orm 3160-5 UNITED STATES une 2015) DEPARTMENT OF THE INTERIO	Artesia  FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018	
BUREAU OF LAND MANAGEME	NT 5. Lease Serial No. NMNM 0354232	
SUNDRY NOTICES AND REPORTS O  Do not use this form for proposals to drill of abandoned well. Use Form 3160-3 (APD) for	or to re-enter an	
SUBMIT IN TRIPLICATE - Other instructions on	page 2 7. If Unit of CA/Agreement, Name and/or No.	==
Type of Well		
☑ Oil Well ☐ Gas Well ☐ Other	8. Well Name and No. DOMINO FEDERAL #1	
Name of Operator BC OPERATING, INC.	9. API Well No. 30-015-32931	
	10 12 11 1 10	_

2. 3a. Address P.O. BOX 50820 3b. Phone No. (include area code) Field and Pool or Exploratory Area (432) 684-9696 BURTON FLAT; MORROW (PRO GAS) MIDLAND, TX 79710 11. Country or Parish, State 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 1300' FEL, SEC. 28-T21S-R27E EDDY CO., NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Water Shut-Off Acidize Deepen Notice of Intent Reclamation Well Integrity Alter Casing Hydraulic Fracturing Casing Repair **New Construction** 🚺 Other Recomplete Subsequent Report 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 fitted only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.) CHANGE OF OPERATOR EFFECTIVE JANUARY 1, 2016 NM OIL CONSERVATIONS OF APPROVAL FROM: NADEL AND GUSSMAN PERMIAN, L.L.C. (155615) 601 N. MARIENFELD, SUITE 508 MIDLAND, TX 79701 MAR 2.9 2016 TO: BC OPERATING, INC. (160825) P.O. BOX 50820 MIDLAND, TX 79710 RECEIVED

BLM BOND #2672- NMB001345

CONDUCTED ON THE LEASED LAND OR PORTION THEREOF.

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

		/				
I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  ARAH PRESLEY	REGULAT	TORY ANALYST		V/	/	
Signature Jurul Pus	Date		01/28/201			
THE SPACE FOR FEL	DERAL OR ST	ATE OFICE U	SEMAR 2	2016		11.1
proved by	Title			de Trata	VM/	

BC OPERATING, INC. ACCEPTS ALL APPLICABLE TERMS, CONDITIONS, STIPULATIONS, AND RESTRICTIONS CONCERNING OPE

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 Unifed States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Office

(Instructions on page 2)

## BC Operating, Inc. March 22, 2016 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. 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.

JAM 032216