Form 3160-5 (June 1990)

N.M. OII COTE Division DEPARTMENT OF THE INTERIOR S. 181 Shows BURFALL OF LAND MARKET BURFALL BUR BUREAU OF LAND MANAGEMENTY TO SIS. NM (210-2834

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No.

NMNM63757

6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well Oil Well Gas 8. Well Name and No. Other Well Lotos C Federal 903 2. Name of Operator 9. API Well No. RSE Partners - 1, L.P. 30-015-30043 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area 408 W. Wall Midland, TX 79701 Sand Dunes, Delaware, West 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980 FNL, 660 FEL 11. County or Parish, State Unit H, Sec 9, T24S, R31E Eddy, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Abandonment Notice of Intent New Construction Recompletion Non-Routine Fracturing Subsequent Report Plugging Back ─ Water Shut-Off Casing Repair

13. Describe Proposed or Completed Operations (Clearly state all pertinet details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markders and zones pertinent to this work.)*

Altering Casing

Other Change of Operater

Change of Operator effective 4/1/99.

Final Abandonment Notice

The undersigned accepts all applicable terms, conditions, stipulation, and restrictions concerning operations conducted on the leased land or portion thereof, as described.

BLM Bond File No: NM2689



HANNIZED OFFICER, MINES

Conversion to Injection

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

Dispose Water

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|---|-------|----------------------------------|--------|------------|
| 14. I hereby certify that the foregoing is true and correct | | | | |
| Signed John Signed | Title | Rob Lemmons - Operations Manager | Date _ | 02/17/2000 |
| (This space for Federal or State office use) | | | | |
| Approved byConditions of approval, if any: | Title | | Date _ | |

Title 18 U.S.C. Section 1001, makes 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.