Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No. NMLC-054908

6. If Indian, Allottee or Tribe Name

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No. Fair 17 Federal #3 Oil Well Gas Well Other 2. Name of Operator Fair Oil, Ltd. 9. API Well No. 30-015-42219 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area P.O. Box 689 Cedar Lake: Glorieta-Yeso Tyler TX 75710 903-510-6527 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) NW/4, NW/4 Section 17, T17S, R31E 11. Country or Parish, State Eddy, New Mexico 955 FNL and 245 FWL 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Деереп Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Extension of drilling Casing Repair New Construction Recomplete Subsequent Report permit Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice 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.) Fair Oil, Ltd. requests a 2 year extension of the drilling permit for the above well set to expire on or about March 14, 2016. NM OIL CONSERVATION ARTESIA DISTRICT MAR U 8 2016 NM OIL CONSERVATION RECEIVED ARTESIA DISTRICT MAR L 8 2010 APPROVED FOR 24 MONTH PERIOD ENDING 3-17-18' RECEIVED 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Rodney K. Thomson Title Production Manager Date 02/02/2016 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by

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.

Office CARLSBAD FIELD OFFICE

entitle the applicant to conduct operations thereon.

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