| Form 3160-5<br>(August 2007)<br>HOBBS OC BEPARTMENT OF THE INTERIOR<br>BUREAU OF LAND MANAGEMENT<br>SEP 21 SUNDRY NOTICES AND REPORTS ON P<br>Do not use this form for proposals to drill or the<br>abandoned well. Use Form 3160-3 (APD) for su |                                 |   | OCD Hobb                             | FORM APPROVED<br>OMB No. 1004-0137<br>Expires: July 31, 2010             |   |  |
|--|---------------------------------|---|--------------------------------------|--|---|--|
|  |                                 |   |                                      | 5. Lease Serial No.<br>LC 065863   |   |  |
|  |                                 |   | enter an                             | 6. If Indian, Allottee or Tribe Name                                     |   |  |
| SUBMIT IN TRIPLICATE – Other instructions on page 2.   |                                 |   |                                      | 7. If Unit of CA/Agreement, Name and/or No.                              |   |  |
| 1. Type of Well  |                                 |   |                                      |  |   |  |
| ✓ Oil Well     Gas Well     Other  |                                 |   |                                      |  | MILLER FEDERAL 001  |  |
| 2. Name of Operator<br>REMNANT OIL OPERATING, LLC  |                                 |   | 9. API Well No.<br>30-025-00902      |  | /   |  |
| P.O. BOX 5375  |                                 | <ol> <li>Phone No. (include area code)</li> <li>432-242-4965</li> </ol> |                                      | 10. Field and Pool or Exploratory Area<br>41859: LUSK;YATES-SEVEN RIVERS |   |  |
| 4. Location of Well (Footage, Sec., T.R.M. or Survey Description)  |                                 |   | 11. Country or Parish. State         |  | State   |  |
| 1980 FNL 660 FWL, UL E SEC 19 T19S R32E  |                                 |   | LEA, NM                              |  |   |  |
| 12. CHE  | CK THE APPROPRIATE BO           | X(ES) TO INDICAT  | TE NATURE OF NOT                     | FICE, REPORT OR OTH  | IER DATA  |  |
| TYPE OF SUBMISSION   |                                 |   | TYPE OF AC                           | CTION  |   |  |
|  | Acidize                         |   | Pro                                  | duction (Start/Resume) Water Shut-Off                                    |   |  |
| ✓ Notice of Intent   | Alter Casing                    | Fracture Tr   | reat Re                              | eclamation   | Well Integrity  |  |
| Subsequent Report  | Casing Repair                   | New Const   | truction Re                          | ecomplete  | ✓ Other   |  |
|  | Change Plans                    | Plug and A  | bandon 🗌 Te                          | emporarily Abandon   | Change of Operator  |  |
| Final Abandonment Notice   | Convert to Injection            | Plug Back   | <b>w</b>                             | ater Disposal  |   |  |
| This is notification that Remnant O<br>Remnant Oil Operating, LLC. (form<br>and restrictions concerning operation<br>Bond Coverage: BLM Bond No: NM  | ally WS Oil & Gas Operatin      | g, LLC )(OGRID 3  | 70922), as new ope                   | rator, accepts all applic  | cable terms, conditions, stipulations                                 |  |
| Change of Operator Effective: OCT  | OBER 26, 2015                   |   |                                      |  |   |  |
| Former Operator: Tandem Energy   | Corporation (OGRID 23618        | 3)  |                                      | ATTACHED F   |   |  |
| 14. I hereby certify that the foregoing is   | true and correct. Name (Printed | l/Typed)  |                                      |  |   |  |
| CARIE STOKER   |                                 |   | Title REGULATORY AFFAIRS COORDINATOR |  |   |  |
| Signature Carie Stopen   |                                 |   | Date 11/01/2015                      |  |   |  |
|  | THIS SPACE                      | FOR FEDERAL   | L OR STATE O                         | FFICE USE  |   |  |
| Approved by<br>Charles Nimmer  |                                 |   | PETROLEU                             | M ENGINEER   | APPROVED<br>Date  |  |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or that the applicant holds legal or equitable title to those rights in the subject lease which we entitle the applicant to conduct operations thereon.   |                                 |   | Office                               |  | SEP 1.3 2016  |  |
| Title 18 U.S.C. Section 1001 and Title 43 fictitious or fraudulent statements or repr  |                                 |   | knowingly and willfully              | BURE   | nt or agency of the United States any false.<br>AU OF LAND MANAGEMENT |  |
| (Instructions on page 2)   |                                 |   | 4                                    |  | ARLSBAD FIELD OFFICE  |  |

BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 620 E. Greene St Carlsbad, NM 88220 Phone: (575) 234-5972

## **Conditions of Approval for Change of Operator**

- 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 within 60 days.,
- 3. Review facility diagram on file, and submit updated facility diagrams, as per Onshore Order #3 within 60 day.
- 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.