

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONSERVATION DIVISION
811 S. FIRST STREET
ARTESIA, NM 88210

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.

Lease Serial No
NMNM-4433

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 ☐ Other

8. Well Name and No
Calgary Federal #3

2. Name of Operator

Mack Energy Corporation

9. API Well No
30-005-64099

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

Round Tank; San Andres

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

990 FNL & 330 FEL Sec. 25 T15S R28E

11. Country or Parish, State

Chaves, 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Set frac equipment
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	run temporary line.
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

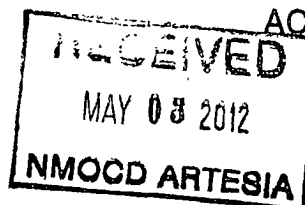
13. Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths 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 operator has determined that the site is ready for final inspection.)

Mack Energy proposes to set frac tanks on the Calgary Federal #4 location and run a temporary 8" aluminum line approximately 550' in length. The tanks will be filled with fresh water for our frac job on the Calgary Federal #3. Tanks will be set on the Calgary #4, which is 550' south of the Calgary #3. The line will be layed along the existing access road between these two wells. The line will have less than 35psi. This request is temporary and all equipment will be removed within 5-10 days. Both wells are within lease NMNM-4433.

See Attachment for
Conditions of Approval

Accepted for record
NMOCD

Adade 05/08/12



ACCEPTED FOR RECORD

APR 30 2012

NAME Jerry W. Sherrell
NATURAL RESOURCE
SPECIALIST
ROSWELL FIELD OFFICE

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 4/26/12

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)

BLM Lease Number: NMNM-4433

Company Name: Mack Energy Corporation

Associated Well No. & Name: Calgary Federal #3

FRACKING CONDITIONS OF APPROVAL

A copy of the Sundry Notice and attachments, including stipulations, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval.

Holder agrees to comply with the following conditions of approval to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
3. Required Standard Conditions of Approval:
 - Contact the Natural Resource Specialist, Jared Reese, at 575-627-0249 at least 24 hours prior to conducting and finalizing fracking operations.
 - Confine all construction and maintenance activity to the authorized area.
 - Temporary pipelines flowing from the tanks to the target well will be laid along existing roadways unless an exception has been granted by the authorized officer.
 - Once fracking is completed and the tanks are removed from the Calgary Federal #4 well location, the operator will have 30 days to either reclaim the Calgary Federal #4 well location or submit a new Application for Permit to Drill (APD) to drill the Calgary Federal #4.