Form approved. Ferm 3160-5 Budget Bureau No. 1004-0135 UNITED STATES BUBMIT IN TRIPLICATES (November 1983) Expires August 31, 1985 DEPARTMENT OF THE INTERIOR (Other Instructions on (Formerly 9-331) 5. LEASE DESIGNATION AND SECIAL NO BUREAU OF LAND MANAGEMENT NM 02931 6. IF INDIAN, ALLOTTEE OR TRIBE HAME SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.

Use "APPLICATION FOR PERMIT—" for such proposals.) NM OIL CONS COMMISSION 7. UNIT DESWOR DE WELL E WELL OTHER Artesia, NM 88210 HAME OF OPERATOR S. FARM OR LEASE MAME MAR 9 9 1004 Vintage Drilling Co. <u>Saunders Federal</u> ADDESSE OF OPERATOR 9. WALL DO. P.O. Box 158, Loco Hills, NM LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*

See also apace 17 below.)

At surface 10. FIELD AND POOL, OR WILDCAT 03/10 Empire Yates S.R. 11. SEC., T., S., M., OS M.E. AND Pit location 310 from N Line 2280 from west line. Sec. 13 TWP 17S Rge 27E Sec.13 T17S R27E 14. PERMIT NO 15 SLEVATIONS (Show whether DF, RT, GR, etc.) 12. COUNTY OR PARISH 12. STATE NM 16 Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: TRUT WATER BEUT-OFF PULL OR ALTER CARING WATER SHUT-OFF REPAIRING WELL PRACTURE TREAT MULTIPLE COMPLETE PRACTURE TREATMENT ALTRAING CARING SMOOT OR ACIDIES SHOOTING OR ACIDIZING (Other) Change of operator (Note: Report results of multiple completion on Wall Completion or Recompletion Report and Log form.) (Other) 17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS proposed work. If well is directionally disent to this work.) (Clearly state all perfinent details, and give pertinent dates, including estimated date of starting any silled, give subsurface locations and measured and true vertical depths for all markers and sense pertiis directionally drilled, give As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3 we are notifying you of a change of operator on the above referenced lease. Vintage Drilling Co., as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described. Vintage Drilling co. meets federal bonding requirements as follows (43 CFR 3104): SELECTIVED MANAGEMENT RECEIVED Bond coverage: \$25,000.00 statewide bond coverage BLM Bond File No: LOC 91-014 994 The effective date of this change is February, FEB 2 8 1994

DIST. 6 N.M.



## United States Department of the Interior

3104 (943C-3tf)

## BUREAU OF LAND MANAGEMENT NEW MEXICO STATE OFFICE

Post Office and Federal Building P.O. Box 1449 Santa Fe, New Mexico 87504-1449

AUG 1 3 1991

DECISION

Obligor:

Clyde or JoLynn Hope

dba Vintage Drilling Company

P.O. Box 158

Loco Hills, NM 88255

Bond Amount: \$25,000

Execution Date: July 5, 1991

Financial Institution:

Western Bank
P.O. Box 500

Artesia, NM 88210

Statewide Personal Bond and Letter of Credit Accepted

On July 10 1991, this office received a personal bond and a Letter of Credit (LOC) in the amount of \$25,000 for statewide bond coverage in the State of New Mexico for the above obligor. The bond and LOC have been examined and found acceptable; therefore, the bond is accepted effective July 10, 1991.

The pledge for the bond is a LOC written by the financial institution named above. The document will be retained by the BLM until all terms and conditions of the lease have been fulfilled or until a satisfactory replacement bond has been accepted. The LOC will be returned to the financial institution when this office determines that the bond is no longer required.

The LOC will continue indefinitely in the absence of notice from the financial institution of its determination not to renew the letter. Such a notice must be received in this office at least 90 days prior to the original expiration date of July 10, 1991, or the automatic extension dates falling on the same day in subsequent years. A copy of such notice also should be provided to the obligor, who would then be responsible for providing a replacement security with the BLM. Unless the obligor provides a satisfactory replacement bond at least 30 days prior to the then fixed expiration date, BLM will demand that the financial institution pay the full amount of the credit to ensure continuing bond coverage of the obligor. Any such funds thus obtained will be retained, as long as none are required to correct defaults, until the bond is no longer required or until replacement bond coverage is accepted by the BLM.

The bond will be maintained by this office. The bond constitutes coverage of all operations conducted by or on behalf of the obligor on Federal leases in the State of New Mexico. The bond provides coverage of the obligor where that obligor has interest in, and/or responsibility for operations on, leases issued under the authority of any of the Acts cited on the bond form. Please note that Federal leases do not include Indian leases.

Our office has held that a dba after an individual's name should be treated as surplus. Thus, a "dba" could be shown on the bond, but the oil and gas leases are to be covered under this bond may only be held in the name of the individual to meet the intent of the law and regulations, and the bond itself also must include the name of the individual.

We will forward your Letter of Credit numbered LC#91-003 for \$10,000. covering oil and gas lease NMNM 2507 as soon as our Denver office submits it to us.

Actingrou

Katy Galassini

Chief, Lease Maintenance Unit