Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

NMNM120891

Do not use th	is form for proposals to drill c	r to re-enter an				
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.				6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No.		
1. Type of Well				8. Well Name and No. MONOPOLY FEDERAL 1		
				9. API Well No.		
MACK ENERGY CORPORATION E-Mail: jerrys@mec.com				30-005-63007-00-S1		
3a. Address P.O. BOX 960 ARTESIA, NM 88211-0960	hone No. (include area code 575-748-1288)	10. Field and Pool, or Exploratory UNDESIGNATED-SAN ANDRES			
4. Location of Well (Footage, Sec., T	· ·		11. County or Parish, and State			
Sec 6 T13S R29E NESE 2428FSL 1154FEL				CHAVES COUNTY, NM		
12. CHECK APPI	ROPRIAȚE BOX(ES) TO IND	ICATE NATURE OF I	NOTICE, RE	EPORT, OR OTHER I	DATA	
TYPE OF SUBMISSION TYPE OF ACTION						
Notice of Intent	☐ Acidize	☐ Deepen	☐ Producti	on (Start/Resume)	Water Shut-Off	
☐ Alter Casing		☐ Fracture Treat ☐ Recl		tion [Well Integrity	
☐ Subsequent Report	☐ Casing Repair	■ New Construction	☐ Recomplete		☐ Other	
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	▼ Temporarily Abandon □ Water Disposal		•	
,	☐ Convert to Injection	□ Plug Back				
Mack Energy Corporation is re period of two years.	equesting approval to extend the	Accepted for	M Biccel	M OIL CONSERV ARTESIA DISTRIC APR 27 201	, ,	
	·	NMOCE		4	. '	
		4/	127/16	RECEIVED		
	Electronic Submission #335819	ORPORATION, sent to a by DAVID GLASS on 0	the Roswell	DRG0247SE)		
Name(11) VV	SHERNELL	THE PRODE	DOTION CLL	NN.		
Signature (Electronic S	Submission)	Date 04/06/2	016			
	THIS SPACE FOR FE	DERAL OR STATE	OFFICE US	SE		
Approved By /S/ DAV	Title PET	ROLEUM EI	NGINEER	APR 2 2 2016		
Conditions of approval, if any, are attached. Approval of this notice does not warrant or zertify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. ROSWI				FIELD OFFICE		
Fitle 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s				ke to any department or age	ncy of the United	

CONDITIONS OF APPROVAL

SEE ATTACHED FOR APPROVED FOR ____MONTH PERIOD ENDING __ JUL 2 2 2016

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 575-627-0272

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporary abandoned well is defined as a completion that is not capable of production in paying quantities but may have value as a service well. Pursuant to 43 CFR 3162.3-4(c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful casing integrity test as follows:

- A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
- A. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
- B. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
- C. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
- D. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
- E. Contact the BLM Roswell Field Office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Chaves and Roosevelt County, during office hours or after office hours call (575) 627-0205. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status up to 12 months.

- 1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
- 2. Attaches a clear copy of the original pressure test chart.
- 3. Provided justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.
- 4. Describes the temporary abandonment procedure.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test and the test was witnesses by a BLM representative.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

Ref: IM: NM-95-022 (12/16/1994)