

HOBBS OCD

DEC 27 2016

RECEIVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTNMOCD  
HobbsFORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018**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 page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM20979
2. Name of Operator LEGACY RESERVES OPERATING LP Contact: LAURA PINA E-Mail: lpina@legacyp.com		6. If Indian, Allottee or Tribe Name
3a. Address 303 W WALL SUITE 1600 MIDLAND, TX 79702	3b. Phone No. (include area code) Ph: 432-689-5200 Ext: 5273	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T20S R34E NESE 2270FSL 660FEL /		8. Well Name and No. LEA UNIT 38H /
		9. API Well No. 30-025-43077-00-X1
		10. Field and Pool or Exploratory Area LEA
		11. County or Parish, State LEA COUNTY, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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	Drilling Operations
	<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 must 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 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.

Drilling Operations Summary Attached.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #360443 verified by the BLM Well Information System For LEGACY RESERVES OPERATING LP, sent to the Hobbs Committed to AFMSS for processing by JENNIFER SANCHEZ on 12/13/2016 (17JAS0053SE)</b>	
Name (Printed/Typed) LAURA PINA	Title REGULATORY TECH
Signature (Electronic Submission)	Date 12/08/2016
<b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>	
DEC 14 2016	
Approved By _____	Title _____
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 _____
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.	

(Instructions on page 2)

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

## Lea Unit #38H

### Drilling Operations

3-Nov-2016: Spud well @ 04:30 hours. Drilled 17-1/2" hole to 1,760' MD (TD).

4-Nov-2016: Ran 42 joints of 13-3/8", 54.5#, J-55, STC casing set @ 1,760'. Pumped lead cement: 1,300 sx of Class C, 13.5 ppg, 1.72 yield, followed by tail cement: 200 sx Class C, 14.8 ppg, 1.33 yield. Circulated 653 sx / 200 bbls of cement to surface. WOC 4 hours. Installed Cameron 13-5/8" x 3K wellhead and test to 1500 psi (good). Installed 13-5/8" x 5K mud cross, double-ram preventer and annular preventer, rotating head bowl and flow nipple. Test BOP, top-drive, floor valves and mud lines to 250 psi low / 3000 psi high. Tested annular preventer to 2500 psi, and tested 13-3/8" surface casing to 1000 psi (good).

7-Nov-2016: Drilled 12-1/4" intermediate hole to a TD of 5,575'. Ran 38 joints of 9-5/8" 40#, HCL-80, LTC casing and 96 joints of 9-5/8" 40#, J-55, LTC casing set @ 5,575' w/DV Tool @ 1,943'. Pumped lead cement: 1500 sx of 35:65 Poz/Class C, 12.60 ppg, 2.06 yield followed by tail cement: 300 sx of Class C, 14.8 ppg, 1.32 yield. Circulated 570 sx / 209 bbls of cement to surface. Dropped cancellation plug in order to cancel 2<sup>nd</sup> stage cement job due to circulating cement on 1<sup>st</sup> stage.

8-Nov-2016: Installed B Section & tested to 1800 PSI. Installed 13-5/8" x 5K Double Ram Preventer & 5K annular. Tested BOPE, choke manifold and all valves to 250 psi low / 5000 psi high. Tested annular preventer to 250 psi low / 2500 psi high. Tested 9-5/8" casing to 1500 psi (all test good).

23-Nov-2016: TD 8-3/4" production hole @ 18,762' MD / 11,026' TVD.

26-Nov-2016: Ran 445 joints of 5-1/2" 20#, HCP-110, GBCD casing set @ 18,762' MD. Pumped lead cement: 1500 sx 50:50 Poz/Class H, 11.9 ppg, 2.47 yield followed by tail cement: 1800 sx PVL, 12.6 ppg, 1.62 yield. Circulated 32 sx / 14 bbls of cement to surface, floats held.

27-Nov-2016: Set 5-1/2" casing slips and install 7-1/16" x 10k tubing spool, and test to 8800 psi (good). Rig release @ 06:00 hours on 27-Nov-2016. End of drilling operations, preparing well and location for completion operations.

Matt Dickson  
Drilling Engineer  
(432) 689-5204  
mdickson@legacyp.com