Form 3160-5 (March 2012)

(Instructions on page 2)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

abandoned well. Use Form 3160-3 (APD) for such proposals.

OCD Artesia

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

5. Lease Serial No. NM-17232

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. NMNM 85336 1. Type of Well 8. Well Name and No. Oil Well Other Gas Well Big Sinks Federal Com #1 2. Name of Operator Mewbourne Oil Company 9. API Well No 30-015-23491 3b. Phone No. (include area code) 3a. Address 10. Field and Pool or Exploratory Area PO Box 5270 Ross Draw; Wolfcamp (Gas) Hobbs, NM 88241 575-393-5905 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 660' FNL & 1980' FEL, Sec 35, T25S, R31E, NMPM Eddy 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Deepen Acidize Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Change of Operator Casing Repair New Construction Recomplete Subsequent Report __ 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. 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.) Effective October 26, 2015 Mewbourne Oil Company took over operations from V-F Petroleum Inc on the above captioned well. As new operator Mewbourne Oil Company accepts all applicable terms, conditions and restrictions concerning operations conducted on the lease or portion of lease described.

Bond on file: NM1693 nationwide & NMB000919

NM OIL CONSERVATION

ARTESIA DISTRICT FEB 0 1 2016 RECEIVED SEE ATTACHED FOR **ENTERED** CONDITIONS OF APPROVAL IN AFMSS 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Jackie Lathan Title Regulatory 01/13/2016 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by 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 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 false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 620 E. Greene St

Carisbad, NM 88220 Ph: (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.
- 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.