

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
ArtesiaFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.*5. Lease Serial No.
NMNM59038

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
THUNDER BAY FEDERAL COM 1H9. API Well No.
30-005-6430810. Field and Pool or Exploratory Area
ROUND TANK; SAN ANDRES11. County or Parish, State
CHAVES COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
MACK ENERGY CORPORATIONContact: JERRY W SHERRELL
E-Mail: jerrys@mec.com3a. Address
PO BOX 960
ARTESIA, NM 88211-09603b. Phone No. (include area code)
Ph: 575-748-12884. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T15S R29E Mer NMP NENW 10FNL 1675FWL**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"/> Hydraulic Fracturing	<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
	<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 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 respectfully requests approval for a CTB Facility for measurement and sales of oil/gas production of our Thunder Bay Federal Com 1H (30-005-64308) and Hamilton Federal Com 1H (30-005-64307). CTB facility will be located in the SWSW Sec. 22 T15S R29E. The Central Tank Battery will be equipped with two production trains, to effectively test wells for proper allocation. Mack Energy requests approval to conduct 7 day test intervals for proper allocation. Gas will be allocated with a test meter and allocation meter at this facility. The sales point for gas production is located in the SWSE of Sec. 4 T16S R29E.

RECEIVED

MAY 03 2018

No Federal royalties will be reduced nor improper measurement will occur as a result of this approval.

DISTRICT II-ARTESIA O.C.D.

5-3-18
Accepted for record - NMOCD

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #411989 verified by the BLM Well Information System
For MACK ENERGY CORPORATION, sent to the Roswell
Committed to AFMSS for processing by JENNIFER SANCHEZ on 04/23/2018 ()

Name (Printed/Typed) JERRY W SHERRELL

Title PRODUCTION CLERK

Signature (Electronic Submission)

Date 04/23/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

APR 30 2018

Date

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

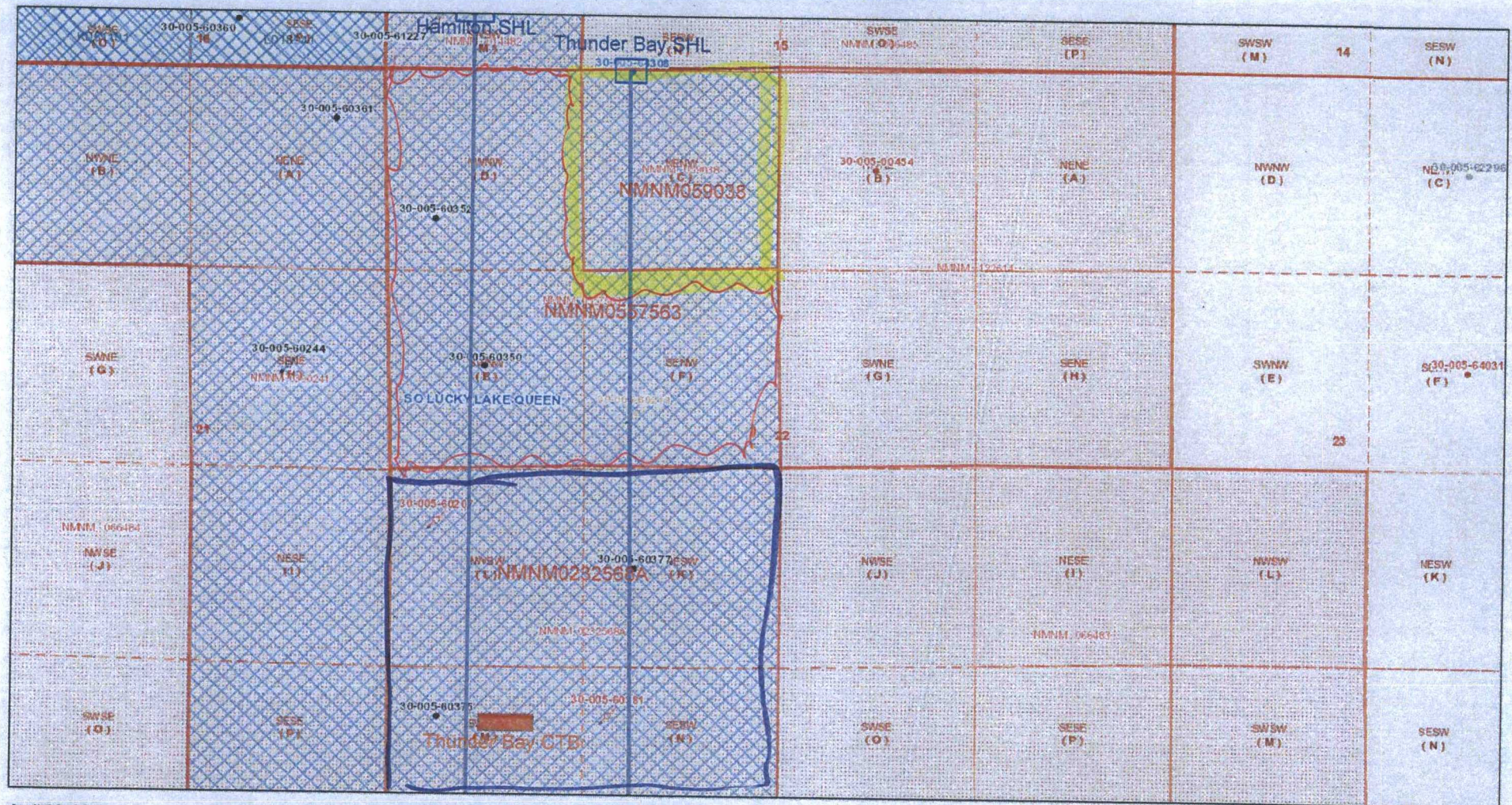
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

