Form 3160-5 (June 2015)	FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018  5. Lease Serial No. NMNM0558263A  6. If Indian, Allottee or Tribe Name									
S	7. If Unit or CA/Agreement, Name and/or No. NMNM106843									
1. Type of Well ☐ Oil Well ☑ Gas	8. Well Name and No. SOUTHERN CROSS '22' FEDERAL 2									
2. Name of Operator MACK ENERGY C	9. API Well No. 30-015-31475-00-C1									
3a. Address P O BOX 960 ARTESIA, NM 882	3b. Phone No. (include area code) Ph: 575-748-1288 Fx: 575-746-9539			10. Field and Pool or Exploratory Area PENASCO DRAW						
4. Location of Well (Fo	11. County or Parish, State									
Sec 22 T18S R24E	EDDY COUNTY, NM									
12. CHEC	K THE AP	PROPRIATE BOX(ES)	TO INDI	CATE NATURE	OF NOTICE	, REPORT, OR OTI	ÆR DATA			
TYPE OF SUBMIS	SION	TYPE OF ACTION								
☐ Notice of Intent		☐ Acidize	☐ Deepen		☐ Produc	ction (Start/Resume)	☐ Water Shut-Off			
		☐ Alter Casing	☐ Hydraulic Fracturing		ng □ Reclar	nation	■ Well Integrity			
Subsequent Report		☐ Casing Repair	☐ New Construction		□ Recon	plete	☐ Other			
☐ Final Abandonment Notice		☐ Change Plans	☐ Plug and Abandon		_ Tempo	orarily Abandon				
		☐ Convert to Injection		☐ Plug Back		Disposal				
If the proposal is to dee Attach the Bond under following completion o testing has been comple	pen directiona which the work f the involved eted. Final Ab	ration: Clearly state all pertine fly or recomplete horizontally, k will be performed or provide operations. If the operation re andonment Notices must be fill had inspection.	give subsur the Bond N sults in a m led only after	face locations and me lo. on file with BLM/I ultiple completion or r r all requirements, inc	asured and true of BIA. Required secompletion in a cluding reclamati	vertical depths of all perticular perticular reports must be a new interval, a Form 316 on, have been completed	nent markers and zones. filed within 30 days 60-4 must be filed once and the operator has			

6/6-8/2018 SET CIBP @ 6225' CIRC 97BBLS SALT WATER MUD, TST CSG 500#. SET 25SX CMT PLUG @ 5110', TAG CMT @ 4570', 25SX CMT PLUG @ 3960'. Tag cmt @ 3646', shot holes @ 3450', spot 25sx cmt @ 3500', WOC 4hr, tag cmt @ 2256', squeezed 40sx cmt @ 1890'. Tag cmt @ 2150', shot 3 holes @ 1250', squeezed 40sx cmt @ 1250', WOC 4hrs, tag cmt @ 1075', shot 3 holes @ 100', pumped 40sx on surface plug, circ 5sx. Release rig and build dry hole marker.

Accepted for record - NMOCD

RECLAMATION PROCEDURE ATTACHED

RECLAMATION DUE /2-8-/8

14. I hereby certify that the foregoing is true and correct.  Electronic Submission #423789 verified by the BLM Well Information System  For MACK ENERGY CORPORATION, sent to the Carlsbad  Committed to AFMSS for processing by DEBORAH MCKINNEY on 06/14/2018 (18DLM0371SE)												
Name (Printed/Typ	ped) DEANA WEAVER	Title	PRODUCTION CLER	K								
Signature	(Electronic Submission)	Date OR	06/13/2018	FICE USE ACCEPTED FOR RECORD								
THIS SPACE TOKTEDERAL OK STATE OF THE OCT TEST ON THEOD							7110					
Approved By					HIM 10	BHO						
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.					1 Com	6						
Title 18 U.S.C. Section States any false, fictiti	1001 and Title 43 U.S.C. Section 1212, make it a crime for any peious or fraudulent statements or representations as to any matter w	rson kno ithin its j	wingly and willfully to make urisdiction.	o any	lepannegra agenc	A by the thurse	11					



## **United States Department of the Interior**

## **BUREAU OF LAND MANAGEMENT**

Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To: 1310

## **Reclamation Objectives and Procedures**

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its predisturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, redistribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

- The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of
  Operations must include adequate measures for stabilization and reclamation of disturbed lands.
  Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD
  process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
- 3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
- 4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation

equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

- 5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
- 7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Petroleum Engineering Tech 575-234-5909, 575-361-2648 (Cell)

Arthur Arias Environmental Protection Specialist 575-234-6230

Henryetta Price Environmental Protection Specialist 575-234-5951

Shelly Tucker Environmental Protection Specialist 575-234-5979

Trishia Bad Bear, Hobbs Field Station Natural Resource Specialist 575-393-3612