UNITED STATES

OCD - HOBBS

| FORM APPROVED |
|---------------------------|
| OMB No. 1004-0137 |
| Expires: January 31, 2018 |

| BUREAU OF LAND MANA | VED | 5. Lease Seriai No. | | | | |
|--|--|-------------------------------------|--------------|--|-----------------|-----------|
| APPLICATION FOR PERMIT TO DRILL OR REENTER | | | | 6. If Indian, Allotee or Tribe Name | | |
| 1a. Type of work: DRILL REENTER 1b. Type of Well: Oil Well Gas Well Other 1c. Type of Completion: Hydraulic Fracturing Single Zone Multiple Zone | | | | 7. If Unit or CA Agreement, Name and No. 8. Lease Name and Well No. [328251] | | |
| 2. Name of Operator [373910] | | | | 9. API Well No. | | P |
| 3a. Address | 3b. Phone No. (include area code) | | | 10. Field and Pool, or Exploratory [98098 | | |
| Location of Well (Report location clearly and in accordance v At surface At proposed prod. zone | · | requirements.*) | | 11. Sec., T. R. M. or I | Blk. and Surve | |
| 14. Distance in miles and direction from nearest town or post offine to the distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 18. Distance from proposed location* | 16. No of ac | | | ng Unit dedicated to the | | ate |
| to nearest well, drilling, completed, applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) | 22. Approximate date work will start* | | | 23. Estimated duration | | |
| | 24. Attac | hments | | | | |
| The following, completed in accordance with the requirements of (as applicable) | f Onshore Oil | and Gas Order No. | 1, and the H | Iydraulic Fracturing ru | le per 43 CFR | 3162.3-3 |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office) | | Item 20 above). 5. Operator certifi | cation. | s unless covered by an mation and/or plans as r | - | |
| 25. Signature | Name | Name (Printed/Typed) | | | Date | |
| Title | | | | <u>'</u> | | |
| Approved by (Signature) | e (Printed/Typed) | | | Date | | |
| Application approval does not warrant or certify that the applicar applicant to conduct operations thereon. | Office of the of | or equitable title to t | hose rights | in the subject lease wh | ich would entit | ile the |
| Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, n of the United States any false, fictitious or fraudulent statements of the United States any false, fictitious or fraudulent statements of the United States any false, fictitious or fraudulent statements of the United States any false, fictitious or fraudulent statements of the United States and States and States are stated as a state of the United States and States are stated as a state of the United States and States are stated as a state of the United States and States are stated as a state of the United States and States are stated as a state of the United States and States are stated as a state of the United States and States are stated as a state of the United States are s | | | | | y department o | or agency |

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(Continued on page 2)



INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Form 3160-3, page 2)

Additional Operator Remarks

Location of Well

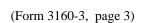
0. SHL: SWSW / 325 FSL / 1220 FWL / TWSP: 24S / RANGE: 35E / SECTION: 9 / LAT: 32.22568 / LONG: -103.377046 (TVD: 0 feet, MD: 0 feet) PPP: SWSW / 523 FSL / 358 FWL / TWSP: 24S / RANGE: 35E / SECTION: 9 / LAT: 32.2269911 / LONG: -103.3800886 (TVD: 12076 feet, MD: 12479 feet) BHL: LOT 4 / 150 FNL / 350 FWL / TWSP: 24S / RANGE: 35E / SECTION: 4 / LAT: 32.253417 / LONG: -103.379931 (TVD: 11816 feet, MD: 22096 feet)

BLM Point of Contact

Name: Tenille Ortiz

Title: Legal Instruments Examiner

Phone: (575) 234-2224 Email: tortiz@blm.gov



Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.



(Form 3160-3, page 4)