Form 3160-5 (June 1990)

or representations as to any matter within its jurisdiction

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31,1993

BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NMLC029424 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE I Type of Well Oil Well 8. Well Name and No. 2. Name of Operator See Attached Mack Energy Corporation 9. API Well No. 3. Address and Telephone No. See Attached (505)748-1288 P.O. Box 960, Artesia, NM 88211-0960 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T. R., M. or Survey Description) Square Lake Grayburg San Andres 11. County or Parish, State See Attached Eddy, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Other Change of Operator & Change Dispose Water Name (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled. give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)* As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3 we are notifying you of a change of operator on the above referenced lease. Mack Energy Corporation, as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described. Mack Energy Corporation meets federal bonding requirements as follows (43 CFR 3104): Bond Coverage: Individually Bonded BLM Bond File No.: 58 59 88 The effective date of this change: March 1, 1996 *** Note: Change name from ETZ Federal to Walnut Federal. **Production Clerk** 4/10/96 Signed Title (This space for Federal or State office use)

Title 18 U.S.C. Section 1001, makes 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

Attachment to Form 3160-5 (Change of Operator) Walnut Federal Lease NMLC029424

Walnut Federal #1 Sec. 25-T16S-R30E 660 FSL 660 FEL Walnut Federal #2 Sec. 25-T16S-R30E 660 FSL 1980 FEL

Walnut Federal #3 Sec. 25-T16S-R30E 1980 FSL 1980 FEL Walnut Federal #4 Sec. 25-T16S-R30E 1980 FSL 660 FEL

Walnut Federal #6 Sec. 25-T16S-R30E 1315 FSL 1315 FEL