Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

OCD Artesia

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

Lease Serial No. NMLC058594C

	SUNDF	RY NOTIC	ES AND	REPORT	'S ON \	NELLS	
Э0	not use	this form	for propo	sals to dr	ill or to	re-enter a	n

Do not use the abandoned we		6. If Indian, Allottee or Tribe Name				
SUBMIT IN TRI	PLICATE - Other instruc	tions on reverse side.		7. If Unit or CA/Agre	ement, Name and/or No.	
1. Type of Well Gas Well Got Oth		8. Well Name and No. RED TWELVE FEDERAL 001				
Name of Operator MCI OPERATING OF NM LLC		9. API Well No. 30-015-25058				
3a. Address P O BOX 471 DENVER CITY, TX 79323	3b. Phone No. (include area code) Ph: 806-592-8659		10. Field and Pool, or Exploratory GRAYBURG JACKSON			
4. Location of Well (Footage, Sec., 7		11. County or Parish, and State EDDY COUNTY, NM				
Sec 33 T16S R29E 330FSL 2						
12. CHECK APPI	ROPRIATE BOX(ES) TO) INDICATE NATURE OF	NOTICE, R	EPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resume)		☐ Water Shut-Off	
_	Alter Casing			ation	Well Integrity	
☐ Subsequent Report	Casing Repair			olete	Other Successor of Operato	
☐ Final Abandonment Notice	☐ Change Plans ☐ Plug and Abandon ☐ To		□ Tempor	arily Abandon		
	☐ Convert to Injection	tion Plug Back Water		Disposal	•	
 Describe Proposed or Completed Op If the proposal is to deepen direction: Attach the Bond under which the wo 	ally or recomplete horizontally,	give subsurface locations and meas	ured and true ve	ertical depths of all perting	nent markers and zones.	

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.)

Other wells in lease NMLC058594C Red Twelve Federal 002 API 30-015-25059 S-33, T-16S, R-29E, 330 FSL, 990 FEL Cave Pool 001 API 30-015-02784 S-33, T-16S, R-29E, 660 FSL, 1780 FEL

As required by 43 CFR 3100.5 (A) and 43 CFR 3162.3 we are notifying you of a change of operator named on the above wells. MCI Operating of NM, LLC as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of the lease thereof.

DEC 12 2013

NMOCD ARTESIA

SEE ATTACHED FOR CONDITIONS OF APPROVAL

					_Acc€	epted for rec	
14. I hereby certify t	hat the foregoing is true and correct. Electronic Submission #228881 verifie For MCI OPERATING OF NN Committed to AFMSS for processing	LLC,	sent to the	e Carlsbad		NIMOCD	
Name (Printed/Ty)	ped) JEAN MANN	Title	PRESID	DENT		14	
Signature	(Electronic Submission)	Date	12/06/2	013			
THIS SPACE FOR FEDERAL OR STATE OFFICE OFFIC							
Approved By	My O Stabley	Title				Date	
Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holy legal or equitable title to those rights in the subject lease which would exactle the applicant to conduct operations thereon.				DEC - 9 2013			
Title 18 U.S.C. Section States any false, fictit	1001 and Title 43 U.S.C. Section 1212, make it a crime for any perious or fraudulent statements or representations as to any matter w	erson kno ithin its j	wingly and urisdiction.	Bilifelly logiaka logany depar CARL SRAD FIELD OFF	tinent of agen	cy of the United	

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 • 575-234-5972

Effective 11/20/2013 Bond NMB001132

12/9/2013 Approved subject to Conditions of Approval. JDB 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.