

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

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.  
NMNM 039256

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well  
 Oil Well  Gas Well  Other

HOBBS OCD  
SEP 22 2014

2. Name of Operator  
Steven D Ruppert # XIII ✓

RECEIVED

3a. Address  
PO Box 550 Tesuque, NM 87574

3b. Phone No. (include area code)  
(505) 983-0072

8. Well Name and No.  
Silver Federal # 2 ✓

9. API Well No.  
30-025-3144100 ✓

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
J' 990' FEL & 1650' FSL  
1500  
S/2 Sec 28 T20S - R34E ✓

10. Field and Pool, or Exploratory Area  
Lynch Yates 7 Rvrs

11. County or Parish, State  
Lea, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <u>updated facility diagram</u>

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 recomplate 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 lease is subject to the site security plan for Southeast New Mexico operations. The Plan is located with Steven D Ruppert, operator at Vista Redonda Santa Fe, NM 87506 and Danny Berry, pumper, PO Box 150 Eunice, NM 88231

Accepted for Record Purposes.  
Approval Subject to Onsite Inspection.  
Date: 9/17/14  
*[Signature]*

Does not constitute a site facility diagram; see attached example or see Onshore Order # 3

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Steven D Ruppert  
*[Signature]*

Title Operator # XIII  
Date 11/1/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by  
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

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.

*[Handwritten mark]*

# FEDERAL SILVER LEASE

Lea County, New Mexico

Steven D Ruppe, A / Operator X111

ONRR Lease Agreement #0290392560

Agency Lease Agreement #NMMN 39256

OGRID 295954

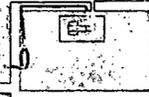
Sec. S/2 23, Town 20S, Range 34E



001 J 23-20S-34E



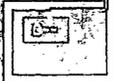
002 J 23-20S-34E



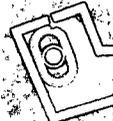
Silver Tank Battery



003 J 23-20S-34E



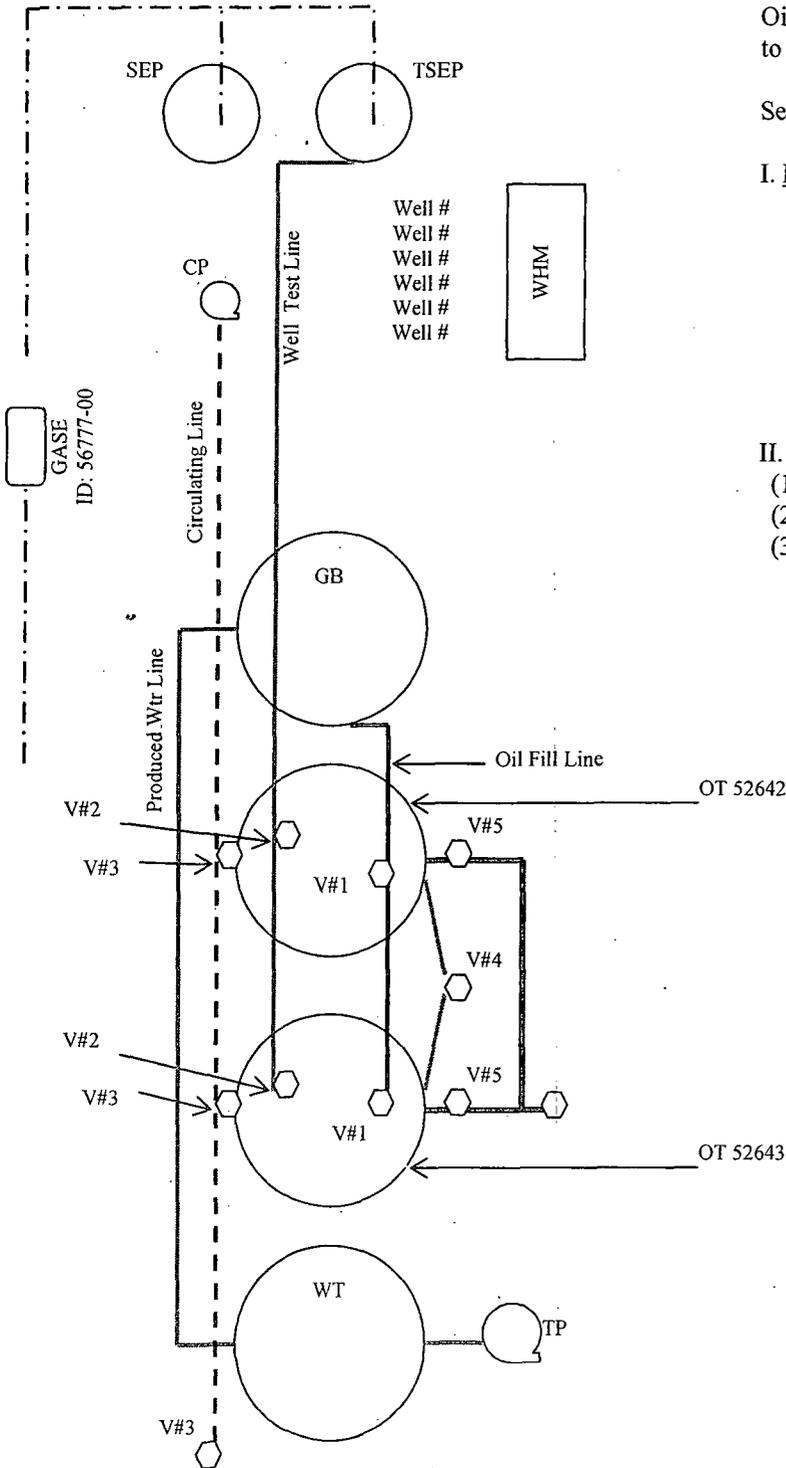
04 J 23-20S-34E  
Water Disposal Well



**SAMPLE SITE FACILITY DIAGRAM**

Operator's Name  
 Facility (Site or Battery) Name  
 Lease Serial No.: Your #####  
 Your ¼ ¼, Sec, Tsp, Rg  
 Eddy County, New Mexico

For gas meters, include the  
 ID number



**Production System-Open**

Oil sales description as: by tank gauge  
 to tank truck.

Seal requirements:

**I. Production Phase (OT#1)**

- (1) Valve 1 open
- (2) Valve 4 open.
- (3) Valve 5 sealed closed.
- (4) Valves on OT#2 positioned:
  - A. Valve 1 closed
  - B. Valve 2 closed or open
  - C. Valve 3 sealed
  - D. Valve 5 sealed closed

**II. Sales Phase (OT#1)**

- (1) Valves 1, 2, 3, & 4 sealed closed
- (2) Valve 5 on OT#1 open
- (3) Valves on OT#2 positioned:
  - A. Valve 1 open
  - B. Valve 2 closed
  - C. Valve 3 sealed
  - D. Valve 5 sealed closed