State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 5/18/16

Well information:

API WELL# Well Name Well	Operator Name	Type Stat	County	Surf_Owner	UL	Sec	Twp N/S	Rng W/E
30-045-23620-00-00 FEDERAL 003	ANDERSON OIL LTD.,LLP	G A	San Juan	F	N	30	31 N	13 W

Application Type:

		P&A	Drilling/C	asing (Change	Location	Change
-	_						

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

Other:

Conditions of Approval:

- * Notify NMOCD 24hrs prior to beginning operations
- Submit CBL and request approval from agencies prior to any squeeze work being performed.
- * Notify OCD 24hrs prior to performing MIT so it can be witnessed.

NMOCD Approved by Signature

7/5/16 Date Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 **BUREAU OF LAND MANAGEMENT** 5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an NMNM053798

SUBMIT IN TRIPLICATE - Other instructions on reverse side.	7. If Unit or CA/Agreement, Name and/or No.		
	7. If Unit or CA/Agreement, Name and/or No.		
1. Type of Well ☐ Oil Well ☑ Gas Well ☐ Other	8. Well Name and No. FEDERAL 3		
2. Name of Operator Contact: ALIPH REENA ANDERSON OIL LIMITED E-Mail: aliph.reena@duganproduction.com	9. API Well No. 30-045-23620-00-S1		
3a. Address 5005 WOODWAY DR SUITE 300 HOUSTON, TX 77056 3b. Phone No. (include area code) Ph: 505-325-1821	Field and Pool, or Exploratory BASIN DAKOTA		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	11. County or Parish, and State		
Sec 30 T31N R13W SWSW 1190FSL 0714FWL 36.866867 N Lat, 108.247772 W Lon	SAN JUAN COUNTY, NM		

TYPE OF SUBMISSION		TYPE O	OF ACTION		
Notice of Intent	☐ Acidize	Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off	
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	□ Well Integrity	
Subsequent Report	☐ Casing Repair	■ New Construction	☐ Recomplete	Other	
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon	□ Temporarily Abandon		
	☐ 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 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.)

Set 4-1/2" retrievable bridge plug @ 6150'. Run CBL from 6150'. Isolate the casing damage w/packer and bridge plug. Squeeze cement to fix casing leak. WOC 24 hrs. Drill out cement. Test casing for mechanical integrity. Put well back on production.

OIL CONS. DIV DIST. 3 JUN 1 0 2016

14. I hereby certify that the	ne foregoing is true and correct. Electronic Submission #339657 verifie For ANDERSON OIL LIMITI Committed to AFMSS for processing by WILLIA	D, ser	t to the Farmington	
Name (Printed/Typed)	ALIPH REENA	Title	AGENT, ENGINEERING SUPERVISO	R
Signature	(Electronic Submission)	Date	05/18/2016	A market
	THIS SPACE FOR FEDERA	L OR	STATE OFFICE USE	
Approved By ACCEPTED			VILLIAM TAMBEKOU PETROLEUM ENGINEER	Date 06/06/2016
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.			e Farmington	

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.

