

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NMOCD

Artesia

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014**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.  
NMNM8431

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.  
Penjack Federal #2

## 2. Name of Operator

REMNANT OIL OPERATING, LLC

9. API Well No.  
30-005-62465

## 3a. Address

PO BOX 5375  
MIDLAND, TX 79704

## 3b. Phone No. (include area code)

432-242-4965

10. Field and Pool or Exploratory Area  
Pecos Slope, ABO (Gas)

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

990' FSL &amp; 660' FEL, Unit Letter O, Sec. 12, T-10-S, R-25-E

11. County or Parish, State  
Chaves Co., NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 CHANGE OF OPERATOR
	<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 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 must 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 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.)

Effective 06/01/2016 Legacy Reserves Operating LP transferred operations to Remnant Oil Operating, LLC.

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations on the lease land or portion thereof, as described above.

Remnant Oil Operating, LLC bond coverage pursuant to 43 CFR 3104 for lease activities is provided by BLM Bond No. NMB001311.

SEE ATTACHED FOR  
CONDITIONS OF APPROVALNM OIL CONSERVATION  
ARTESIA DISTRICT

AUG 16 2016

RECEIVED

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

Everett W. Gray

Title Chief Executive Officer

Signature

E.W. Gray II

Date 05/17/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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 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**  
**Roswell Field Office**  
**2909 West Second Street**  
**Roswell, New Mexico 88201**  
**575-627-0272**

**Change of Operator of Wells on Federal Lands**  
**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 Bob Hoskinson at (575) 627-0218 for inspection and to resolve environmental issues.
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 the New Mexico State BLM office in Santa Fe, NM.