

**NM OIL CONSERVATION**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ARTESIA DISTRICT  
Artesia

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

MAR 02 2015

**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.

<b>SUBMIT IN TRIPLICATE- Other instructions on reverse side.</b>		5. Lease Serial No. <b>NMLC029389B</b>
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>Nadel and Gussman HEYCO, LLC</b>		7. If Unit or CA/Agreement, Name and/or No.
3a. Address <b>PO BOX 1936 ~ ROSWELL NM 88202-1936</b>	3b. Phone No. (include area code) <b>575.623.6601</b>	8. Well Name and No. <b>Hondo 4 Federal #2</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1980' FSL &amp; 1980' FEL, Sec. 4 NWSE, T18S, R31E</b>		9. API Well No. <b>3001525296</b>
		10. Field and Pool, or Exploratory Area <b>Shugart; Bone Spring North</b>
		11. County or Parish, State <b>Eddy, New Mexico</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Change of Operator</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 shall 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 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**

Accepted for record  
NMLC029389B  
3/2/15

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

**Tammy R. Link**

Title **Production Tech**

Signature

*Tammy R. Link*

Date

09/10/2014

**APPROVED**  
Date: *[Signature]*  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE** FEB 24 2015

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

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.

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.