

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

**State of New Mexico
Energy, Minerals and Natural
Resources**

**Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505**

Form C-145
Revised May 19, 2017

Permit 398864

Change of Operator

Previous Operator Information

OGRID: 138008
Name: SPECIAL ENERGY CORP
Address: P.O. Drawer 369
City, State, Zip: Stillwater, OK 74076

New Operator Information

Effective Date: Effective on the date of approval by the OCD
OGRID: 371484
Name: ROVER OPERATING, LLC
Address: 318 West Adams Street
10th Floor
City, State, Zip: Chicago, IL 60606

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, ROVER OPERATING, LLC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(l) NMAC.

ROVER OPERATING, LLC understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

As the operator of record of wells in New Mexico, ROVER OPERATING, LLC agrees to the following statements:

1. Initials RB I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
2. Initials RB I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of 19.15.9.9 NMAC.
3. Initials RB I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.
4. Initials RB I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. Initials RB I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statuses", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
6. Initials RB I am responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or unreported releases.
7. Initials RB I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.
8. Initials RB For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.
9. Initials RB I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
10. Initials RB If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.
11. Initials RB No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.
12. Initials RB NMOCD Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous Operator

Signature: _____

Printed
Name: _____

Title: _____

Date: _____

Phone: _____

New Operator

Signature: _____

Printed
Name: _____

Title: _____

Date: _____

Phone: _____

Permit 398864

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2025**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.

5. Lease Serial No. See attached list

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No. See Attached list

2. Name of Operator

Rover Operating, LLC

9. API Well No. See attached list

3a. Address 318 West Adams Street - 10th Floor
Chicago, IL 606063b. Phone No. (include area code)
(810) 638-061010. Field and Pool or Exploratory Area
See attached list4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
See attached list11. Country or Parish, State
See attached list**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Subsequent Report☐ Alter Casing☐ Hydraulic Fracturing☐ Reclamation☐ Well Integrity☐ Final Abandonment Notice☐ Casing Repair☐ New Construction☐ Recomplete☒ Other☐ Change Plans☐ Plug and Abandon☐ Temporarily Abandon☐ Convert to Injection☐ Plug Back☐ 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.)

This is notification that Rover Operating, LLC is taking over operations of the wells on the attached sheet.

Rover Operating, LLC, as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations on these leases, or portions of leases described on the attached sheet.

Bond coverage: BLM Bond File No.: NMB001378

Change of Operator Effective: 2/1/25

Former Operator: Special Energy Corporation (138008)

See conditions of Approval

Like Approval by NMOCD

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Michael Mercaldo

Manager

Title

Signature

Michael Mercaldo

Date

02/24/2025

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

JENNIFER SANCHEZ

Digitally signed by JENNIFER SANCHEZ
Date: 2025.04.08 10:08:34 -06'00'

Petroleum Engineer

Title

04/08/2025

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 RFO

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)

FORM 3160-S ATTACHMENT – ROVER OPERATING, LLC – CHANGE OF OPERATOR

Lease No. COM/UNIT	Well Name & Number	Location of Well	API Well No.	Formation(s)
NMNM 11927	BOX CANYON 13 FEDERAL #001	N-13-21S-21E, 1185' FSL & 2035' FWL, Eddy Co	30-015-34252	(80240) LITTLE BOX CANYON; MORROW (GAS)
NM 05612A	BRIGHT FEDERAL #004	J-21-21S-23E, 1980' FSL & 1850' FEL, Eddy Co	30-015-31874	(79040) INDIAN BASIN; UPPER PENN (PRO GAS)
NMNM 028347, COM-NMNM71134	BRIGHT FEDERAL GAS COM #001	G-21-21S-23E, 1650' FNL & 1682' FEL, Eddy Co	30-015-10386	(79040) INDIAN BASIN; UPPER PENN (PRO GAS)
NMNM 04656, COM-NMNM71134	BRIGHT FEDERAL GAS COM #002	F-21-21S-23E, 1650' FNL & 1650' FWL, Eddy Co	30-015-28556	(79040) INDIAN BASIN; UPPER PENN (PRO GAS)
NM 0424859	BUNNELL FEDERAL #002	P-18-21S-23E, 1200' FSL & 330' FEL, Eddy Co	30-015-25007	(79040) INDIAN BASIN; UPPER PENN (PRO GAS)
LC 065300	BUNNELL FEDERAL #003	J-18-21S-23E, 2050' FSL & 1850' FEL, Eddy co.	30-015-30701	(98101) SWD; DEVONIAN
NM 022535	FEDERAL 28 #002	K-28-21S-23E, 1900' FWL & 1750' FSL, Eddy Co	30-015-31180	(79040) INDIAN BASIN; UPPER PENN (PRO GAS)
NM 022535	FEDERAL 28 #003	J-28-21S-23E, 1902' FSL & 2088' FEL, Eddy Co.	30-015-33256	(79040) INDIAN BASIN; UPPER PENN (PRO GAS)
NM 022535	FEDERAL 28 #004	G-28-21S-23E, 1725' FNL & 1750' FEL, Eddy Co	30-015-33402	(79040) INDIAN BASIN; UPPER PENN (PRO GAS)
NMNM0251099A, COM-NMNM85354	SMITH FEDERAL GAS COM #002	E-12-22S-23E, 2049' FNL & 480' FWL, Eddy Co	30-015-26834	(33685) INDIAN BASIN; UPPER PENN (ASSOC)
NMNM0251099A, COM-NMNM85354	SMITH FEDERAL GAS COM #003	F-12-22S-23E1797' FNL & 2159' FWL, Eddy Co	30-015-30687	(33685) INDIAN BASIN; UPPER PENN (ASSOC)
NMNM0251099A, COM-NMNM85354	SMITH FEDERAL GAS COM #004	L-12-22S-23E, 1980' FSL & 1250' FWL, Eddy Co	30-015-32470	(33685) INDIAN BASIN; UPPER PENN (ASSOC)
NMNM100586	WAGON WHEEL 13 FEDERAL #001	K-13-22S-22E, 1980' FSL & 1980' FWL, Eddy Co.	30-015-33260	(79030) INDIAN BASIN; MORROW, SW (GAS)
NMNM07106, UNIT- NM71059A	WEST INDIAN BASIN UNIT #001Y	N-17-21S-23E, 660' FSL & 2180' FWL, Eddy Co	30-015-30945	(79040) INDIAN BASIN; UPPER PENN (PRO GAS)

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Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Wells Selected for Transfer

Permit 398864

1 Well Selected for Transfer

From:	SPECIAL ENERGY CORP	OGRID:	138008
To:	ROVER OPERATING, LLC	OGRID:	371484

OCD District: Artesia (1 Well selected.)

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type
337782	WAGON WHEEL 13 FEDERAL #001	F	K-13-22S-22E	K	30-015-33260			G