



NM OIL CONSERVATION
 UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

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

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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|--|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. COYOTE FEDERAL 1 |
| 2. Name of Operator LEGACY RESERVES OPERATING Contact: CRAIG SPARKMAN E-Mail: csparkman@legacyp.com | | 9. API Well No. 30-005-60978-00-S1 |
| 3a. Address PO BOX 10848 MIDLAND, TX 79702 | 3b. Phone No. (include area code) Ph: 432-689-5200 Ext: 6334 | 10. Field and Pool, or Exploratory PECOS SLOPE-ABO |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T8S R24E SESE 660FSL 660FEL | | 11. County or Parish, and State CHAVES COUNTY, NM |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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 checked="" 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 ShutIn Notice |
| | <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 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.)

This well was shut-in in October of 2013 due to Agave Energy's Systems inability to process the high nitrogen content of the gas. Agave is currently working to install nitrogen processing equipment, which is estimated to be completed by March 2015. Agave has agreed to allow Legacy Reserves to produce this well 1-2 days a month until the system is back up and operating. Legacy Reserves respectfully request that the BLM & NMOCD accepts our internal well tests, as the form C-115 for January of 2015 will not be filed until March of 2015, as validation of the well being active and remove the well from the NMOCD's inactive well list.

DD 2/11/15
 Accepted for record
 NMOCD

**ACCEPTED FOR RECORD BY BLM
 FOR 3 MONTH PERIOD ENDING
 04-30-2015. THIS IS SUBJECT TO
 APPROVAL BY THE NMOCD.**

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

Electronic Submission #289615 verified by the BLM Well Information System
 For LEGACY RESERVES OPERATING, sent to the Roswell
 Committed to AFMSS for processing by DAVID GLASS on 01/28/2015 (15DRG0030SE)

| | |
|-------------------------------------|---------------------------|
| Name (Printed/Typed) CRAIG SPARKMAN | Title OPERATIONS ENGINEER |
| Signature (Electronic Submission) | Date 01/27/2015 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---|-----------------|
| Approved By ACCEPTED | DAVID R GLASS Title PETROLEUM ENGINEER | Date 01/29/2015 |
| 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 Roswell |

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****