

N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue

OCT 20 2008

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0189
Expires March 31, 2007

OCD-ARTESIA

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2 Name of Operator **McKay Oil Corporation**3a Address
PO Box 2014, Roswell, NM 88202-20143b Phone No (include area code)
505.623.47354 Location of Well (Footage, Sec, T, R, M, or Survey Description)
2130'FSL & 330'FWL, Sec. 15, T6S, R22E5 Lease Serial No
NM 36193

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No

8 Well Name and No
Four Mile Draw D Federal #7

9 API Well No

10 Field and Pool, or Exploratory Area
W. Pecos ABO Slope11 County or Parish, State
Chaves, NM

12. CHECK 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 Amend APD
	<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 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Operator intends to amend the Application for Permit to Drill with the attached information, maps and production facility plat.

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**James L. Schultz**Title **Agent**

Signature

Date

09/10/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Jerry Dutchover**Assistant Field Manager,
Lands and Minerals**

Date

OCT 16 2008

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 **ROSWELL FIELD 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.

(Instructions on page 2)

McKay Oil Corp.
Four Mile Draw D Federal #7
2130'FSL & 330'FWL
Sec. 15, T6S, R22E
Chaves County, New Mexico

1. Directions to Location: From the intersection of U.S. Hwy. #285 and County Road #40 (Stargrass Road), go west on County Road #40 approximately 8.0 miles. Turn right at "Y" and go northwest approximately 0.2 miles to a proposed new access road. Follow the new access road survey approximately 600 feet west to this location.

2. New Access Road Description: The new access road begins at the point set forth above (Also See Attached Maps) and will be approximately 600 feet long and 20 feet wide, with no turnouts, cattle guards, culvers, bridges or low water crossings.

3. Anticipated Production Facilities:

a. Pipeline: A 3" polypipe will be laid on the surface from the well location south approximately 1,200' to the McKay Oil Corp. Four Mile Draw C Fed. #7.

b. If the well is completed as a commercial well, the following equipment will be installed on the well pad as shown on the attached plat:

Wellhead
500' barrel water tank
Separator
Meter
Flow lines

4. Utility Lines:

a. Telephone is located on the west side of the County Road #40. The contact information and BLM Right-of-Way Number are as follows:

Quest Corp.
700 W. Mineral Ave.
Littleton, CO 80120
Buried Cable Location Assistance (800) 833-0825
BLM Right-of-Way No. NM 050526



