

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.
NM 0426782

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 ☐ Other8. Well Name and No.
Mary Federal #12. Name of Operator
BC Operating, Inc.9. API Well No.
30-015-207853a. Address
P.O. Box 50820
Midland, Texas 79710

3b. Phone No. (include area code)

432-684-9696

10. Field and Pool or Exploratory Area
Sheep Draw; Strawn (Gas)

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

1980' FNL & 660' FWL Unit Letter 'H', Section 11, T-23S, R-25E

11. County or Parish, State
Eddy County, New Mexico

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☐ Fracture Treat☐ 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

Change of Operator

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 recompleting 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 BC Operating, Inc. (#160825) is has taken over operations of this well Mary Federal #1.

Per NTL89, BC Operating, Inc., as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this well, on this lease or portion of the lease described.

Bond Coverage: BLM Bond File No: NM 2572

Change of Operator Effective: 05/01/2014

Former Operator: Mineral Technologies, Inc. (#141913)

6/11/2014
Accepted for record
NMOC

SUBJECT TO LIKE
APPROVAL BY STATE

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Pam Stevens

Title Regulatory Analyst

Signature

Pam Stevens

Date 05/19/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

James D. Blahley

Title

Office

APPROVED

JUN - 3 2014

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.

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**

Effective 5/1/2014
Bond NM2572

**6/3/2014 Approved subject to Conditions of Approval. JDB
Change of Operator
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.