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Form 3160-5  
(June 2015)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
Farmington Field Office  
Bureau of Land Management

FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

**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 <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM117563
2. Name of Operator DJR OPERATING, LLC		6. If Indian, Allottee or Tribe Name
3a. Address 1 ROAD 3263, AZTEC, NM 87410	3b. Phone No. (include area code) 505-632-3476	7. If Unit of CA/Agreement, Name and/or No. NMNM135852A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 626 FSL & 731 FEL                      P-24-22N-6W		8. Well Name and No. CORRALES CANYON UNIT 102H
		9. API Well No. 30-043-21270
		10. Field and Pool or Exploratory Area LYBROOK GALLUP
		11. Country or Parish, State SANDOVAL COUNTY, NM

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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CHANGE OF OPERATOR
	<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 recomplete 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.)

Effective December 26, 2018. Operations of the above well transferred from Encana Oil & Gas (USA) Inc. to DJR Operating, LLC. Bond coverage under Bond # NMB001464 pursuant to 43 CFR 3104 for lease activities is being provided by DJR Operating, LLC. DJR Operating will be responsible for compliance under the terms and conditions of the lease.

Resignation of Unit Operator is attached hereto  
Designation of Successor Unit Operator is attached hereto

NMOCD  
NMOCD  
MAR 12 2019  
DISTRICT 1111

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Shaw-Marie Crues		Title HSE Technician
Signature <i>Shaw-Marie Crues</i>		Date 02/11/2018

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	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 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)

ACCEPTED FOR RECORD NMOCD FY

**RESIGNATION OF UNIT OPERATOR**

**Corrales Canyon Unit Area**

County of Sandoval

State of New Mexico

Unit Agreement No. NMNM135852X

Under and pursuant to the provisions of Section 5 of the Unit Agreement for the Development and Operation of the Corrales Canyon Unit Area, Sandoval County, New Mexico, Encana Oil & Gas (USA) Inc., the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of a Successor Unit Operator.

Executed with effect as aforesaid the 26 day of December, 2018.

Encana Oil & Gas (USA) Inc., a Delaware corporation

By: 

Name: Constance D. Heath

Title: Attorney-in-Fact

**DESIGNATION OF SUCCESSOR UNIT OPERATOR**

**Corrales Canyon Unit Area**

County of Sandoval

State of New Mexico

Unit Agreement No. NMNM 135852X

THIS INDENTURE, dated as of the 26 day of December, 2018, by and between DJR Operating, LLC, hereinafter designated as "First Party," and the owners of unitized working interests, hereinafter designated as "Second Parties,"

**WITNESSETH:**

WHEREAS, under the provisions of the Act of February 25, 1920, 41 Stat. 437, 30 U.S.C. Secs. 181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, acting by and through the Authorized Officer, on the 9th day of December, 2016, approved a Unit Agreement for the Corrales Canyon Unit Area made effective on the 1st day of April, 2014, wherein Encana Oil & Gas (USA) Inc. was designated as Unit Operator; and

WHEREAS, Encana Oil & Gas (USA) Inc. has resigned as such Operator and the designation of a successor Unit Operator is now required pursuant to the terms thereof; and

WHEREAS, the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties and obligations of Unit Operator under the said Unit Agreement:

NOW, THEREFORE, in consideration of the premises hereinbefore set forth and the promises hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of the Corrales Canyon Unit Agreement, and the Second Parties covenant and agree that, effective upon approval of this indenture by the Authorized Officer, First Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

**FIRST PARTY**

DJR Operating, LLC,

By:

Name: Sharon Crumb

Title: Senior Landman

**SECOND PARTIES**

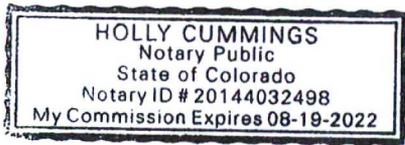
Commitment of Second Parties represented  
through Self-Certification Statement

Sharon Crumb

**CORPORATE ACKNOWLEDGEMENT**

STATE OF COLORADO   §  
                                  §  
COUNTY OF DENVER   §

This instrument was acknowledged before me on the 26<sup>th</sup> of December, 2018, by Sharon Crumb, as Senior Landman of DJR Operating, LLC.



Holly Cummings  
Notary Public

My Commission Expires: 8-19-2022

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**DJR Operating, LLC.**, as the designated successor operator, hereby certifies that the requisite approvals of the current working interest owners in the agreement have been obtained to satisfy the requirement for selection of a successor operator as set forth under the terms and provisions of the agreement. Operations on Federal wells in this agreement will be covered by BLM Bond No. B010587.

DJR Operating, LLC,

By: Sharon Crumb  
Name: Sharon Crumb  
Title: Senior Landman