

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC
Artesia

FORM APPROVED
OM # No 1004-0137
Expires: March 31, 2007

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
 Oil Well Gas Well Other

2. Name of Operator Harvey E. Yates Company *Matador*

3a. Address sub below
PO BOX 1933 -- ROSWELL -- NM 88202-1933

3b. Phone No. (include area code)
575.623.6601

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 660' FWL, Sec. 3 SW, SW, T18S, R31E

5. Lease Serial No.
NMNM89879

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Mesquite 3 Fed

8. Well Name and No.
Mesquite 3 Federal #2

9. API Well No.
3001525406

10. Field and Pool, or Exploratory Area
Shugart; Bone Spring North

11. County or Parish, State
Eddy, New Mexico

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"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <u>Change of Operator</u>

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 shall 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 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.)

This is a notification of Change of Operator on the above referenced well.

Matador Production Company, as new operator, accept all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease or portion of lease described.

BLM Bond No. NMB001079, Surety Bond No-RLB0015172
 Matador Production Company
 One Lincoln Centre
 5400 LBJ Freeway, Suite 1500
 Dallas, TX 75240

Change of Operator Effective 3/1/2015

NM OIL CONSERVATION
 ARTESIA DISTRICT

JAN 19 2016

RECEIVED

ced 1/20/16
 Accepted for record
 NMOC

SEE ATTACHED FOR
 CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) Tammy B. Link

Signature *Tammy B. Link*

Title Production Tech

Date 02/27/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE 2016

Approved by *[Signature]*

Title BUREAU OF LAND MANAGEMENT

Office CARLSBAD FIELD 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.

Matador Production Company
January 11, 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 011116