

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONSERVATION DIVISION

811 S. FIRST STREET

ARTESIA, NM 88210

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

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form 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

Mack Energy Corporation

3a. Address

P.O. Box 960 Artesia, NM 88210-0960

3b. Phone No. (include area code)

(575) 748-1288

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

Sec. 19 T15S R29E

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

8. Well Name and No.

Victoria Federal #1

9. API Well No.

Multiple

3000564162

10. Field and Pool or Exploratory Area

Round Tank; San Andres

11. Country or Parish, State

Chaves, NM

12. CHECK THE 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 Surface Commingle
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Off Lease Storage
	<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 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.)

Mack Energy Corporation as operator respectfully requests approval to surface commingle and Off lease storage and measurement of production. It is requested that surface commingling of Victoria Federal Lease NMNM-4434 at the Calgary Federal TB. All wells produce from the Round Tank; San Andres pool.

The tank battery is located in the NE/4 NE/4, Sec. 25 T15S R28E. Proper allocation for production will be measured using periodic well tests. This facility is equipped with testing equipment to ensure proper allocation. Mack Energy has made notification to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle.

Mack Energy is currently producing the Calgary Federal #3 from the Round Tank; San Andres and intend to drill and complete the Victoria Federal #1 in the same formation. At this time we are requesting approval to add the Victoria production to this facility.

Note: There is an approved sundry to commingle the Victoria at the Eskimo State TB. At this time we would like to cancel that request.

Accepted for record

6/20/2013 NMOC DLR

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

Jerry W. Sherrell

Title Production Clerk

Signature

Jerry W. Sherrell

Date 5/28/13

RECEIVED

JUN 13 2013

NMOC D ARTESIA

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

PETROLEUM ENGINEER

Date JUN 03 2013

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.