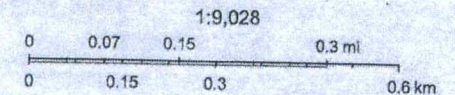
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

OCD Well Locations

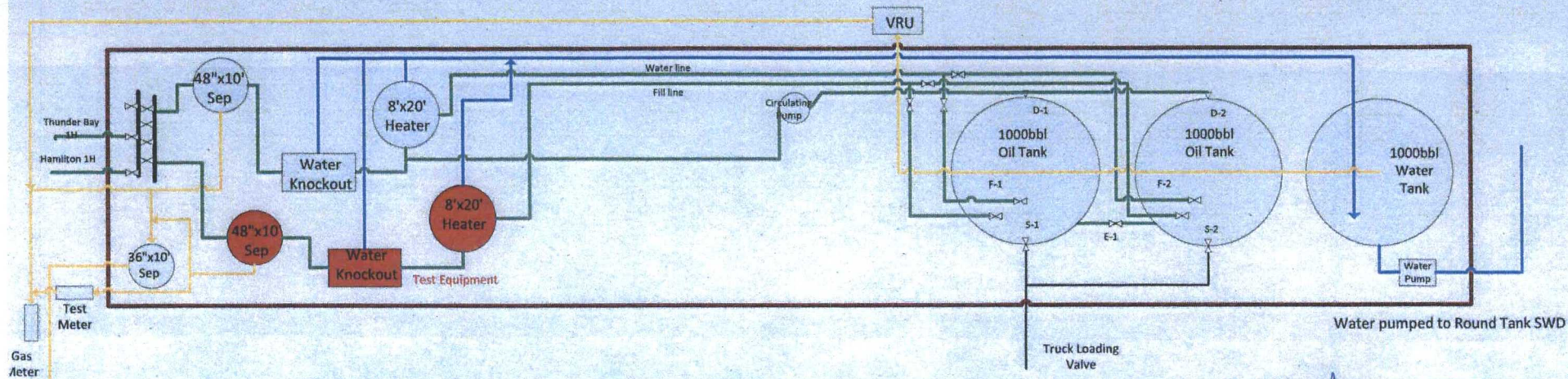


April 30, 2018

- Override 1
 - New
 - Plugged
 - Cancelled
 - Temporarily Abandoned
 - Active
 - Miscellaneous
- Well Locations - Large Scale
- Well Locations - Small Scale



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Thunder Bay Federal 1H 30-005-64308
Hamilton Federal 1H 30-005-64307



Production Phase

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

Mack Energy Corporation
PO Box 960 Artesia, NM 88211-0960
Thunder Bay Federal CTB
SWSW Sec. 22 T15S R29E

Sales Phase

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

Thunder Bay/Hamilton CTB

Additional Data

- 1) A Map showing how it's location on and lease boundaries.
Attached.
- 2) List of all the leases/Com agreements and I believe they are all 12.5% so please state that.
Com Agreements not created yet. These leases are 12.5%, with a Schedule B increase to 25% based on production. We do not believe this will happen based on other wells we have completed in this area.
- 3) Need to show that all the gas is the same quality and the value will not be reduced upon mixing.
All gas from Round Tank; San Andres Pool. (oil + gas)
- 4) We will need more details on the type of meters you will be using.
Allocation and Test Meters are Total Flow Model 6213.

