

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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MAR 23 2011

HOBBSS

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
MAS OPERATING CO.

3a. Address
P.O. BOX 923, KERMIT, TEXAS 79745

3b. Phone No. (include area code)
432-586-8980

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
See Attached List

5. Lease Serial No.
NMLC 029519 A

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
See Attached List

9. API Well No.
See Attached List

10. Field and Pool or Exploratory Area
See Attached List

11. Country or Parish, State
UNITED STATES, NEW MEXICO

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change of operator
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recompleat 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 recompleat 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.)

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, pursuant to NTL 89-1:

Bond Coverage - BLM Bond No.: NMB000713, Individually Bonded.

NMB 000 749

Legal Description of Land: This will be covered in the attachment.

Effective Date: 10/01/2010

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED

MAR 18 2011

/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

Title President

Signature

Stephen Brown

Date 11/01/2010

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.

PETROLEUM ENGINEER

Title

Date

MAR 24 2011

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.

(Instructions on page 2)

Attachment to Form 3160-5

Well Name and No.	API #	FIELD	POOL	LOCATION
B V LYNCH A FEDERAL #001	30-025-12550	LYNCH; YATES-SEVEN RIVERS	42370	J-34-20S-34E 2310 FSL 2310 FEL
B V LYNCH A FEDERAL #002	30-025-02494	SWD; YATES-SEVEN RIVERS	96141	P-34-20S-34E 660 FSL 660 FEL
B V LYNCH A FEDERAL #003	30-025-02495	LYNCH; YATES-SEVEN RIVERS	42370	B-34-20S-34E 660 FNL 1980 FEL
B V LYNCH A FEDERAL #007	30-025-02509	LYNCH; YATES-SEVEN RIVERS	42370	L-35-20S-34E 1650 FSL 990 FWL
B V LYNCH A FEDERAL #009	30-025-02490	LYNCH; YATES-SEVEN RIVERS	42370	F-34-20S-34E 1650 FNL 2310 FWL
B V LYNCH A FEDERAL #010	30-025-12580	SWD; YATES-SEVEN RIVERS	96141	C-34-20S-34E 660 FNL 1980 FWL
B V LYNCH A FEDERAL #012	30-025-02492	LYNCH; YATES-SEVEN RIVERS	42370	A-34-20S-34E 330 FNL 330 FEL

Attachment to Form 3160-5

Legal Description of Land:

T-20-S, R-34-E, NMPM

Section 34: NE/4 NE/4, W/2 NE/4, E/2 NW/4, E/2 SW/4, SE/4

Section 35: W/2 SW/4

All in Lea County, New Mexico

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

Conditions of Approval

MAS Operating Company, BV Lynch A Federal #1,2,3,7,9,10&12

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. All above ground structures and equipment on the lease shall be painted Shale Green (5Y 4/2). This is to be done within 90 days, if you have not already done so.
3. Submit for approval of water disposal method.
4. Submit updated facility diagrams as per Onshore Order #3
5. This agency shall be notified of any spill or discharge as required by NTL-3A.
6. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
7. Subject to like approval by NMOCD.