(August 2007)

N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue

DEPARTMENT OF THE INTERIARTESIA, NM 88210 BUREAU OF LAND MANAGEMENT

5, Lease Serial No 0290073060

FORM APPROVED OMB No. 1804-0197

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

| | | to drill or to re-enter a APD) for such proposa | | | INOCD ARTESIA | |
|---|--|---|--|--|---|--|
| SUBMIT IN TRIPLICATE – Other instructions on page 2. | | | | 7. If Unit of CA/Agreement, Name and/or No. | | |
| 1. Type of Well | | <u> </u> | | 1 | | |
| ☑ Oil Well ☐ Gas W | 8 We | | 8 Well Name and No. Leonard Federal #1 | Leonard Federal #2 4 | | |
| 2. Name of Operator JAM Oil, LLC | | | | 9. API Well No. 3000500074, 30000 | 500076 | |
| 3a. Address PO Box 1382, Artesia, NM 88211 | 3b. Phone No. (include area code) 5757461154 | | 10. Field and Pool or E | exploratory Area | | |
| 4. Location of Well (Footage, Sec., T., 27 10 S 25E | R.,M., or Survey Description | i) | | 11. Country or Parish, Chaves, NM | State | |
| 12. CHEC | K THE APPROPRIATE BO | OX(ES) TO INDICATE NATUR | RE OF NOTIO | CE, REPORT OR OTHI | ER DATA | |
| TYPE OF SUBMISSION | | . TYPE OF ACTION | | | | |
| Notice of Intent | Acidize Alter Casing | Deepen Fracture Treat | | uction (Start/Resume) | Water Shut-Off Well Integrity | |
| Subsequent Report | Casing Repair Change Plans | New Construction Plug and Abandon | _ | omplete Other approval for off least porarily Abandon sale | | |
| Final Abandonment Notice | Convert to Injection | Plug Back | ☐ Wate | ater Disposal | | |
| 13. Describe Proposed or Completed O the proposal is to deepen direction. Attach the Bond under which the v following completion of the involv testing has been completed. Final determined that the site is ready for | ally or recomplete horizonta work will be performed or proved operations. If the operat Abandonment Notices must | Ily, give subsurface locations and covide the Bond No. on file with ion results in a multiple complet | d measured ar BLM/BIA. F ion or recomp | nd true vertical depths of Required subsequent repuletion in a new interval | f all pertinent markers and zones. orts must be filed within 30 days , a Form 3160-4 must be filed once | |
| Please approve that we can off least | e sell the oil from these v | vells at the Mary Ann Cannon | Battery. | | | |

SEE ATTACHED FOR CONDITIONS OF APPROVAL

| I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Amanda Johnson | Title President | | · . |
|--|-----------------------------------|---|----------------------|
| | Thic Trooleen | | |
| Signature Anada M | Date 03/21/2010 | | |
| | | | |
| ACCEPTED FOR RECURSOPACE FOR FED | ERAL OR STATE OFF | ICE USE | |
| | | | |
| Approved by /S/ DAVID R. GLASS | | | |
| | Γitle | Date | |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or | r certify | | |
| that the applicant holds legal or equitable title to those rights in the subject lease which | | | |
| | would Jointe | | |
| entitle the applicant to conduct operations thereon. | | | |
| Title 18 U.S.C. Section 1001 and title 49 C.S. Section 1212, make it a crime for any fictitions or fraudulent statements for more statements of the section 1212, make it a crime for any fictitions or fraudulent statements for more statements. | nerson knowingly and willfully to | make to any department or agency of the Uni | ted States any false |
| fictitions of franchism PETROLEIM ENGINEER | person and among the winterly to | make to any department of agency of the on | the Sames any raise, |

Bureau of Land Management Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201-1287 (575) 627-0272

Off-Lease Measurement, Storage, and Surface Commingling Conditions Of Approval

- 1. This agency will be notified of any change in your sales method or location of the sales meter.
- 2. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 4. This approval is subject to like approval by the New Mexico Oil Conservation Division.
- 5. Additional wells and/or leases require additional commingling approvals.
- 6. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days an application for right-of-way approval must be submitted to the Realty Section to the BLM Roswell Field Office at 2909 West Second Street, Roswell, New Mexico 88201-1287 for wells in Chaves or Roosevelt County if you have not already done so.