

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007**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 reverse side.**1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator **McKay Oil Corporation**3a. Address
PO Box 2014, Roswell, NM 88202-20143b. Phone No. (include area code)
505.623.47354. Location of Well (Footage, Sec, T, R, M, or Survey Description)
1650'FNL&400'FEL, Sec. 33, T5S, R21E5. Lease Serial No
NM 36189

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
McKay B Federal #49. API Well No
30 005 6408210. Field and Pool, or Exploratory Area
W. Pecos ABO Slope11. County or Parish, State
Chaves, NM**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 Drilling Information
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well was originally spudded under the name of Eppers B Fed. #4, 2130'FNL & 889'FWL, Sec. 34, T5S, R21E. It was recently discovered that the well was actually spudded at 1650'FNL & 400'FEL, Sec. 33, T5S, R21E. An APD was approved for this well (McKay B Fed. #4), but expired in September of 2007. A new APD for the McKay B Fed. #4, 1650'FNL & 400'FEL, Sec. 33, T5S, R21E has been filed with the BLM.

The drilling information for this well, to date, is attached hereto as Attachment "A".

ACCEPTED FOR RECORD

Accepted for Record
By [Signature] Date 12-1-08

DEC 22 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

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

James L. SchultzTitle **Agent**

Signature

Date

11/12/2008**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

**Assistant Field Manager,
Lands And Minerals**

Date

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.

Office **ROSWELL 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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

ATTACHEMENT "A"

McKay B Federal #4
1650'FNL & 400'FEL, Sec. 33, T5S, R21E
Chaves County, New Mexico

1. Operator spudded the McKay B Fed. #4 at 5:00 p.m. on 8/14/08
2. TD of casing @ 1010' on 8/16/08 @ 3:30 p.m. Ran 32 joints off mixed 8-5/8", J-55 and K-55, 24# casing. Rig up cementer. Pumped 300 sks 50/50 POZ, tailed with 175 sks Class "C" w/2% CalcChl. After cement cured, temp survey run, tagged @ 690' 1" to surface w/143 sks Thix-Tropic, 160 C-neat & 456 sks Mixed cement. WOC 18hrs. Casing pressure tested to 500 psi – 30 min/test good.
3. Pressure Control Equipment test with annular, 11" rotary head, connected to 4" mud line, valve to flare pit.
4. Reached TD of 2705' on 8/28/08 @ 1:48 p.m. Cemented 5-1/2" casing with J-55, 15.5# @ 2700'. On 8/28/08, pumped 200 sks Class "C", tailed with 50 sks Class "C". Physical tag @ 1910', witnessed by BLM Rep/Eddie Fitzpatrick on 8/28/08. Pressure tested casing to 2500 psi for 15 min/good test.
5. 11/12/80 – TD @ 2800' 3:30 p.m. and circulating. Will run a slime hole log (Compensated Neutron) in A.M. 11/13/08.