

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC D
Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

Hand

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No.
2. Name of Operator Fair Oil, Ltd.		8. Well Name and No. Parakeet Federal 29 #1
3a. Address P.O. Box 689 Tyler TX 75710	3b. Phone No. (include area code) 903-510-6527	9. API Well No. 30-015-35140
4. Location of Well (Footage, Sec., T., R., M., or Survey Description). Sec. 28, T18S, R27E, NESE, 1535 FSL, 662 FEL 32.628530 N Lat, 104.294630 W Lon		10. Field and Pool or Exploratory Area McMillan-7R QN
		11. Country or Parish, State Eddy, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 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 filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3 Fair Oil is notifying you of a change of operator from Oxy USA, Inc. to Fair Oil, Ltd. on the above referenced lease (well) effective approval of the BLM and NMOC D. Fair Oil, Ltd. as the new operator accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described. Fair Oil, Ltd. has a current Letter of Credit No 1008 with the State of New Mexico and a Federal State Wide Letter of Credit pursuant to 43 CFR Section 3104.1.

NM OIL CONSERVATION
ARTESIA DISTRICT
NOV 19 2015

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED

(PD 11/23/15)
Accepted for record
NMOC D

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed): Rodney K. Thomson		Title Production Manager
Signature <i>Rodney K. Thomson</i>		Date 07/08/2014
THIS SPACE FOR FEDERAL OR STATE OFFICE NOV 13 2015 		
Approved by		Title
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.		Office
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.		

Hand

C-145

Page 1 of 3

District I
1625 N. French Dr., Hobbs, NM 88346
Phone (575) 383-8181 Fax: (575) 283-8770

District II
811 B. Trial St., Artesia, NM 88218
Phone (575) 749-1213 Fax (575) 748-8720

District III
1020 Rio Grande Rd., Artec, NM 87410
Phone (505) 334-4178 Fax: (505) 334-8170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3410 Fax: (505) 476-3462

**State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505
Change of Operator**

Form C-145
August 7, 2011
Permit 187289

Previous Operator Information

New Operator Information

		Effective Date: <u>Effective on the date of approval by the OCD</u>	
OGRID:	<u>10690</u>	OGRID:	<u>05631</u>
Name:	<u>OXY USA INC</u>	Name:	<u>FAIR OIL LTD</u>
Address:	<u>PO Box 4294</u>	Address:	<u>P.O. Box 059</u>
City, State, Zip:	<u>Houston, TX 77210</u>	City, State, Zip:	<u>Tyler, TX 75710</u>

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, FAIR OIL LTD certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(i) NMAC.

FAIR OIL LTD understands that the OCD's approval of this operator change:

- constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
- constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

Previous Operator	Now Operator
Signature: <u><i>Jennifer Duarte</i></u>	Signature: <u><i>Rodney K. Thomson</i></u>
Printed Name: <u>Jennifer Duarte</u>	Printed Name: <u>Rodney K. Thomson</u>
Title: <u>Regulatory Specialist</u>	Title: <u>Production Manager</u>
Date: <u>7/2/14</u> Phone: <u>713-513-16610</u>	Date: <u>7/2/14</u> Phone: <u>903-510-6527</u>

Permit 187268

District I
 1626 N. French Dr., Hobbs, NM 88240
 Phone (575) 383-8181 Fax (575) 383-0720
District II
 811 E. First St., Artesia, NM 88210
 Phone (575) 748-1283 Fax (575) 748-8720
District III
 1800 New Braun Rd., Artesia, NM 87418
 Phone (505) 334-8118 Fax (505) 334-8170
District IV
 1770 E. St Francis Dr., Santa Fe, NM 87505
 Phone (505) 478-3470 Fax (505) 478-3462

**State of New Mexico
 Energy, Minerals and Natural
 Resources
 Oil Conservation Division
 1220 S. St Francis Dr.
 Santa Fe, NM 87505**

Wells Selected for Transfer

Permit: 187298
 Permit Status: DRAFT

Wells Selected for Transfer

From: OXY USA INC	DGRID: 18806
To: FAIR OIL LTD	DGRID: 85031

OCD District: Artesia

Property	Well	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool #	Pool Name	Last Prod/By	Additional Bonding
308378	PARAKEET 29 FEDERAL #001	F	I-29-19S-27E	I	30-015-35140	O	48030	MCMILLAN, SEVEN RIVERS-QUEEN	07/13	0

Total Additional bond	0
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NMOOD Approval
 Electronic Signature: Randy Dade, District 2
 Date: November 24, 2014

District I
 1825 N. Francis Dr., Hobbs, NM 88240
 Phone: (575) 393-6161 Fax: (575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone: (575) 748-1283 Fax: (575) 748-0720
District III
 1080 Rio Brazos Rd., Aztec, NM 87410
 Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Comments

Permit 167288

CHANGEOP COMMENTS

Operator: OXY USA INC PO Box 4294 Houston, TX 77210	DORID: 16696
	Permit Number: 167288
	Permit Type: ChangeOp

Comments

Created By	Comment	Comment Date
There are no Comments for this Permit.		

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.
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.