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Form 3160-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT NM100D ARTESIA

FORM APPROVED OM B No. 1004-0135 Expires: January 31, 2004

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 reverse side.

1. Type of Well [X] Oil Well [] Gas Well [] Other

2. Name of Operator Memorial Production Operating LLC

3a. Address 1301 McKinney Street; Suite 2100, Houston, Texas 77010

3b. Phone No. (include area code) 713-588-8300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEC 14 T26S R29E 990' FSL & 660' FEL

5. Lease Serial No. NM11038

6. If Indian, Allottee or Tribe Name N/A

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

8. Well Name and No. DIVERSE FEDERAL #1

9. API Well No. 30-015-30867

10. Field and Pool, or Exploratory Area BRUSHY DRAW; DELAWARE

11. County or Parish, State EDDY COUNTY, NEW MEXICO

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

Table with columns TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, and various actions like Acidize, Deepen, Production, etc.

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 recomplate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall 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 Sundry Notice is to hereby notify and reflect, effective October 1, 2013, an assignment of one hundred percent (100%) of the record, beneficial and equitable title in its properties by Stanolind Operating LLC DBA Stanolind NM LLC to its wholly owned subsidiary, Stanolind Oil and Gas SPV LLC ("Stanolind"). Effective October 1, 2013, Stanolind merged with and into Memorial Production Operating LLC ("Memorial"). A copy of the Certificate of Merger is enclosed and has been recorded in each applicable county. As a result of the merger of Stanolind and Memorial, Memorial owns one hundred percent (100%) of the record, beneficial and equitable title in and to the properties owned previously by Stanolind. Operations conducted by Memorial shall be covered under Statewide BLM Bond NMB001131.

Memorial's primary place of business is 1301 McKinney, Suite 2100, Houston, TX 77010, business telephone number (713) 588-8300 and fax number (713) 588-8301.

SUBJECT TO LIKE APPROVAL BY STATE

SEE ATTACHED FOR CONDITIONS OF APPROVAL

APD Accepted 3/11/14

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

Larry Forness

NM100D

Title Vice President and Chief Operating Officer

Signature

Date

3/11/14

THIS SPACE FOR FEDERAL OR STATE OFFICE APPROVED

Approved by 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 these rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

MAR 5 2014

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

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

Effective 10/1/2013
Bond NMB001131

3/5/2014 Approved subject to Conditions of Approval. JDB
Operator By Merger
Conditions of Approval

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. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
10. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.