Production on wells will be reported to the
Com Agreement once they are created
(wells are not drilled yet).

RECEIVED

MAY 03 2018

DISTRICT II-ARTESIA O.C.D.

Address:
1625 N. French Dr., Hobbs, NM 88241
Phone (505) 336-1101 Fax (505) 336-1102
District II
511 S. First St., Artesia, NM 87003
Phone (505) 745-1244 Fax (505) 745-1245
District III
1000 Rio Hondo Blvd., Artesia, NM 87003
Phone (505) 336-1101 Fax (505) 336-1102
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 136-1101 Fax (505) 136-1102

State of New Mexico
Energy, Minerals & Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised August 1, 2011

Submit a copy to appropriate
ARTESIA DISTRICT District Office

DEC 27 2017

☐ AMENDED REPORT

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-005-64308		Pool Code 52770	Pool Name Round Tank; San Andres
Property Code 320520	Property Name THUNDER BAY FEDERAL COM		Well Number 1H
OGRII No. 13837	Operator Name MACK ENERGY CORPORATION		Elevation 3844.9

Surface Location

1/4 or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	22	15 S	29 E		10	NORTH	1650	WEST	CHAVES

Bottom Hole Location If Different From Surface

1/4 or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	22	15 S	29 E		270	SOUTH	1675	WEST	CHAVES

Dedicated Acres	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.

<p>N 89°16'55"E 2626.96 FT</p> <p>NW CORNER SEC. 22 LAT. = 33.00864254N LONG. = 104.0195567W NMSP EAST (FT) N = 730819.43 E = 635869.46</p> <p>FIRST TAKE POINT 330 FSL, 1674 FSL LAT. = 33.0077793N LONG. = 104.0195567W NMSP EAST (FT) N = 730510.26 E = 637525.81</p> <p>W O CORNER SEC. 22 LAT. = 33.0012599N LONG. = 104.0247523W NMSP EAST (FT) N = 728133.59 E = 635940.04</p> <p>LAST TAKE POINT 330 FSL, 1674 FSL LAT. = 32.9948963N LONG. = 104.0192913W NMSP EAST (FT) N = 725823.29 E = 637621.16</p> <p>SW CORNER SEC. 22 LAT. = 32.9933935N LONG. = 104.0247445W NMSP EAST (FT) N = 725489.88 E = 635948.72</p>		<p>N 89°16'05"E 2626.21 FT</p> <p>N O CORNER SEC. 22 LAT. = 33.0087116N LONG. = 104.0163901W NMSP EAST (FT) N = 730852.37 E = 636495.51</p> <p>SURFACE LOCATION THUNDER BAY FEDERAL COM 1H ELEV. = 3844.9' LAT. = 33.0086584N (NAD83) LONG. = 104.0195748W NMSP EAST (FT) N = 730830.07 E = 637519.31</p> <p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83) BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE VERTICAL DATUM NAVD83.</p> <p>BOTTOM OF HOLE LAT. = 32.9947314N LONG. = 104.0192873W NMSP EAST (FT) N = 725763.31 E = 637622.39</p> <p>SE CORNER SEC. 22 LAT. = 32.9942030N LONG. = 104.0076851W NMSP EAST (FT) N = 725581.88 E = 641180.37</p>	
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"OPERATOR CERTIFICATION"

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or mineral interest in the land including the proposed bottom hole location or has a right to drill this well or has been granted a license or contract with an owner of such a mineral or working interest, or to a subsidiary, pending agreement or a completion pending order hereby is entered by the division.

Signature: Deana Weaver Date: 10/2/17

Printed Name: Deana Weaver

E-mail Address: dweaver@mec.com

"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.

SEPTEMBER 8, 2017

Date of Survey: _____

Signature and Seal of Professional Surveyor: [Signature]

Certificate Number: 121460N1 FAR 5M1112, PLS 12797

SURVEY NO. 0120

RECEIVED

MAY 03 2018

District II
1625 N. French Dr. H-166 NM 87504
Phone (505) 445-6151 Fax (505) 445-6152
District II
811 S. First St., Artesia NM 87003
Phone (505) 445-1211 Fax (505) 445-0720
District III
1000 R. Bravo Road, Amon, NM 87410
Phone (505) 344-6170 Fax (505) 344-6170
District IV
1220 S. St. Francis Dr. Santa Fe NM 87504
Phone (505) 470-3300 Fax (505) 470-3302

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

DISTRICT II-ARTESIA O.C.D. Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-005-64307		* Pool Code 52770	* Pool Name Round Tank; San Andres
* Property Code 320519	* Property Name HAMILTON FEDERAL COM		* Well Number 1H
* OGRID No. 13837	* Operator Name MACK ENERGY CORPORATION		* Elevation 3863.7

* Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	15 S	29 E		383	SOUTH	598	WEST	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
M	22	15 S	29 E		270	SOUTH	355	WEST	CHAVES

* Dedicated Acres	* 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.

