Form 3160-5 (November 1994)

RECEIVED

UNITED STATES DEPARTMENT OF THE INTERIOR

MAY 15 2000

FORM APPROVED OMB No. 1004-0135 Expires July 31, 1996

MAY 1 9 2009

BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLES au of Land Manager SEE ATTACHED Do not use this form for proposals to drill or reenternamn Field Office. 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side Type of Well NM HOGBACK UNIT 8. Well Name and No. X Oil Well Gas Well Other Name of Operator SEE ATTACHED PARAWON OPERATING LLC c/o Mike Pippin LLC (Agent) 9. API Well No. SEE ATTACHED 505-327-4573 10. Field and Pool, or Exploratory Area Pippin, 3104 N. Sullivan, Farmington, NM 87401 Location of Well (Footage, Sec., T., R., M., or Survey Description) Horseshoe Gallup 11. County or Parish, State T30N R16W SEE ATTACHED San Juan County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPÉ OF ACTION TYPE OF SUBMISSION Production (Start/Resume) X Notice of Intent ☐ Acidize Deepen ☐ Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Recomplete X Other Extend Subsequent Report Casing Repair **New Construction** Field Shut-in Temporarily Abandon Change Plans Plug and Abandon Water Disposal Final Abandonment Notice Convert to Injection Plug Back Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof mred and true vertical depths of all pertinent markers and zones If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measurements Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall 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 shall be filled once Testing has been completed. Final Abandonment Notices shall be filled only after all requirements, including reclamation, have been completed, and the operator has Testing has been completed. determined that the site is ready for final inspection.) Parawon Operating LLC would like to extend the shut-in of all their operated oil wells in the Northeast Hogback Unit due to current economic conditions. When these economic conditions improve, the wells will be returned to production. The attached list shows each well in the field along with its API number, location, & lease number. RCVD MAY 20 '09 OIL CONS. DIV. DIST. 3 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title Mike Pippin Petr. Engr. (Agent) Date Signature May 15, 2009 THIS SPACE FOR FEDERAL OR STATE USE Approved by 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.

Office

(Instructions on reverse)

Original Signed: Stephen Mason

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.

PARAWON OPERATING LLC

5/15/09 - Mike Pippin

Primary API	Lease Name	Well Num	Location	Lease Code
30045095750000	NE HOGBACK UNIT	7	14D 30N 16W NW NW	NM 04407
30045095780000	NE HOGBACK UNIT	8	14C 30N 16W C NE NW	NM 04407
30045292710000	NE HOGBACK UNIT	55	14D 30N 16W NW NW	NM 04407
30045095760000	NE HOGBACK UNIT	5	15C 30N 16W NE NW	NM 04443
30045095800000	NE HOGBACK UNIT	6	15B 30N 16W NW NE	NM 04443
30045095910000	NE HOGBACK UNIT	21	15 30N 16W NW NW	NM 04443
30045095300000	NE HOGBACK UNIT	22	15G 30N 16W SW NE	NM 04443
30045096940000	NE HOGBACK UNIT	41	10I 30N 16W C NE SE	NM 04444
30045096980000	NE HOGBACK UNIT	40	10J 30N 16W NW SE	NM 04444
30045300910000	NE HOGBACK UNIT	53	10I 30N 16W SW NE SE	NM 04444
30045300900000	NE HOGBACK UNIT	52	10I 30N 16W NW NE SE	NM 04444
30045602290000	NE HOGBACK UNIT	2	15A 30N 16W NE NE	NM 06686
30045096400000	NE HOGBACK UNIT	34	10 30N 16W SW SW	NM 077281
30045096440000	NE HOGBACK UNIT	35	10N 30N 16W SE SW	NM 077281
30045303610000	NE HOGBACK UNIT	60	10A 30N 16W SW NE NE	NM 077281
30045096960000	NE HOGBACK UNIT	31	10K 30N 16W NE SW	NM 077281
30045096990000	NE HOGBACK UNIT	33	11K 30N 16W NE SW	NM 077282
30045096320000	NE HOGBACK UNIT	38	11M 30N 16W SW SW	NM 077282
30045097280000	NE HOGBACK UNIT	28	11E 30N 16W SW NW	NM 077282
30045097330000	NE HOGBACK UNIT	29	11F 30N 16W SE SE NW	NM 077282
30045293300000	NE HOGBACK UNIT	50	11E 30N 16W SW NW	NM 077282
30045293500000	NE HOGBACK UNIT	56	11K 30N 16W NE SW	NM 077282
30045293310000	NE HOGBACK UNIT	51	11L 30N 16W NW SW	NM 077282
30045096560000	NE HOGBACK UNIT	39	11N 30N 16W NE SE SW	NM 077283
30045096220000	NE HOGBACK UNIT	36	100 30N 16W SW SE	NM 077284
30045096550000	NE HOGBACK UNIT	37	10P 30N 16W SE SE	NM 077284

The requested shut-in for the Northeast Hogback Unit is hereby approved for one year commencing on the date the unit was first shut-in which was January 20, 2009. Therefore, shut-in is extended until January 20, 2010. If the unit will be shut-in beyond this date, you are required to complete Mechanical Integrity Tests (MIT) on all wells. If a well fails the test it will need to be either repaired or plugged following approval from this office.

Also you are required to complete the following as previously notified:

Any tanks, flow lines, separators, water knockout, etc needs to be drained and/or flushed as soon as possible. All leaking well heads, valves etc need to be repaired, replaced or tighten.