

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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.

5. Lease Serial No.

NMNM-122617

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.

Tamano Federal #1

2. Name of Operator

Mack Energy Corporation

9. API Well No.

30-015-37321

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

Maljamar; Grayburg-San Andres

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

1250 FSL & 200 FWL Sec. 36 T17S R31E BHL 918 FSL & 644 FWL Sec. 35 T17S R31E

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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat.☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☒ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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.)

Name (s) of formation (s) producing water on the lease

Maljamar; Grayburg-San Andres

Amount of water produced from each formation in barrels per day

1141

How water is stored on lease

Fiberglass Tank

How water is moved to disposal facility

Pipelined to Disposal

Operator's name, well name and location, by 1/4 1/4, section township, and range, of the disposal facility. If the disposal facility is an approved disposal system, the operator's name and the name of the disposal system should suffice.

COG Operating LLC

Pronghorn SWD

NE/4 NW/4 Sec. 20 T17S R32E

Disposal Permit

SWD-536

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 29 2015

RECEIVED

Accepted for record

NMOC

7/31/15

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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 2/12/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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.

APPROVED

JUN 23 2015

Date

JAMES A. AMOS
SUPERVISOR EDS

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)

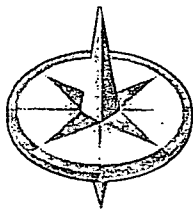
BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Disposal of Produced Water From Federal Wells
Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. 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.
5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14



Tamano Federal #1

Tamano Federal #1
SWSW Sec. 36 T17S R31E
Lease NMNM122617

Mack Energy Corporation
11344 Lovington Hwy
Artesia, NM 88210

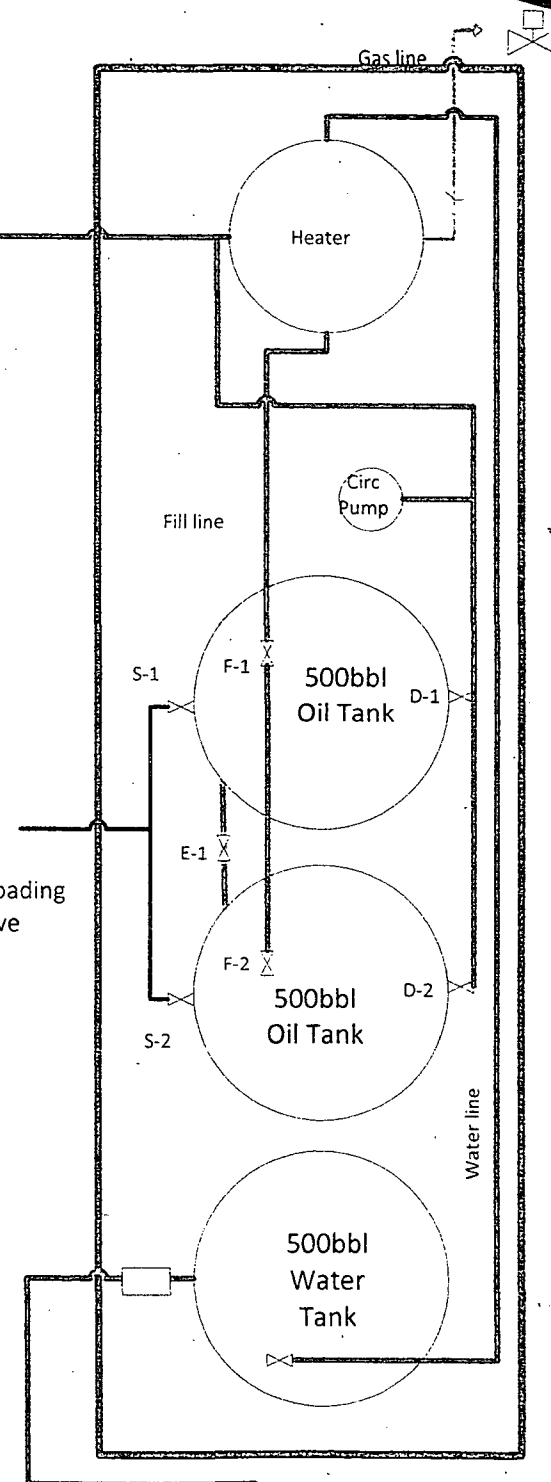
Accepted for Record Purposes.
Approval Subject to Onsite Inspection.

Date: 6/23/15

[Signature]

Truck Loading Valve

Water pumped to Pronghorn Disposal



Sales Phase		Production Phase	
Tank 1	Tank 2	Tank 1	Tank 2
F-1 Closed	F-1 open	F-1 Open	F-1 Closed
F-2 Open	F-2 Closed	F-2 Closed	F-2 Open
E-1 Closed	E-1 Closed	E-1 Open	E-1 Open
D-1 Closed	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Closed
S-1 Open	S-1 Closed	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Open	S-2 Closed	S-2 Closed