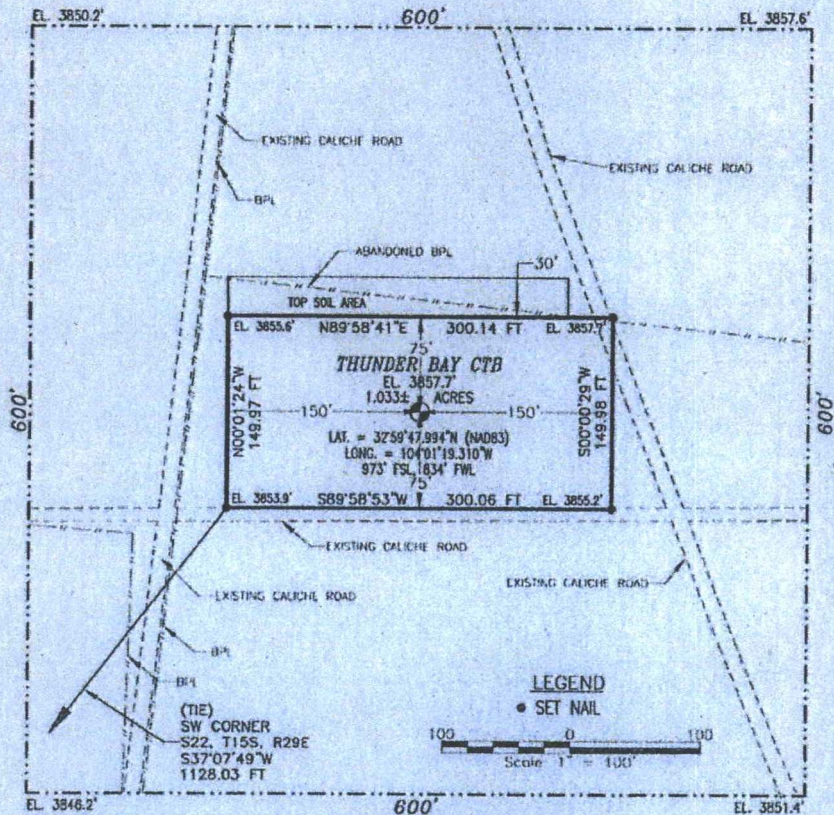
<p>NW CORNER SEC. 15 LAT. = 33.0232818 N LONG. = 104.0248543 W NWSP EAST (FT) N = 736145.75 E = 635805.28</p> <p>NW CORNER SEC. 15 LAT. = 33.0180243 N LONG. = 104.0248725 W NWSP EAST (FT) N = 733505.21 E = 635807.45</p> <p>SW CORNER SEC. 15 LAT. = 33.0086425 N LONG. = 104.0249569 W NWSP EAST (FT) N = 730819.43 E = 635809.46</p> <p>NW CORNER SEC. 22 LAT. = 33.0012593 N LONG. = 104.0247523 W NWSP EAST (FT) N = 728133.56 E = 635940.64</p> <p>SW CORNER SEC. 22 LAT. = 32.9939935 N LONG. = 104.0247493 W NWSP EAST (FT) N = 725489.86 E = 635948.72</p>		<p>NW CORNER SEC. 15 LAT. = 33.0232818 N LONG. = 104.0162387 W NWSP EAST (FT) N = 736153.99 E = 635805.65</p> <p>NW CORNER SEC. 15 LAT. = 33.0087108 N (MACK) LONG. = 104.0229943 W NWSP EAST (FT) N = 731209.87 E = 636489.94</p> <p>SW CORNER SEC. 15 LAT. = 33.0087116 N LONG. = 104.0162901 W NWSP EAST (FT) N = 730857.37 E = 635895.53</p> <p>SW CORNER SEC. 22 LAT. = 32.9947346 N LONG. = 104.0235921 W NWSP EAST (FT) N = 723780.55 E = 636302.74</p> <p>SW CORNER SEC. 22 LAT. = 32.9939871 N LONG. = 104.0162431 W NWSP EAST (FT) N = 725495.33 E = 635558.12</p>		<p>NE CORNER SEC. 15 LAT. = 33.0232818 N LONG. = 104.0078016 W NWSP EAST (FT) N = 736136.21 E = 641173.28</p> <p>NE CORNER SEC. 15 LAT. = 33.0156895 N LONG. = 104.0077346 W NWSP EAST (FT) N = 733484.36 E = 641140.79</p> <p>SE CORNER SEC. 15 LAT. = 33.0087818 N LONG. = 104.0078257 W NWSP EAST (FT) N = 730885.92 E = 641120.83</p> <p>SE CORNER SEC. 22 LAT. = 33.0015079 N LONG. = 104.0077509 W NWSP EAST (FT) N = 728236.54 E = 641151.97</p> <p>SE CORNER SEC. 22 LAT. = 32.9947030 N LONG. = 104.0076051 W NWSP EAST (FT) N = 725481.86 E = 641180.37</p>		<p>* OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this information either covers a working interest or mineral interest in the land underlying the proposed well or the location of the well or both as well as the location of the well in a contract with an owner of such mineral or working interest or the voluntary pooling agreement or a compulsory pooling order hereof as entered in the division.</p> <p><i>Deana Weaver</i> 10.12.17 Signature Date Deana Weaver Printed Name dweaver@mec.com E-mail Address</p> <p>* 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.</p> <p>SINCE APRIL 8, 2017 Date of Survey <i>[Signature]</i> Signature and Seal of Professional Surveyor Certificate Number: FID. JARON F. JARAMILLO, PLS 17707 SURVEY NO. 53118</p>
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THUNDER BAY CTB

