

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.
V-8506

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.
K2 State #1

2. Name of Operator

Mack Energy Corporation

9. API Well No.
30-005-64127

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

Many Gates; Wolfcamp

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

180 FNL & 330 FEL Sec. 36 T9S R29E

11. Country or Parish, State

Chaves, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input 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 checked="" type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other _____ |
| | <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 recomplate 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.)

Mack Energy has completed all surface reclamation work for the K2 State #1 location. Caliche has been removed and location has been seeded per BLM requirements. Please consider this final abandonment and approve.

NM OIL CONSERVATION
ARTESIA DISTRICT

NOV 05 2015

RECEIVED

Accepted for Record

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 4/8/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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)

2/17

67741/er

DEED NO. 4356
BOOK 0642 PAGE 1523

QUITCLAIM DEED

THE STATE OF NEW MEXICO, acting by and through its Commissioner of Public Lands, pursuant to Section 19-2-12 NMSA 1978, in consideration of the receipt of title to certain lands of equal or greater value conveyed to the STATE by the Secretary of the Interior, hereby quitclaims to the UNITED STATES OF AMERICA, and its assigns, the following described land:

New Mexico Principal Meridian
(Dona Ana County - Surface Estate)

| | |
|------------------------------------|--------|
| | Acres |
| T. 23 S., R. 3 E., Sec. 16, All | 640.00 |

(Chaves County - Surface Estate)

| | |
|---|--------|
| T. 9 S., R. 29 E., Sec. 25, All; | 640.00 |
| Sec. 27, SE $\frac{1}{4}$; | 160.00 |
| Sec. 34, N $\frac{1}{4}$ NE $\frac{1}{4}$; | 80.00 |
| Sec. 35, N $\frac{1}{2}$ N $\frac{1}{2}$; | 160.00 |
| Sec. 36, All | 640.00 |

| | |
|---|--------|
| T. 10 S., R. 29 E., Sec. 23, SW $\frac{1}{4}$; | 160.00 |
| Sec. 24, All; | 640.00 |
| Sec. 25, N $\frac{1}{2}$ N $\frac{1}{2}$, portions of S $\frac{1}{2}$ N $\frac{1}{2}$ lying north of U.S. Highway 380; | 215.02 |
| Sec. 26, N $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, portions of SW $\frac{1}{4}$ NE $\frac{1}{4}$ and S $\frac{1}{2}$ NW $\frac{1}{4}$ lying north of U.S. Highway 380, excepting a strip of land 40 feet wide and 880 yards long immediately north of the highway being part of the S $\frac{1}{2}$ NW $\frac{1}{4}$. | 153.63 |

| | |
|--|--------|
| T. 9 S., R. 30 E., Sec. 30, Lots 1 through 4 inclusive; | 163.52 |
| Sec. 31, Lots 1 through 4 inclusive, E $\frac{1}{2}$ W $\frac{1}{2}$. | 322.94 |

| | |
|--|--------|
| T. 10 S., R. 30 E., Sec. 7, SE $\frac{1}{4}$; | 160.00 |
| Sec. 16, All; | 640.00 |
| Sec. 17, S $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$, SE $\frac{1}{4}$; | 560.00 |
| Sec. 18, Lots 1 through 4 inclusive, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$; | 641.02 |
| Sec. 19, Lots 1 through 4 inclusive, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$; | 640.06 |
| Sec. 20, NW $\frac{1}{4}$; | 160.00 |

Recorded 05/12/2009 DAC