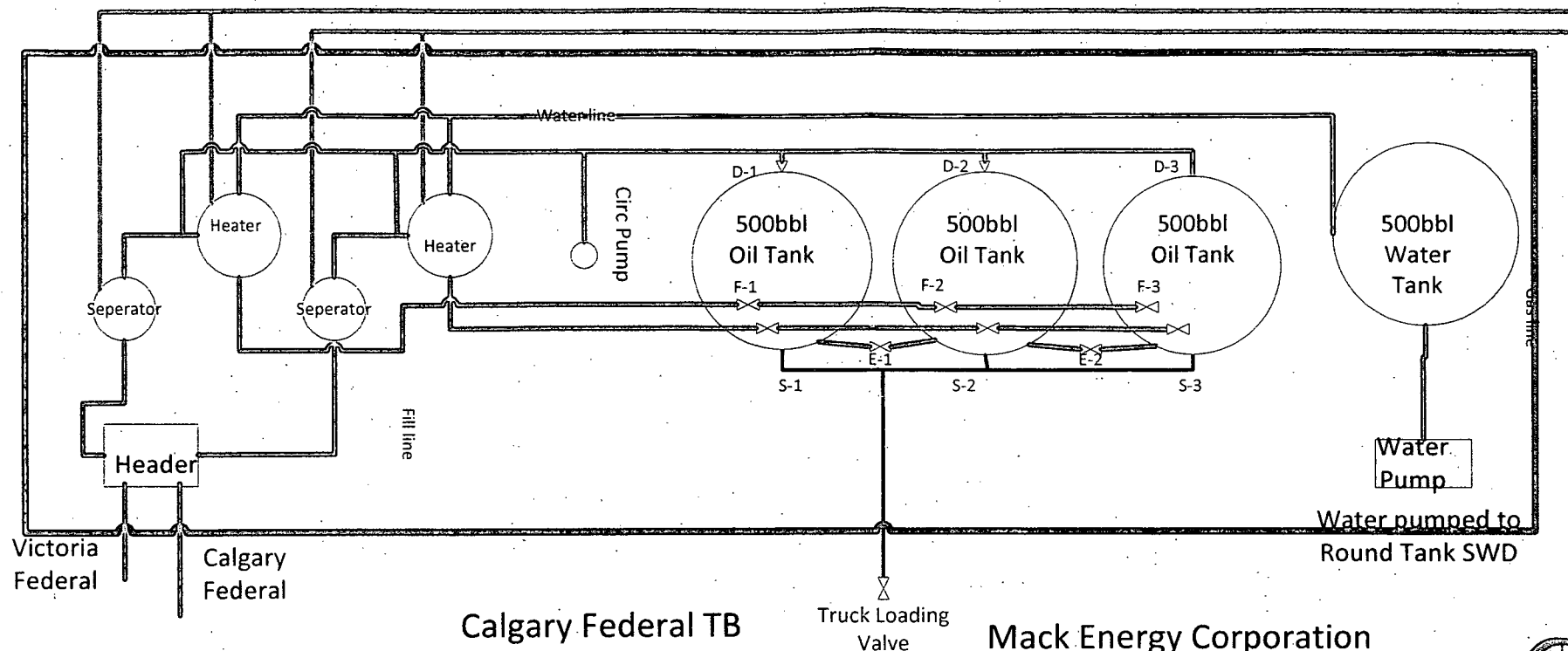
Office

ROSWELL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for my 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

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



Gas Meter
located in the
SESW Sec. 19
T15S R29E
#727007

Calgary Federal TB
NENE Sec. 25 T15S R28E
Lease NMNM4433

Mack Energy Corporation
11344 Lovington Hwy
Artesia, NM 88210



Production Phase

Tank 1	Tank 2	Tank 3
F-1 Open	F-1 Closed	F-1 Closed
F-2 Closed	F-2 Open	F-2 Closed
F-3 Closed	F-3 Closed	F-3 Open
E-1 Open	E-1 Open	E-1 Closed
E-2 Closed	E-2 Closed	E-2 Open
D-1 Open	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Open	D-2 Closed
D-3 Closed	D-3 Closed	D-3 Open
S-1 Closed	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Closed	S-2 Closed
S-3 Closed	S-3 Closed	S-3 Closed

Sales Phase

Tank 1	Tank 2	Tank 3
F-1 Closed	F-1 Closed	F-1 Open
F-2 Closed	F-2 Closed	F-2 Closed
F-3 Open	F-3 Closed	F-3 Closed
E-1 Closed	E-1 Closed	E-1 Open
E-2 Open	E-2 Open	E-2 Closed
D-1 Closed	D-1 Closed	D-1 Open
D-2 Closed	D-2 Closed	D-2 Closed
D-3 Open	D-3 Closed	D-3 Closed
S-1 Open	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Open	S-2 Closed
S-3 Closed	S-3 Closed	S-3 Open

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-005-64089 30-005-64099
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Mack Energy Corporation		6. State Oil & Gas Lease No. NMNM-4434 NMNM-4433
3. Address of Operator P.O. Box 960 Artesia, NM 88210		7. Lease Name or Unit Agreement Name Victoria Federal & Calgary Federal
4. Well Location Unit Letter _____ feet from the _____ line and _____ feet from the _____ line Section 19 & 25 Township 15S Range 29E & 28E NMPM County Chaves		8. Well Number Multiple
11. Elevation (Show whether DR, RKB, RT, GP etc.) Multiple		9. OGRID Number 013837
		10. Pool Name or Wildcat Round Tank; San Andres

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Surface Commingle/Off lease Storage ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mack Energy Corporation as operator respectfully requests administrative approval for Off Lease Storage/Surface Commingle of production. It is requested that the Round Tank; San Andres production from the Victoria Federal Lease and the Calgary Federal Lease be Commingled at the Calgary Federal #3 TB located in NENE Sec. 25 T15S R28E.

The tank battery is located in the NE/4 NE/4, Sec. 25 T15S R28E. Proper allocation for production of oil will be measured using periodic well testing at this TB. Mack Energy has made notification to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle. Interests in all pools on this leases are common.

