

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Fair Oil, Ltd.

3a. Address
P.O. Box 689
Tyler TX 75710

3b. Phone No. (include area code)
903-510-6527

4. Location of Well (Footage, Sec., T., R., M., or Survey Description).
Sec. 28, T18S, R27E, NESE, 1535 FSL, 662 FEL
32.628530 N Lat, 104.294630 W Lon

5. Lease Serial No.
NMLC049945B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Parakeet Federal 29 #1

9. API Well No.
30-015-35140

10. Field and Pool or Exploratory Area
McMillan-7R QN

11. Country or Parish, State
Eddy, New Mexico

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"/> 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: Change of Operator
	<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 recomplate 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.)

As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3 Fair Oil is notifying you of a change of operator from Oxy USA, Inc. to Fair Oil, Ltd. on the above referenced lease (well) effective approval of the BLM and NMOCD. Fair Oil, Ltd. as the new operator accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described. Fair Oil, Ltd. has a current Letter of Credit No 1008 with the State of New Mexico and a Federal State Wide Letter of Credit pursuant to 43 CFR Section 3104.1.

NM OIL CONSERVATION
ARTESIA DISTRICT

NOV 19 2015

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED

Accepted for record
NMOCD

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed):

Rodney K. Thomson

Title Production Manager

Signature

Date 07/08/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE

Approved by

Title

Office

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.

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)

Hand

C-145

Page 1 of 3

District I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 383-6181 Fax: (575) 383-6770
District II
811 E. First St., Artesia, NM 88218
Phone (575) 749-1213 Fax: (575) 749-8720
District III
1000 Rio Grande Rd., Aztec, NM 87410
Phone (505) 334-4178 Fax: (505) 334-4170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3410 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
Change of Operator**

Form C-145
August 1, 2011
Permit 187289

Previous Operator Information

OCRID: 10000
Name: OXY USA INC
Address: PO Box 4294
City, State, Zip: Houston, TX 77210

New Operator Information

Effective Date: Effective on the date of approval by the OCD
OCRID: 05531
Name: FAIR OIL LTD
Address: P.O. Box 059
City, State, Zip: Tyler, TX 75710

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, FAIR OIL LTD certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(i) NMAC.

FAIR OIL LTD understands that the OCD's approval of this operator change:

- constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
- constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

C-145

Page 3 of 3

Previous Operator	Now Operator
Signature: <u><i>Jennifer Duarte</i></u>	Signature: <u><i>Rodney K. Thomson</i></u>
Printed Name: <u>Jennifer Duarte</u>	Printed Name: <u>Rodney K. Thomson</u>
Title: <u>Regulatory Specialist</u>	Title: <u>Production Manager</u>
Date: <u>7/2/14</u> Phone: <u>713-513-16610</u>	Date: <u>7/2/14</u> Phone: <u>903-510-6527</u>

Permit 187266

OCD Permitting

Page 1 of 1

District I
1625 N. Second St., Hobbs, NM 88240
Phone (575) 383-8181 Fax (575) 383-0720
District II
811 E. 1st St., Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-8720
District III
1600 N. Main St., Artesia, NM 87418
Phone (505) 334-6118 Fax (505) 334-6170
District IV
1770 S. St Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3470 Fax (505) 478-3462

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

Wells Selected for Transfer

Permit: 187286
Permit Status: DRAFT

Wells Selected for Transfer

From:	OXY USA INC	OGRID:	18806
To:	FAIR OIL LTD	OGRID:	05531

OCD District: Artesia

Property	Well	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool #	Pool Name	Last Prod Day	Additional Bonding
308378	PARAKEET 29 FEDERAL #001	F	I-29-19S-27E	I	30-015-35140	O	45030	MCMILLAN SEVEN RIVERS QUEEN	07/13	0

Total Additional bond	0
-----------------------	---

<https://www.nmocs.com/nrd.state.nm.us/OCD/Permitting/SelectedWells.aspx?PermitID=72,201,144,125,95,18,176,143> 6/9/2014

NMOC Approval
Electronic Signature: Randy Dade, District 2
Date: November 24, 2014

District I
 1825 N. French Dr., Hobbs, NM 88240
 Phone (505) 393-6161 Fax (505) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone (505) 748-1283 Fax (505) 748-0720
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

Comments

Permit 167298

CHANGEOP COMMENTS

Operator: OXY USA INC PO Box 4294 Houston, TX 77210	DORID:	16696
	Permit Number:	167298
	Permit Type:	ChangeOp

Comments

Created By	Comment	Comment Date
There are no Comments for this Permit.		

Conditions of Approval for Change of Operator

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.
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.