

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

RECEIVED

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.
NMSF 078563

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
DJR Operating, LLC

3a. Address
1600 Broadway Suite 1960 Denver, CO 80202

3b. Phone No. (include area code)
303-595-7433

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**980' FNL x 985' FWL
D Sec.24-T24N-R7W**

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

8. Well Name and No.
Grace Federal 24 1R

9. API Well No.
30-039-24571

10. Field and Pool, or Exploratory Area
Devils Fork Gallup

11. County or Parish, State
Rio Arriba County, NM

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"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <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 <u>Change of Operator</u> |
| | <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 |

13. Describe Proposed or Completed Operations (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 shall 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 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.)

Effective May 1st, 2017, operations of the above well were transferred from Elm Ridge Exploration CO LLC to DJR Operating, LLC. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by DJR Operating, LLC under its nationwide bond, Bond # NMB001464. DJR Operating will be responsible for compliance under the terms and conditions of the lease.

OIL CONS. DIV DIST. 3

JUN 14 2017

14. I hereby certify that the foregoing is true and correct

| | |
|-----------------------------------------------------|----------------------------|
| Name (Printed/Typed) Dominic J. Bazile II | Title EVP-COO |
| Signature <i>[Signature]</i> | Date May 1, 2017 |

THIS SPACE FOR FEDERAL OR STATE USE

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------|
| Approved by Dave Mankiewicz | Title | Date MAY 23 2017 |
| 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 FARMINGTON FIELD OFFICE | BY |

Title 18 U.S.C. Section 1001, makes 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 reverse)

NMOCD