Mack Energy is currently producing the Calgary Federal #3 in the San Andres formation and the Victoria Federal #1 is scheduled to be drilled soon. A diagram of the TB facility will be attached. At this time we are requesting approval Off Lease Storage/Surface Commingling of production from these leases.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Jerry W. Sherrell

TITLE Production Clerk

DATE 5/28/13

Type or print name Jerry W. Sherrell

E-mail address: jerrys@mec.com

PHONE: (575)748-1288

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 78240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2001

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☒ AMENDED REPORT

API Number 30-005-64099	Pool Code 52770	Pool Name Round Tank; San Andres
Property Code 37615	Property Name CALGARY FEDERAL	Well Number 3
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3697

Surface Location

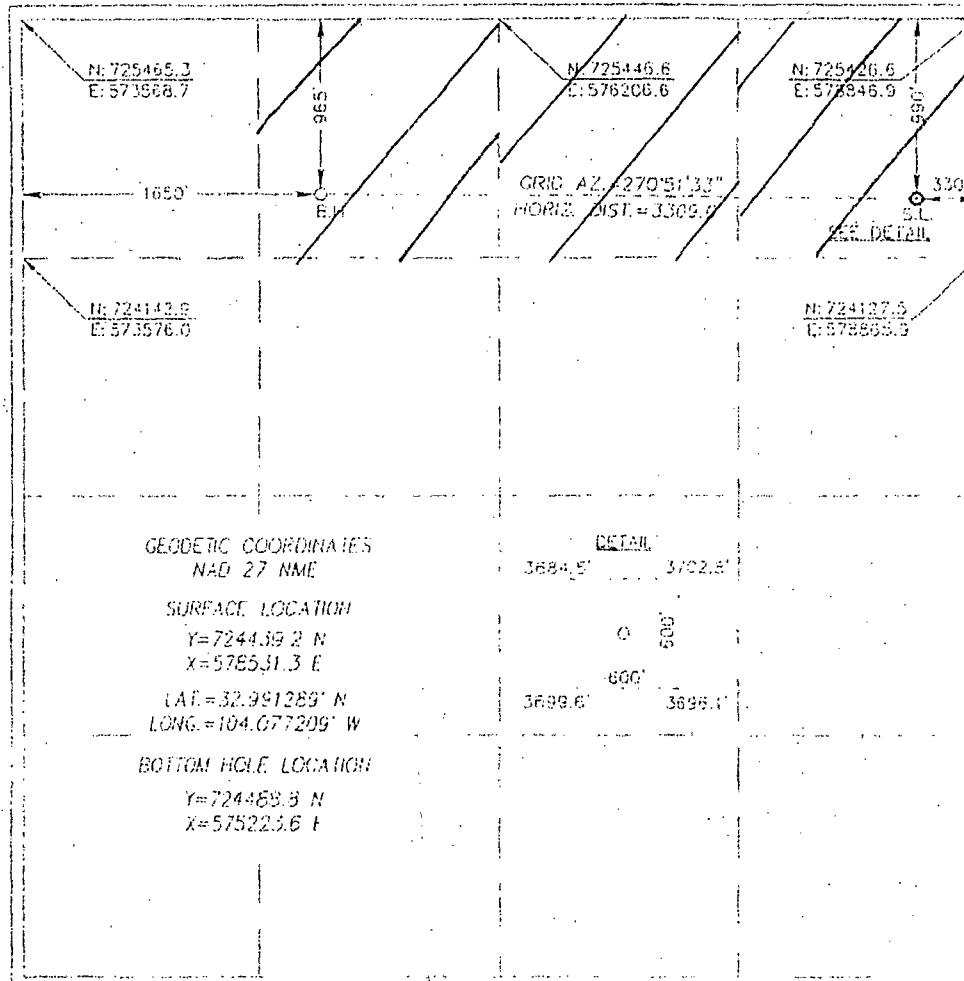
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	15-S	28-E		990	NORTH	330	EAST	CHAVES

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	25	15-S	28-E		965	NORTH	1650	WEST	CHAVES

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
120			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Jerry W. Sherrell 8/17/11
Signature Date

