

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia
NM OIL CONSERVATION
ARTESIA DISTRICT

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

OCT 31 2016

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. NMLC 0107697
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No.
2. Name of Operator REMNANT OIL OPERATING, LLC		8. Well Name and No. JONES FEDERAL 002 4003
3a. Address P.O. BOX 5375 MIDLAND, TX 79704	3b. Phone No. (include area code) 432-242-4965	9. API Well No. SEE BELOW
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SEE BELOW		10. Field and Pool or Exploratory Area 42180 LUSK, YATES WEST
		11. Country or Parish, State EDDY, NM

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 <u>Change of Operator</u>
	<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.)

This is notification that Remnant Oil Operating, LLC. is taking over operations of the below well(s):

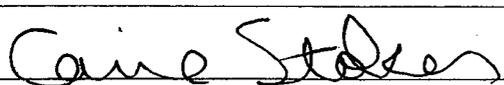
30-015-05783 JONES FEDERAL #002 F 23 19S 31E (1980 FNL & 1980 FWL)
~~30-015-05782 JONES FEDERAL #003 E 23 10S 31E (1980 FNL & 990 FWL)~~

Remnant Oil Operating, LLC. (formally WS Oil & Gas Operating, LLC)(OGRID 370922), as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease, or portion of lease described.

Bond Coverage: BLM Bond No: NMB001311

Change of Operator Effective: 06/28/2016

Former Operator: Ray Westall Operating, Inc (OGRID 119305)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)	
CARIE STOKER	Title REGULATORY AFFAIRS COORDINATOR
Signature 	Date 06/30/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Charles Nimmer	Title PETROLEUM ENGINEER	<div style="border: 2px solid black; padding: 5px; text-align: center;"> <p>APPROVED</p> <p>Date OCT 20 2016</p> <p>BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE</p> </div>
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.

CARLSBAD FIELD OFFICE

620 E. Greene St

Carlsbad, NM 88220

Phone: (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.
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.
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.