

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.*5 Lease Serial No
NMLC-060894

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☐ Other8 Well Name and No
Longhorns Federal #1

2 Name of Operator

Mack Energy Corporation

9. API Well No
30-015-36259

3a Address

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

3b. Phone No. (include area code)

(575) 748-1288

10 Field and Pool or Exploratory Area

Red Lake; San Andres

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

2410 FNL & 2310 FWL Sec. 6 T18S R27E, BHL 2295 FNL & 2302 FWL

11 Country or Parish, State

Eddy, NM

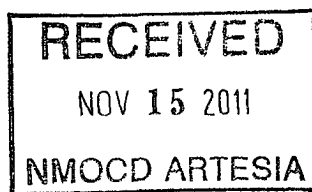
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 proposes to Plug this well back and re-complete as follows:

Longhorns Federal #1- MIRU POH w/rods and tubing. Set CIBP @ 2650' w/35' cement cap. Perforate San Andres from 2100-2370. Treat perms w/2500-3000 gal acid job.

SEE ATTACHED FOR
CONDITIONS OF APPROVALAccepted for record
NMOC D

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 9/30/11

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER

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

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 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 page 2)

**Longhorns Federal #1
Mack Energy Corporation
30-015-36259
Nov 8, 2011
Conditions of Approval**

SUMMARY OF CURRENT STATUS:

- Directional well drilled to 4245' MD in 2008.
- Completed as Red Lake; Glorieta-Yeso oil well.
- **Current Perforations: 2737' – 3832' selective**
- Top San Andres at 1220' estimated
- **Top Glorieta at 2720' TVD**
- Top Abo at 4720' estimated (below TD)

SUNDRY REQUEST:

1. Plugback well from Glorieta-Yeso to San Andres
 - a. Set CIBP at 2650' with 35' cement cap.
 - b. Perforate San Andres from 2100' – 2370'.
 - c. Treat perforations with 2500 – 3000 gal acid job.

CONDITIONS OF APPROVAL:

- a) **SURFACE DISTURBANCE** not to exceed originally approved pad without prior approval.
- b) **Hydrogen Sulfide has been reported as a hazard. It is recommended that monitoring equipment be onsite for potential Hydrogen Sulfide. If Hydrogen Sulfide is encountered, please report measurements and formations to the BLM.**
- c) **2000 (2M) BOP** to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- d) **CLOSED LOOP SYSTEM** to be used.
- e) **WELLBORE FLUID IN PLUGBACK INTERVALS** is to be a mud laden fluid with overbalance density in accordance with Onshore Order 2. Minimum consistency is 25 sx gel/100 bbls brinewater.

- f) **NOTE:** Oral approval must be obtained from the BLM in advance for any casing repairs or other unforeseen activities that are identified as needed after work is initiated. The oral approval is to be followed by submitting a NOI to the BLM within 5 working days.
- g) **ISOLATION PLUG – Plug to be cement only and shall combine isolation of the perforations with the BLM requirement for setting a cement plug across the top of the Glorieta formation.** Place a 25 sack cement plug with the bottom at 2720'. Estimated top of the plug will be at approximately 2500'.
- h) **NOTIFY BLM FOR WITNESS OF TAG OF NEW PLUGBACK DEPTH.**
☒ **Eddy County** Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
- i) **AFTER THE JOB IS COMPLETED,** the Operator to provide BLM with the following:
- Subsequent Report,
 - Completion Report in the new formation, and
 - Final wellbore diagram.
 - Forms are to be provided to the BLM with 5 working days; and the Operator is provided with details of the submittal copies required.
- j) **WASTE MATERIAL AND FLUIDS** All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
- k) **NOTE to Operator – future plugback/recompletion sundries are required to include before and after wellbore diagrams.**