

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.**

5. Lease Serial No.  
**NM-06767**

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.  
**Hackberry Federal, Well No. 1**

2. Name of Operator  
**Shackelford Oil Company**

9. API Well No.  
**3001521025**

3a. Address **203 W. Wall St. Ste. 200  
Midland, TX**

3b. Phone No. (include area code)  
**432-682-9784**

10. Field and Pool or Exploratory Area  
**Wildcat**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1980' FNL & 1980' FEL, Sec. 25-T19S-R30E**

11. Country or Parish, State  
**Eddy County, 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 <b>Ext. APD date</b>
	<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 operator has determined that the site is ready for final inspection.)

**Please extend the expiration date of this APD, which expires Oct. 27, 2012.**

APPROVED FOR 24 MONTH PERIOD  
ENDING Oct. 26 2014

**RECEIVED**  
OCT 29 2012  
NMOCD ARTESIA

Accepted for record  
NMOCD *TCG*  
*11/29/2012*

14. I hereby certify that the foregoing is true and correct. **575-623-4940**

Name (Printed/Typed) **George R. Smith** Title **POA agent**

Signature *George R. Smith* Date **Oct. 16, 2012**

**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 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

5. Lease Serial No. <b>NM-06767</b>	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No.	
8. Lease Name and Well No. <b>Hackberry Federal, Well No. 1</b>	
9. API Well No. <b>30-015-21025</b>	
10. Field and Pool, or Exploratory <b>Wildcat</b>	11. Sec., T. R. M. or Blk. and Survey or Area  <b>Sec. 25-T19S-R30E</b>
12. County or Parish <b>Eddy</b>	13. State <b>NM</b>
14. Distance in miles and direction from nearest town or post office* <b>25 miles NE of Carlsbad, NM.</b>	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>1980'</b> <b>N/A</b>	16. No. of acres in lease <b>600</b>
17. Spacing Unit dedicated to this well <b>40</b>	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
19. Proposed Depth <b>9,165'</b>	20. BLM/BIA Bond No. on file <b>3104</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>3306' GL</b>	22. Approximate date work will start* <b>08/09/2010</b>
23. Estimated duration <b>3 - 4 Weeks</b>	

**24. Attachments**

The following, completed in accordance with the requirements of Onshore Oil and Gas. Order No.1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature	Name (Printed/Typed) <b>George R. Smith</b>	Date <b>01/08/2010</b>
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Title  
**POA agent for Shackelford Oil Company**

Approved by (Signature) <b>/s/ Linda S.C. Rundell</b>	Name (Printed/Typed)	Date <b>OCT 27 2010</b>
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Title  
**STATE DIRECTOR**

Office  
**NSM STATE OFFICE**

Application approval 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.  
Conditions of approval, if any, are attached.

**APPROVAL FOR TWO YEARS**

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)

Capitan Controlled Water Basin

Approval Subject to General Requirements  
& Special Stipulations Attached

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**