Form 3160-5 (September 2001)

UNITED STATES OCD ADEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED OM B No. 1004-0135 Expires: January 31, 2004

Lease Serial No. LC-063567

SUNDRY NOTICES AND REPORTS ON WELLS

To not use this form for proposals to drill or to re-enter an

6. If Indian, Allottee or Tribe Name

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.					6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE- Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No.		- .	
1. Type of Well Gas Well Other				8. Well Name and No.			
2. Name of Operator 2. A Cit 2. Cit 3. Cit 3				Yates Federal #18			
2. Name of Operator Saber Oil & Gas Ventures, LLC				9. API Well No.		_	
3a. Address 400 W Illinois, Suite 940 -	3b. Phone No. (inch 432-685-0169			30-015-21241 10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				McMillan Seven Rivers Queen			
1650' FSL & 990' FEL, Se	tr			11. County or Parish, State			
				Eddy County, NM			
12. CHECK A	PPROPRIATE BOX(ES) TO I	NDICATE NATI	JRE OF NOTICE,	REPORT, OR	OTHER DATA	-	
TYPE OF SUBMISSION		T	YPE OF ACTION				
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Production (S	Start/Resume)	Water Shut-Off Well Integrity	_	
Subsequent Report	Casing Repair	New Construction			Other	_	
Final Abandonment Notice	Change Plans					_	
	Convert to Injection	Plug Back	Water Dispos	al 		_	
testing has been completed. Fi determined that the site is ready (3/2/18) Pumped 105 (3/5/18) Pumped 75 st (3/6/18) Cut off well he	volved operations. If the operation renal Abandonment Notices shall be file for final inspection.) sx, tagged at 564'. Pumper of from 300' to 40'. Tag cemeral and installed DHM.	led only after all requ	rements, including reclass at 411'.	amation, have bee	n completed, and the operator has ENTERE IN AFMS	D SS Dom Will	
RECEIVED	2005211-	150	LON	ACCEF	TED FOR RECORI		
JUNECE AMEON PR ATTACHE DISTRICT II-ARTESIA O.C.E	. ل المراجعة الم	CLAMAT E <i>9-6-1</i>	10N		JUN 12 2018		
) SIRICI II / 2 ·	C C - 6-	14-18		BUBEA	D OF LAND MANAGEMENT		
	Accepted for record	- NMOCD	. /	CAI	RESEAD FIELD OFFICE		
14. I hereby certify that the fore Name (Printed/Typed)	going is true and correct					=	
Jessica Flint		Title	Office Manager				
Signature		Date		5/25/18		_	
70	THIS SPACE FOR F	EDERAL OR	STATE OFFIC	E USE		=	
				<u> </u>		=	
Approved by	maked Assessed Cold Cold		Title	[Date		
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				
Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudul	43 U.S.C. Section 1212. make it a cent statements or representations as	crime for any person to any matter within	knowingly and willfull its jurisdiction.	ly to make to any	department or agency of the United	= 1	



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its predisturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, redistribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

- The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of
 Operations must include adequate measures for stabilization and reclamation of disturbed lands.
 Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD
 process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
- 3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
- 4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation

equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

- 5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
- 7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Petroleum Engineering Tech 575-234-5909, 575-361-2648 (Cell)

Arthur Arias Environmental Protection Specialist 575-234-6230

Henryetta Price Environmental Protection Specialist 575-234-5951

Shelly Tucker Environmental Protection Specialist 575-234-5979

Trishia Bad Bear, Hobbs Field Station Natural Resource Specialist 575-393-3612