*** NOTICE ***

Reposado Federal #3H Formerly Reposado 2 State Com #3H 30-015-40652

This well was originally permitted as a State well with a surface location of UL N, Sect 2, T26S, R29E / 360' FSL, 1840' FWL.

The well was inadvertently drilled and completed at a surface location of UL C/Lot 3, Sect 2, T26S, R29E, with dual laterals in Sec 35, T25S, R29E. Because of the location change, the well should have been permitted as a Federal well. A Federal APD was submitted to BLM on August 26, 2015, and approved on April 20, 2016.

NMOCD records were updated to reflect the approval date of 4-20-16 for location change (both surface and bottom hole), property name, project area to accommodate the producing area of the laterals, and Lease type from State to Federal.