Jerry W. Sherrell
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

OCTOBER 24, 2008

Date Surveyed ESS 10/25/10
Signature & Seal of Professional Surveyor

Ronald J. Edson 11/05/2010
10.13.1677

Certificate No. GARY G. EDSON 42541
RONALD J. EDSON 1239

DISTRICT I
1626 N. FRENCH DR., HOBBY, NM 86240

DISTRICT II
1301 W. GRAND AVENUE, ALBUQUERQUE, NM 86210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-005-64089	Pool Code 52770	Pool Name Round Tank; San Andres
Property Code 37558	Property Name VICTORIA FEDERAL	Well Number 1
GRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3719'

Surface Location

UL or lot No. 4	Section 19	Township 15-S	Range 29-E	Lot Idn.	Feet from the 330	North/South line SOUTH	Feet from the 330	East/West line WEST	County CHAVES
---------------------------	----------------------	-------------------------	----------------------	----------	-----------------------------	----------------------------------	-----------------------------	-------------------------------	-------------------------

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40.31	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 1				
LOT 2				
LOT 3				
LOT 4				
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=725758.7 N X=579175.8 E</p> <p>LAT.=32.994912° N LONG.=104.075096° W</p>				
<p>SEE DETAIL</p> <p>3722.3' 3731.2'</p> <p>600'</p> <p>3719.5' 3724.7'</p>				
<p>330'</p> <p>SEE DETAIL</p> <p>330'</p>				

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jerry W. Sherrell 10/8/08
Signature Date

Jerry W. Sherrell
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEP 22 2008
Date Surveyed

Ronald J. Eidson
Signature & Seal of Professional Surveyor

SEP 22 2008
Date

Certificate No. GARY EIDSON 12641
RONALD J. EIDSON 3230

MEMO

DATE: May 24, 2013

TO: NMOCD

FROM: STACI SANDERS
MACK ENERGY CORPORATION

RE: VICTORIA FEDERAL
NMNM-4434
T15S, R29E
Section 19: Lots 2, 3, & 4, SE/4NW/4
Section 30: W/2NE/4
Section 31: Lot 1
Chaves County, New Mexico

CALGARY FEDERAL
NMNM-4433
T15S, R28E
Section 24: S/2NE/4, SE/4NW/4, E/2SW/4, SE/4
Section 25: NE/4, NE/4NW/4
Chaves County, New Mexico

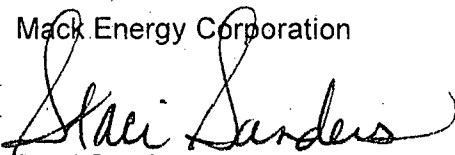
Mack Energy Corporation respectfully requests approval to surface commingle production from our Victoria Federal Lease and the Calgary Federal Lease. Once the Victoria Federal #1 well is drilled it will produce from the San Andres formation. The Calgary Federal #3 well also produces from the San Andres formation. Production from both leases will be commingled at the Calgary Federal tank battery located in the NE/4 NE/4 of Sec. 25, T15S, R28E. Allocation for the oil and gas will be done using periodic well tests.

Both leases have identical working and revenue interests

Please do not hesitate to contact me should you require any further information.

Sincerely,

Mack Energy Corporation


Staci Sanders
Land Department

**Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287
(575) 627-0272**

**Off-Lease Measurement, Off-Lease Storage, And Surface Commingling
Conditions Of Approval**

1. This agency will be notified of any change in your sales method or location of the sales meter.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval is subject to like approval by the New Mexico Oil Conservation Division.
5. Additional wells and/or leases require additional commingling approvals.
6. Contact the BLM Roswell Field Office at least 24 hours prior to the commencing any monthly well test. For wells in Chaves and Roosevelt County, during office hours or after office hours call (575) 627-0205. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.
7. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days an application for right-of-way approval must be submitted to the Realty Section to the BLM Roswell Field Office at 2909 West Second Street, Roswell, New Mexico 88201-1287 for wells in Chaves or Roosevelt County if you have not already done so.