

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.*

RECEIVED

5. Lease Serial No. NMNM-106714		6. If Indian, Allottee or Tribe Name
7. If Unit of CA/Agreement, Name and/or No.		8. Well Name and No. Please See Attached
9. API Well No. Please See Attached		10. Field and Pool or Exploratory Area Shugart, Yates-7rs-grayburg
11. Country or Parish, State Eddy Co., New Mexico		

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	
2. Name of Operator George A. Chase Jr. DBA G and C Service	
3a. Address P.O. Box 1618 Artesia, NM 88211-1618	3b. Phone No. (include area code) 575-703-6604
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Please See Attached	

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.)

Change of Operator effective December 1, 2015

From: Endurance Resources LLC.  
15455 Dallas Parkway, Suite 1050  
Addison, TX 75234

To: George A. Chase Jr. DBA; G and C Service  
P. O. Box 1618  
Artesia, NM 88211-1618

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

BLM Bond # NMB 000594

George A. Chase Jr. DBA; G and C Service accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Gregory A. Chase	Title Operating Admin.
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Signature *Gregory A. Chase* Date 10/21/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <b>Charles Nimmer</b>	<b>PETROLEUM ENGINEER</b>
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 _____ Date _____ Office _____

**APPROVED**

OCT 24 2016

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  
CARLSBAD FIELD OFFICE**

82 12 28

FILED  
OCT 24 2016  
BLM

Sundry Attachment

Well	API	Surface Location	Pool
<del>Keohane 24 Federal # 002</del>	<del>30-015-25441</del>	<del>2310' FSL &amp; 2300' FEL Sec. 24-185-31E</del>	<del>Shugart; Yates-7RS-Grayburg</del>
Keohane 24 Federal # 003	30-015-25814	2200' FSL & 990' FEL Sec. 24-185-31E	Shugart; Yates-7RS-Grayburg
<del>Keohane 24 Federal # 004</del>	<del>30-015-29624</del>	<del>1650' FSL &amp; 990' FEL Sec. 24-185-31E</del>	<del>Shugart; Yates-7RS-Grayburg</del>

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.
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.