Form 3160-5 (June 2015)

(Instructions on page 2)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCE	5. Lease

FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018

ease Serial No. NMNM 110825

Artesia
SUNDRY NOTICES AND REPORTS ON WELLS
not use this form for proposals to drill or to re-enter an

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2 7. If Unit of CA/Agreement, Name and/or 1. Type of Well	No.
1. Type of Well	
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✓ Oil Well Gas Well Other 8. Well Name and No. WABASH 20 FED	ERAL COM#1H
2. Name of Operator BC OPERATING, INC. 9. API Well No. 30-015-38568	
3a. Address P.O. BOX 50820 . 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area	
MIDLAND, TX 79710 (432) 684-9696 ATOKA; GLORIETA-YESO	
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)	
660' FNL & 330' FEL, SEC. 20-T18S-R26E EDDY CO., NM	•
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA	
TYPE OF SUBMISSION TYPE OF ACTION	
✓ Notice of Intent	Off
Alter Casing Hydraulic Fracturing Reclamation Well Integrit	у
Subsequent Report Casing Repair New Construction Recomplete	
Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal	
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	
completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has deter is ready for final inspection.) CHANGE OF OPERATOR EFFECTIVE JANUARY 1, 2016 FROM: NADEL AND GUSSMAN PERMIAN, L.L.C. (155615) 601-N. MARIENFELD, SUITE 508 MIDLAND, TX 79701 TO: BC OPERATING, INC. (160825) P.O. BOX 50820 MIDLAND, TX 79710 RECEIVER	RVATION ALT 2016
BLM BOND #2572- NMB 00 1345 BC OPERATING, INC. ACCEPTS ALL APPLICABLE TERMS, CONDITIONS, STIPULATIONS, AND RESTRICTIONS CONCERNING O CONDUCTED ON THE LEASED LAND OR PORTION THEREOF.	•
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14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) REGULATORY ANALYST REGULATORY ANALYST	
SARAH PRESLEY Title REGULATORT ANALTST	
Signature	
THE SPACE FOR FEDERAL OR STATE OFICE USE	h //
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 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 false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	f the United States

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