

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No 1004-0137  
Expires July 31, 2010

**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  
NMLC064490

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

*N M 91060*

8 Well Name and No  
Lee K Federal #1

9 API Well No  
30-015-26014

10 Field and Pool or Exploratory Area  
Happy Valley Atoka South (Gas)

11 Country or Parish, State  
Artesia, NM

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator  
E G L Resources, Inc.

3a Address  
P O Box 10886  
Midland, TX 79702

3b Phone No (include area code)  
(432) 687-6560

4 Location of Well (Footage Sec., T, R, M., or Survey Description)  
780 FSL & 2080 FEL Sec 21, T22S, R26E

**12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

**TYPE OF SUBMISSION**

- ☐ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

**TYPE OF ACTION**

- ☐ Acidize ☐ Deepen ☐ Production (Start/Resume) ☐ Water Shut-Off  
☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity  
☐ Casing Repair ☐ New Construction ☐ Recomplete ☒ Other Operator Change  
☐ 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.)

Previous Operator Lynx Petroleum Consultants, Inc

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below and is effective June 1, 2011:

Bond Coverage \$25,000.00 Statewide

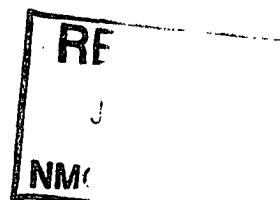
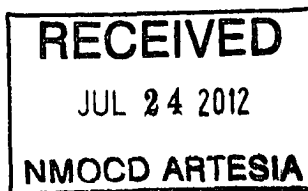
Effective January 25, 2012

BLM Bond File No.: NM2693

(Irrevocable LOC #9810)

*JAMB00916*

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**



*RRDade 8/3/12*  
**Accepted for record  
NMOCD**

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

Linda Johnston

Title Agent

Signature

Date 04/09/2012

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

Approved by

*/s/ JD Whitlock Jr*

Title

*LDE7*

Date

*7/24/12*

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

*GFO*

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)

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

**Conditions of Approval**

**E.G.L. Resources, Inc.  
Lee K Federal #1  
NMLC064490 3001526014**

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. Submit for approval of water disposal method.
3. Submit updated facility diagrams as per Onshore Order #3
4. This agency shall be notified of any spill or discharge as required by NTL-3A.
5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
6. 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.
7. Subject to like approval by NMOCD.
8. Submit Designation Successor Operator for CA within 30 days. Copy attached to operators Sundry Copy.