| *  | ~   |  | <<br>Afgaa                            |   |  |
|--|---|--|---------------------------------------|---|--|
| Form 3160-5  |   | arlsbad Field  |                                       | ORM APPROVED<br>MB No. 1004-0137  |  |
| (June 2015) DEI  | PARTMENT OF THE INT                           | TERIOCD Artes  | la Exp                                | pires: January 31, 2018   |  |
| BUREAU OF LAND MANAGEMENT  |   |  | 5. Lease Serial No.                   | 5. Lease Serial No.<br>NM NM O46 7931   |  |
| SUNDRY NOTICES AND REPORTS ON WELLS  |   |  | 6. If Indian, Allottee of             | or Tribe Name   |  |
|  | form for proposals to<br>Use Form 3160-3 (API |  |                                       |   |  |
|  | TRIPLICATE - Other instructi                  | 7. If Unit of CA/Agre  | ement, Name and/or No.                |   |  |
| 1 Type of Well   |   |  |                                       |   |  |
| Gas Well Gas Well Other  |   |  | 8. Well Name and No<br>See A+1a       | iched List  |  |
| 2. Name of Operator LLJ VENTHERS/Marker Oil  |   |  | 9 API Well No.<br>See Atta            | ched List   |  |
| 3a. Address 3b Phone No (include area code)  |   |  | 10. Field and Pool or                 | Exploratory Area  |  |
| P.O.BON 3188 Resuren, NM 88202 575-910-0300  |   |  | Graybu                                |   |  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)                 |   |  | 11. Country or Parish<br>Eddy         | , State<br>County   |  |
| 12 CUI   |   | (ES) TO INDICATE NATURE OF NO  |                                       |   |  |
|  |   |  | · · · · · · · · · · · · · · · · · · · |   |  |
| TYPE OF SUBMISSION   |   | TYPE OF A  | OCTION                                | Water Shire Off   |  |
| X Notice of Intent   | Acidize                                       |  | oduction (Start/Resume)<br>eclamation | Water Shut-Off Well Integrity   |  |
| Subsequent Report  | Casing Repair                                 |  | ecomplete                             | Other   |  |
|  | Change Plans                                  |  | emporarily Abandon                    | Successor of Operator   |  |
| Final Abandonment Notice   | Convert to Injection                          |  | 'ater Disposal                        | ork and approximate duration thereof. If  |  |
| is ready for final inspection.)  | Venturos has ac                               | quired the above well/property fro   | om Memorial Proc                      | the operator has detennined that the site<br>luction Operating LLC<br>incerning operations conducted on the |  |
| Bond Coverage: BLM Bond No.:   | NMB \$ 1417                                   |  |                                       |   |  |
| Change of Operator Effective: 04   |   | re approval)   |                                       |   |  |
|  | Production Operating                          |  | ATTACHED FO                           | סו  |  |
| Acquiring Operating: LLJ V   |   |  |                                       |   |  |
|  |   | CONL   | ITIONS OF A                           | PPROVAL   |  |
| KSee Attached Well   | List  |  |                                       | N. O <b>DNSERVATIO</b> M<br>Atesta district   |  |
| 14. I hereby certify that the foregoing is   | s true and correct. Name /Printe              | ed. Typed)   |                                       | MAR 0 6 2017  |  |
| Larry Mari   | //  | Title GDPY/  | inr.                                  |   |  |
|  | 77/11   |  |                                       | RECEIVED  |  |
| Signature  | ///4  | Date AT-   | 1 /                                   |   |  |
| THE SPACE FOR FEDERAL OR STATE OFICE USE   |   |  |                                       | <b>APPROVED</b>   |  |
| Approved by  |   |  |                                       |   |  |
|  | Nimmer  | PETROLEUN  | I ENGINEER                            |   |  |
| Conditions of approval, if any, are attac  | hed. Approval of this notice doe              |  |                                       | MAR 1 2017  |  |
| certify that the applicant holds legal or<br>which would entitle the applicant to con- |   |  |                                       |   |  |
|  | 3 U.S C Section 1212, make it a               | L<br>a crime for any person knowingly and v<br>matter within its jurisdiction. | villfully to make to any d            | BURFAIL OF LAND MANAGEMENT<br>epartm CARL&BAD FIELD OFFICEs   |  |
|  |   |  |                                       |   |  |

(Instructions on page 2)

1

| API Number      | Well Name | Num |
|-----------------|-----------|-----|
| 300150411500S1  | FEDERAL R | 1   |
| 300150417000S1  | FEDERAL R | 2   |
| 300150417100S1  | FEDERAL R | 3   |
| 300152061900S1  | FEDERAL R | 4   |
| 300152062000\$1 | FEDERAL R | 5   |
| 300152201800S1  | FEDERAL R | 6   |
| 300152069500S1  | FEDERAL R | 7   |
| 300152069600S1  | FEDERAL R | 8   |

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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 within 60 days, if changes have been made from previously approved disposal method.
- 3. Review facility diagram on file, and submit updated facility diagrams, as per Onshore Order #3 within 60 day.
- 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.
- 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.