

UNITED STATES **NM OIL CONSERVATION**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ARTESIA DISTRICTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.

NMLC029389B

6. If Indian, Allottee or Tribe Name

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

Hondo 4 Fed 2-5

8. Well Name and No.

Hondo 4 Federal #3

9. API Well No.

3001525398

10. Field and Pool, or Exploratory Area

Shugart; Bone Spring North

11. County or Parish, State

Eddy, New Mexico**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Nadel and Gussman HEYCO, LLC

3a. Address

PO BOX 1936 ~ ROSWELL NM 88202-1936

3b. Phone No. (include area code)

575.623.6601

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

660' FSL & 660' FEL, Sec. 4 SESE, T18S, R31E**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other **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 recompleat 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 recompleat 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 is a notification of Change of Operator on the above referenced well.**Harvey E. Yates Company, as new operator, accept all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease or portion of lease described.****BLM Bond No. NMB000317
Harvey E. Yates Company
P.O. Box 1933
Roswell, NM 88202-1933****Change of Operator EFFECTIVE 9/1/2014****SEE ATTACHED FOR
CONDITIONS OF APPROVAL****3/2/15
Accepted for record
NMLC029389B**

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

Tammy R. LinkTitle **Production Tech**

Signature

Date

09/10/2014**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

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 those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

Date

FEB 24 2015**BUREAU OF LAND MANAGEMENT
CADIACAN FIELD OFFICE**

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 E. Greene St
Carlsbad, NM 88220
Ph: (575) 234-5972

Conditions of Approval for Change of Operator

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. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.