

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 to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

5. Lease Serial No.  
SEE ATTACHED

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
SEE ATTACHED

9. API Well No.  
SEE ATTACHED

10. Field and Pool or Exploratory Area  
SEE ATTACHED

11. County or Parish, State

EDDY COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator Contact: BRAD GRANDSTAFF  
3R OPERATING, LLC Mail: bgrandstaff@3ROPERATING.COM

3a. Address 3b. Phone No. (include area code)  
4000 N. BIG SPRING ST., SUITE 210 Ph: 432-413-4148  
MIDLAND, TX 79705

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SEE ATTACHED

**12. CHECK THE 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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Successor of Operator
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 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 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.

THIS IS NOTIFICATION THAT 3R OPERATING, LLC IS TAKING OVER OPERATIONS FOR WELLS LISTED FROM FLAT CREEK RESOURCES, LLC (374034)

3R OPERATING, LLC, AS NEW OPERATOR, ACCEPTS ALL APPLICABLE TERMS, CONDITIONS, STIPULATIONS, AND RESTRICTIONS CONCERNING OPERATIONS CONDUCTED ON ALL LEASES LISTED BELOW.

BLM BOND #: NMB105811880

EFFECTIVE DATE: 01/01/2024

PREVIOUS OPERATOR: FLAT CREEK RESOURCES, LLC (374034)

NEW OPERATOR: 3R OPERATING, LLC (331569)

*Brad Grandstaff* 3/5/24

See Conditions of Approval

14. I hereby certify that the foregoing is true and correct.		
Name (Printed/Typed)	Brad Grandstaff	Title COO
Signature	<i>Brad Grandstaff</i>	Date 3/5/2024

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title Petroleum Engineer	Date 03/14/2024
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 RFO	

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)

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

Well	Lease Number	APD ID	API	FIELD	Sec. T/R	AT SURFACE LOCATION	At proposed prod zone
Rena 7 Fed Com #704H	NMNM92900	10400091333	30-015-124001	COTTON DRAW/(WOLFECAMP) GAS	Sec. 6 T2S R2E	SWSE / 309 FSL / 1777 FEL / LAT 32.327104 / LONG -104.330141	SESE / 330 FSL / 330 FEL / LAT 32.297771 / LONG -104.325388
Rena 7 Fed Com #603H	NMNM92900	10400091323	30-015-124002	CARLSBAD/BONE SPRING SOUTH	Sec. 8 T2S R2E	SWSE / 309 FSL / 1807 FEL / LAT 32.327103 / LONG -104.330237	SWSE / 100 FSL / 1650 FEL / LAT 32.297116 / LONG -104.326672
Rena 7 Fed Com #702H	NMNM92900	10400091332	30-015-124003	COTTON DRAW/(WOLFECAMP) GAS	Sec. 6 T2S R2E	SWSE / 309 FSL / 1837 FEL / LAT 32.327103 / LONG -104.330335	SESW / 330 FSL / 1900 FWL / LAT 32.297723 / LONG -104.334412

### **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) within 90 days.
2. Submit for approval of water disposal method within 60 days, if changes have been made from previously approved disposal method.
3. Review facility diagram on file, and submit updated facility diagrams, as per Onshore Order #3 within 60 day.
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**

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 323613

CONDITIONS

Operator: 3R Operating, LLC 4000 N BIG SPRING ST Midland, TX 79705	OGRID: 331569
	Action Number: 323613
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	ACCEPTED FOR RECORD ONLY; Approval of change of operator by the Division shall be accomplished via the applicant filing a [C-145] EP Change of Operator (ChangeOp); In addition to this sundry, please submit the BLM approval via email to OCD.AdminComp@emnrd.nm.gov	3/15/2024