

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Hobbs  
**HOBBS CCD**

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**SUNDRY NOTICES AND REPORTS ON WELLS**

JUN 25 2013

**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.  
LC 058698 (B)  
6. If Indian, Allottee or Tribe Name

**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 Legacy Reserves Operating LP		8. Well Name and No. Rhino Federal #2
3a. Address PO Box 10848, Midland, TX 79702	3b. Phone No. (include area code) 432-689-5200	9. API Well No. 30-025-36606
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650' FNL & 990' FWL, Unit Letter E, Sec. 35, T-17-S, R-32-E		10. Field and Pool or Exploratory Area Tamano; Delaware, East
		11. County or Parish, State Lea Co., 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.)

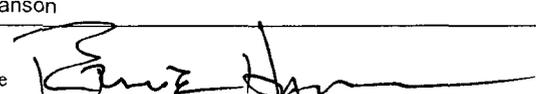
Effective 01/01/2013 COG Operating, LLC transferred operations to Legacy Reserves Operating LP.

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations on the lease land or portion thereof, as described above.

Legacy Reserves Operating LP bond coverage pursuant to 43 CFR 3104 for lease activities is provided by BLM Bond No. NMB000394.

**SUBJECT TO LIKE  
APPROVAL BY STATE**

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Ernie Hanson		Title Operations Manager
Signature 		Date 01/01/2013

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <u>/s/ Jerry Blakley</u>	Title	<div style="border: 2px solid black; padding: 5px; text-align: center;"> <b>APPROVED</b>                  JUN 22 2013                  BUREAU OF LAND MANAGEMENT                  CARLSBAD FIELD OFFICE             </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.	Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1712, 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)

JUN 26 2013

**6/22/2013 Approved subject to Conditions of Approval. Recent Bond review. JDB**

**Change of Operator**

**Conditions of Approval**

**Legacy Reserves Operating LP.**

**Bond # NMB001014 and NMB001015**

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. Submit plan for approval of well operations for all TA/SI wells within 90 days of this approval to change operator.
9. If a well is not capable of production in paying quantities submit Notice of Intent to P&A or submit documentation proving that well is capable of production in paying quantities within 90 days of approval of change of operator.