

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 23 2009

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Serial No NMLC-046119A ✓
2 Name of Operator Mack Energy Corporation ✓		6 If Indian, Allottee or Tribe Name
3a Address P.O. Box 960 Artesia, NM 88210-0960	3b Phone No (include area code) (575) 748-1288	7 If Unit of CA/Agreement, Name and/or No
4 Location of Well (Footage, Sec., T.R.M. or Survey Description) 1495 FNL & 330 FWL, Sec. 20 T16S R29E		8 Well Name and No Bills Federal Com #1 ✓
		9 API Well No 30-015-36586 ✓
		10 Field and Pool or Exploratory Area County Line Tank; Abo ✓
		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 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 Spud/Casing
	<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 recomplete 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 recompletion 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 operation has determined that the site is ready for final inspection.)

8/3/2009 Spud 12 1/4" hole @ 10:00pm.

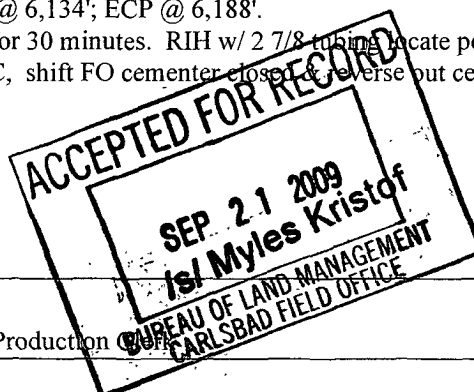
8/4/2009 TD 12 1/4" hole @ 388'. Ran 9 joints 8 5/8", 24#, J-55, ST&C @ 388'. Cemented w/ 400sx Class C, 2%, Circ 84sx, plug down @ 9:45am. WOC 18 hours tested BOP to 2000# for 30 minutes, held ok.

8/28/2009 Reduce hole 6 1/8" @ 7373'.

9/4/2009 TD 6 1/8" hole @ 11,368'.

9/6/2009 Ran split string. Ran 105 joints, 4 1/2" 11.6# P-110, BT&C from 7,439' to 11,318', set with open hole packers. Ran 194 joints, 5 1/2", 17#, P-110, BT&C @ 7,291'. Halliburton FO Cementer ported collar @ 6,134'; ECP @ 6,188'.

9/10/2009 Rig up pulling unit and test BOP/ 5 1/2"-4 1/2" casing to 1500# for 30 minutes. RIH w/ 2 7/8 tubing locate ported collar. Open ported collar. Cemented w/ 1335sx Class C, tailed cement w/ 200sx Class C, shift FO cementer closer & reverse put cement, circ 336sx.

7409
per Jerry Sherrell

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

Jerry W. Sherrell

Title Production Operator

Signature

Date 9/14/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

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)