Form 3160-5 (August 2007)

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

UNITED STATES 1301 W. Grand Avenue

FORM APPROVED OMB No 1004-0137 Expires: July 31, 2010

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT COSTA NO. 10 Case Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name-Do not use this form for proposals to drill or to re-enter an FFB 1 1 207.0 abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or NMOCD AF SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No. Oil Well Other Gas Well LOOKOUT FEDERAL # 8-6 9. API Well No. 2. Name of Operator 30-005-64042 McKay Oil Corp. 30-005-64062 10. Field and Pool or Exploratory Area 3a Address 3b. Phone No. (include area code) 1515 Calle Sur, Hobbs, New Mexico 88240 West Pecos Slope Abo 575-492-1236 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990 FNL & 2160 FEL, U-B, SEC 9, T6S,R22E 11. Country or Parish, State Chaves, New Mexico 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Deepen Production (Start/Resume) Acidize Notice of Intent Fracture Treat Well Integrity Alter Casing Reclamation Other New Construction Casing Repair Recomplete ✓ Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Convert to Injection 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.) Pit never used. Verbal approval from NMOCD 9/16/09 to collect samples from pit bottoms and close if concentrations are below NMOCD limits. Collected sample 9/25/09 for laboratory analyses of BTEX, TPH and Chlorides. All concentrations reported below NMOCD guide Pit has been backfilled with clean soil. 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) M.Y. Merchant Title Agent for McKay Oil Corporation Signature

Conditions of approval. If any unrelattague Approval of this notice does not warrant or certify ROSWELL FIELD OFFICE that the applicant holds legal or equitable title to those rights in the subject lease which would Office entitle the applicant to conduct operations thereon

OR RETURNS PACE FOR FEDERAL OR STATE OFFICE USE

Title 18 U S C Section 1001 and Vittle 43 USIC 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 fraulfulent statements of the United States any false, fictitious or fraulfulent statements of the United States any false, fictitious or fraulfulent statements of the United States any false, fictitious or fraulfulent statements of the United States any false, fictitious or fraulfulent statements of the United States any false, fictitious or fraulfulent statements of the United States any false, fictitious or fraulfulent statements of the United States any false, fictitious or fraulfulent statements of the United States any false, fictitious or fraulfulent statements of the United States and State

(Instructions on page 2)

Approved by