no recoverable hydrocarbons based on the drilling data, geophysical logging and mud log evaluation presented herein. It is anticipated that the well will be available for injection operations to commence by the end of April 2016.

The formation evaluation for the purposes of establishing that the injection zones are void of recoverable hydrocarbons is included as Attachment A. The complete mud log is provided in

See Next
Page for
COAs

14. I hereby certify that the foregoing is true and correct. Electronic Submission #334553 verified by the BLM Well Information System For FRONTIER FIELD SERVICES LLC, sent to the Hobbs Committed to AFMSS for processing by KENNETH RENNICK on 03/25/2016 ()	
Name (Printed/Typed) MICHAEL W SELKE	Title CONSULTANT TO FRONTIER
Signature (Electronic Submission)	Date 03/23/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Kenneth Rennick</u>	Title <u>Petroleum Engineer</u>	Date <u>3/25/2016</u>
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.		Office <u>Carrizosa Field Office</u>

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ******APR 18 2016**

Additional data for EC transaction #334553 that would not fit on the form

32. Additional remarks, continued

Attachment B, and all of the geophysical logs used in this evaluation were submitted on March 10, 2014 as Attachment B1 through B4 of EC transaction No. 333414 (BLM-WIS), which was accepted by the BLM on March 14, 2016.

Based on the information provided, Geolex is confident that the pore space in the Wolfcamp Formation at this location contains primarily water, is completely devoid of recoverable hydrocarbons, and hereby certifies that the NMOCD-approved zone is appropriate for acid gas injection and should be permitted as such.

CONDITIONS OF APPROVAL:

Original Conditions of Approval still applies, especially the required swab test to confirm there is no recoverable hydrocarbons. Notify BLM, by Sundry Notification, the date of the final perforation and completion of the well.

After swab test, operator to provide an analysis of the formation fluids to the BLM.