| Form 3160-5<br>(June 2015)   | FORM APPROVED<br>OMB NO. 1004-0137<br>Expires: January 31, 2018<br>5. Lease Serial No.<br>NMNM56265<br>6. If Indian, Allottee or Tribe Name |                             |   |                 |   |                              |  |
|--|---|-----------------------------|---|-----------------|---|------------------------------|--|
| DEPARTMENT OF THE INTERIOR<br>BUREAU OF LAND MANAGEMENT  |   |                             |   |                 | Expires: January 31, 2018<br>5. Lease Serial No.        |                              |  |
| SUNDRY NOTICES AND REPORTS ON WELLS  |   |                             |   |                 | NMNM56265   |                              |  |
| Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.  |   |                             |   |                 | 6. If Indian, Allottee or Tribe Name                    |                              |  |
| SUBMIT IN TRIPLICATE - Other instructions on page 2  |   |                             |   |                 | 7. If Unit or CA/Agreement, Name and/or No.             |                              |  |
| Type of Well     Gas Well     Gas Well     Other   |   |                             |   |                 | 8. Well Name and No.<br>LEA SOUTH 25 FEDERAL COM 3BS 7H |                              |  |
| 2. Name of Operator NEARBURG PRODUCING COMPANYE-Mail: bettie@watsonreg.com   |   |                             |   |                 | 9. API Well No.<br>30-025-43029-00-X1                   |                              |  |
| 3a. Address 3b. Pho  |   |                             | . (include area code)<br>'9-0132 10. Field and Pool or<br>LEA |                 |   |                              |  |
| 4. Location of Well (Footage, Sec., T  |   | 11. County or Parish, State |   |                 |   |                              |  |
| Sec 25 T20S R34E SWSE 33<br>32.321592 N Lat, 103.304173  |   |                             | LEA COUNTY, NM  |                 |   |                              |  |
| our EC Transaction 388757, Serial Number 852-66006, has had an approval or final action taken on it.   |   |                             |   |                 |   |                              |  |
| 12. CHECK THE AF   | 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA   |                             |   |                 |   |                              |  |
| TYPE OF SUBMISSION   | TYPE OF ACTION  |                             |   |                 |   |                              |  |
| □ Notice of Intent   | Acidize   | Dee                         | epen  | Product         | tion (Start/Resume)                                     | □ Water Shut-Off             |  |
| Subsequent Report  | Alter Casing  |                             | Iraulic Fracturing  |                 |   | U Well Integrity             |  |
|  | Casing Repair   |                             | v Construction  | Recomp          |   | Other<br>Drilling Operations |  |
| Final Abandonment Notice   | <ul> <li>Change Plans</li> <li>Convert to Injection</li> </ul>  |                             | g and Abandon   |                 | rarily Abandon  | Strang optimients            |  |
| <ul> <li>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 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.</li> <li>RECORD DRILLING UPDATES:</li> <li>08-19-17 SURFACE CASING PRESSURE: 13-3/8 TEST 1500 PSI FOR 30 MIN. OK 08-23-17 RUN 129 JTS 9-5/8 40# J-55 LTC SET @ 5839'</li> <li>08-24-17 1ST STAGE LEAD 425 SX CLASS H @ 12.0 ppg, YIELD 2.32, MW 12.48 gal/sks. TAIL 360 SX CLASS H @ 14.4 ppg, YIELD 1.22, MW 5.39 gal/sks. HAD RETURNS AT SURFACE AFTER 100 BBLS PUMPED. CIRCULATED 2 BBLS CEMENT OFF DV TOOL. CONTINUE TO CIRCULATE DV TOOL @ 4038'. 2ND STAGE: 1315 SX CLASS C @ 12.0 ppg, YIELD 2.44, MW 14.29 gal/sks. CIRCULATED 110 BBLS 253 SKS @ SURFACE. WITNESS BY BLM, PAUL FLOWERS.</li> </ul>  |   |                             |   |                 |   |                              |  |
| INTERMEDIATE CASING PR<br>08-25-17 DRILL OUT DV TO<br>09-12-17 RUN 373 JTS 5-1/2   | ESSURE 9-5/8 TEST 150<br>DL @ 4038'<br>17#, P-110 SET @ 1557  |                             | 80 MIN. OK  |                 |   |                              |  |
| 14. I hereby certify that the foregoing is true and correct.<br>Electronic Submission #388757 verified by the BLM Well Information System<br>For NEARBURG PRODUCING COMPANY, sent to the Hobbs<br>Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/11/2017 (18JAS0089SE)<br>Name (Printed/Typed) BETTIE WATSON<br>Title AGENT   |   |                             |   |                 |   |                              |  |
| Contraction of the second seco |   |                             |   |                 |   |                              |  |
| Signature (Electronic S  |   |                             |   | Date 09/18/2017 |   |                              |  |
|  | THIS SPACE FO   | R FEDERA                    | L OR STATE  | OFFICE U        | SE  |                              |  |
| _Approved By_ACCEPTED  |   |                             | (BLM Approver Not Specified)<br>Title Date 10/12/2017         |                 |   |                              |  |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable tille to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  |   |                             | Office Hobbs  |                 |   |                              |  |
| 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)   | SED ** BLM REVISED  |                             |   |                 | ) ** BLM REVISE   | 0** KZ                       |  |

## Additional data for EC transaction #388757 that would not fit on the form

## 32. Additional remarks, continued

CEMENT LEAD 725 SX CLASS H @ 11.2 ppg, YIELD 2.35, 14.3 MIX WATER CEMENT, AND TAIL 1310 SKS 14.5 ppg 1.2 YIELD, 5.28 MIX WATER. EST. TOC 5,339' 09-12-17 RIG RELEASED @ 6 AM.