MACK ENERGY CORPORATION

IN THE SW/4 SW/4 OF
SECTION 22, TOWNSHIP 15 SOUTH, RANGE 29 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO

JANUARY 30, 2018



DESCRIPTION

A CERTAIN PIECE OR PARCEL OF LAND AND REAL ESTATE LYING IN THE SW/4 SW/4 OF SECTION 22, TOWNSHIP 15 SOUTH, RANGE 29 EAST N.M.P.M., CHAVES COUNTY, NEW MEXICO.

BEGINNING AT THE SOUTHWEST CORNER OF THE PARCEL, WHENCE THE SOUTHWEST CORNER OF SECTION 22, TOWNSHIP 15 SOUTH, RANGE 29 EAST, N.M.P.M. BEARS S37°07'49\"W, A DISTANCE OF 1128.03 FEET;
THENCE N00°01'24\"W A DISTANCE OF 149.97 FEET TO THE NORTHWEST CORNER OF THE PARCEL;
THENCE N89°58'41\"E A DISTANCE OF 300.14 FEET TO THE NORTHEAST CORNER OF THE PARCEL;
THENCE S00°00'29\"W A DISTANCE OF 149.98 FEET TO THE SOUTHEAST CORNER OF THE PARCEL;
THENCE S89°58'53\"W A DISTANCE OF 300.06 FEET TO THE SOUTHWEST CORNER OF THE PARCEL, TO THE POINT OF BEGINNING;
CONTAINING 1.033 ACRES MORE OR LESS.

GENERAL NOTES

- 1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A CENTRAL TANK BATTERY
- 2.) BASIS OF BEARING IS NEW MEXICO STATE PLANE EAST ZONE MODIFIED TO THE SURFACE (NAD83)

DRIVING DIRECTIONS: FROM THE INTERSECTION OF U.S. HIGHWAY 62 & CR 217 (HAGERMAN CUTOFF) GO NORTH ON CR 217 FOR APPROX. 10.5 MILES, TURN LEFT (WEST) ON 25 CALICHE LEASE ROAD (COUNTY LINE ROAD) CONTINUE WEST APPROX. 2.1 MILES, TURN RIGHT (NORTHWEST) AND CONTINUE APPROX. 1.5 MILES TO THE NORTHEAST PAD CORNER FOR THIS LOCATION.

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MEXICO, THIS 23 DAY OF FEBRUARY, 2018

[Signature]
FILMON F. JARAMILLO, PLS 12797
NEW MEXICO
(505) 234-3341

MADRON SURVEYING, INC.
301 SOUTH CANYON
CARLSBAD, NEW MEXICO 88220
Phone (505) 234-3341

SURVEY NO. 5991

SHEET: 1-3

MADRON SURVEYING, INC.

CARLSBAD, NEW MEXICO

**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 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.

Two wells being commingled (30-005-64308 and 30-005-64307) each well is 100% Federal leases. All wells are producing from the San Andres Formation in close proximity of each other. The wells will have Com Agreements created once drilled and the production will be reported to the Com agreements. Operator has proposed acceptable allocation method.

JAM 043018