FORM APPROVED OCD Hobbs Form 3160-5 **UNITED STATES** OMB No. 1004-0137 (August 2007) HOBBS OCCUREAU OF LAND MANAGEMENT Expires: July 31, 2010 5. Lease Serial No. LC 065863 SEP 21 SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an 6. If Indian. Allottee or Tribe Name 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 1. Type of Well 8. Well Name and No ✓ Oil Well Gas Well Other MILLER FEDERAL 001 2. Name of Operator REMNANT OIL OPERATING, LLC 9. API Well No. 30-025-00902 3a. Address P.O. BOX 5375 MIDLAND, TX 79704 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 41859: LUSK: YATES-SEVEN RIVERS 432-242-4965 4. Location of Well (Footage, Sec., T.R., M., or Survey Description) 11. Country or Parish, State LEA, NM 1980 FNL 660 FWL. UL E SEC 19 T19S R32E 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Acidize Deepen Production (Start/Resume) ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity **✓** Other Casing Repair New Construction Recomplete Subsequent Report Change of Operator 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. 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 filed 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.) This is notification that Remnant Oil Operating, LLC. is taking over operations of this well. Remnant Oil Operating, LLC. (formally WS Oil & Gas Operating, LLC) (OGRID 370922), as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease, or portion of lease described. Bond Coverage: BLM Bond No: NMB001311 Change of Operator Effective: OCTOBER 26, 2015 Former Operator: Tandem Energy Corporation (OGRID 236183) SEE ATTACHED FOR **CONDITIONS OF APPROVAL** 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) CARIE STOKER Title REGULATORY AFFAIRS COORDINATOR Date 11/01/2015 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by PETROLEUM ENGINEER Title Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify 1.3 2016 that the applicant holds legal or equitable title to those rights in the subject lease which would Office 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 fa **BUREAU OF LAND MANAGEMENT** fictitious or fraudulent statements or representations as to any matter within its jurisdiction CARLSBAD FIELD OFFICE (Instructions on page 2)

## BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

620 E. Greene St Carlsbad, NM 88220 Phone: (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 within 60 days.,
- 3. Review facility diagram on file, and submit updated facility diagrams, as per Onshore Order #3 within 60 day.
- 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.