

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

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

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

| | | |
|---|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil <input type="checkbox"/> Gas <input type="checkbox"/> | | 5. Lease Serial No. NMLC-030177A |
| 2. Name of Operator FULFER OIL AND CATTLE LLC | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P. O. BOX 1224, JAL, NM 88252 | 3b. Phone No. (include area code) 575-392-3575 | 7. If Unit or CA, Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 1905' FNL & 660' FEL, UNIT LETTER H, SEC. 1, T26S, R36E | | 8. Well Name and No. C. W. SHEPHERD A FEDERAL #3 |
| | | 9. API Well No. 30-025-09837 |
| | | 10. Field and Pool, or Exploratory Area JALMAT TANSILL YATES 7-RVRS |
| | | 11. County or Parish, State LEA, NM |

HOBBS OCD

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RECEIVED

12. CHECK 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 |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Change of Operator |
| | <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 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 recomplate 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 from PPC Operating Company LLC to Fulfer Oil & Cattle LLC:

As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3, we are notifying you of a change of operator on the above referenced lease.

We, as new operator, accept all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

BLM Bond File No.: NM2757

The effective date of this change is August 1, 2014

EC# 259852, identical

| | |
|---|-----------------------------|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) DEBBIE MCKELVEY | Title AGENT 575-392-3575 |
| Signature <i>Debbie McKelvey</i> | Date 8/28/14 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------|--|
| Approved by | Title | FEB 25 2016 Date |
| 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 | BUREAU OF LAND MANAGEMENT CARLSBAD FIELD 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 and false, Fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instruction on page 2)

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Fulfer Oil and Cattle LLC
February 25, 2016
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.
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.

JAM 022516