Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED

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

5. Lease Serial No. NM030174B

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.				6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on page 140BBS OCD				7. If Unit of CA/Agreement, Name and/or No. NMNM91015		
1. Type of Well Oil Well Gas Well Other DEC 0 2 2013				8. Well Name and No. RHODES NCT COOP FEDERAL COM-1 #1		
2. Name of Operator PPC OPERATING COMPANY LLC				9. API Well No. 30-025-32095		
3a. Address 4700 W SAM HOUSTON PKWY N, STE 140 HOUSTON, TX 77041	, , , , , , , , , , , , , , , , , , ,	3b. Phone No. (include area) 325-267-6046	©Æ!VED	10. Field and Pool or E RHODES; YATES-S		
4. Location of Well (Footage, Sec., T., R. M., or Survey Description) 1572' FSL 7 2375' FEL, UNIT LETTER 'J'; SECTION 27, T-26S, R-37E, NMPM				11. County or Parish, S LEA COUNTY, NEW	/ '	
12. CHEC	K THE APPROPRIATE BC	X(ES) TO INDICATE NATUI	RE OF NOTIO	CE, REPORT OR OTHE	R DATA	
TYPE OF SUBMISSION		T	YPE OF ACT	ION		
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Production (Start/Resume) Reclamation Recomplete		Water Shut-Off Well Integrity ✓ Other	
Subsequent Report	Change Plans	. Plug and Abandon	Temp	oorarily Abandon		
Final Abandonment Notice 13. Describe Proposed or Completed O	Convert to Injection	Plug Back		r Disposal	Change of Opera	
 the proposal is to deepen directions. Attach the Bond under which the violeting following completion of the involvitesting has been completed. Final determined that the site is ready for This is notification that PPC Operation. Per NTL89, PPC Operating Comparises and Coverage: BLM Bond No.: N Change of Operator Effective: 12/1 Former Operator: BC Operating, Inc. Acquiring Operator: PPC Operating 	work will be performed or pro- ed operations. If the operation Abandonment Notices must be final inspection.) ing Company LLC has acquiry, LLC accepts all application. MB000991 1/2012 (per OCD Signature c. (Ogrid #160825)	evide the Bond No. on file with on results in a multiple completion filed only after all requirement uired the above well/property able terms, conditions, stipulate Approval)	BLM/BIA. Rion or recomp nts, including y from BC Op	equired subsequent report letion in a new interval, reclamation, have been determined by the second sections and the second sections concerning descriptions concerning descriptions.	orts must be filed within 30 da a Form 3160-4 must be filed of completed and the operator ha operations conducted on th	ys once s
		SUBJECT TO APPROVAL BY	LIKE Y STATE	SEE A CONDITIO	TTACHED FOR ONS OF APPROV	AL
14. I hereby certify that the foregoing is tr Jana Spraberry	ue and correct. Name (Printed	Title Office A	Adminstrator		Kare	
Signature &	land 1	Date 01/10/2	2013			
\bigcup .	THÍ SPACE I	FOR FEDERAL OR ST	TATE OFF	ICE DSERNVI	-D	
Approved by		itle		NOV OO DE	ntê ·	
onditions of approval, if any, are attached nat the applicant holds legal or equitable tintitle the applicant to conduct operations to	tle to those rights in the subject			110. 22.20		
Fitle 18 U.S.C. Section 1001 and Title 43 Ufficitious or fraudulent statements or repres			and willfully &	CARLSBAD FIELD	or agency of the United States a	ny false,

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Effective 12/11/2012 Bond NMB000991

11/22/2013 Approved subject to Conditions of Approval. JDB Change of Operator Conditions of Approval

- 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.