#### OCD-ARTESIA

Form 3160-5 (August 2007)

### **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

TORIVI ALT	-KOVED
OMB No 10	004- 0137
Expires July	<u>/_31, 2010</u>
Lease Senal No	

NMNM94521 SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee, or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other Instructions on page 2 Type of Well Well Name and No Oil Well ▼ Gas Well Other PESCADOR AQV STATE COM 1 Name of Operator API Well No 3001529365 LRE Operating, LLC 3b Phone No (include area code) Address 1111 Bagby - Suite 4600, Houston, TX 10 Field and Pool, or Exploratory Area 713-292-9510 CROOKED CREEK: MORROW 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11 County or Parish, State 660 FNL 1650 FEL; B-06-24S-24E EDDY, NM 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 Altering Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Change Recomplete Change Plans Plug and abandon of Operator Temporarily Abandon Final Abandonment Notice Convert to Injection Plug back Water Disposal Describe Proposed or Completed Operation Clearly state all pertinent details including estimated starting date of any proposed work and approximate duration the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zi Attach the Bond under which the work will be performed or provide the Bond No on file with the BLM/ BIA Required subsequent reports must be filed within 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 testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamantion, have been completed, and the operato determined that the site is ready for final inspection ) This is notification of Change of Operator on the above referenced well.

LRE Operating, LLC as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning

operations conducted on this lease or portion of lease described.

Bond Coverage: BLM Bond File No. NMB000797 and Bond Surety No. B006616.

Bond Coverage (Carlsbad): BLM Bond File No. NMB000817 and Bond Surety No. B006679.

Change of Operator Effective November 16,2011

RECEIVED Lime Rock Resources A, L.P. DEC 07 2011

NMOCD ARTESIA

SEE ATTACHED FOR CONDITIONS OF APPROVAL APPROVED

DEC 7 2011 /s/ JD Whitlock Ji

BUREAU OF LAND MANAGEMENT CADLODAD EIELD GEEIGE

14 I hereby certify that the foregoing is true and correct Name (Printed/ Typed)		ONNEODNO TIELO OTTIOL	
C. Tim Miller	'itle	Chief Operating Officer	
Signature C. Mille	Date 11/16/11		
THIS 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	Office		
which would entitle the applicant to conduct operations thereon			
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			

fictitiousor fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

SUBJECT TO LIKE APPROVAL BY BLM ADach 12/23/2011

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

#### **Conditions of Approval**

#### LRE Operating, LLC

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. All above ground structures and equipment on the lease shall be painted Shale Green (5Y 4/2). This is to be done within 90 days, if you have not already done so.
- 3. Submit for approval of water disposal method.
- 4. Submit updated facility diagrams as per Onshore Order #3
- 5. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 6. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 7. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 8. Subject to like approval by NMOCD.



# **API Well Number Banner**

#### **Report Description**

This report shows a Well's API Number in Barcode format for purposes of scanning. The Barcode format is Code 39.



## 30015201360000

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ED WOOD ASE FEDERAL No.001

LRE OPERATING, LLC