

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No.
NMNM059038

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM139214

8. Well Name and No.
THUNDER BAY FEDERAL COM 1H

9. API Well No.
30-005-64308-00-S1

10. Field and Pool or Exploratory Area
ROUND TANK-SAN ANDRES

11. County or Parish, State
CHAVES COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
MACK ENERGY CORPORATION
Contact: JERRY SHERRELL
E-Mail: jerrys@mackenergycorp.com

3a. Address
P.O. BOX 960
ARTESIA, NM 88211-0960

3b. Phone No. (include area code)
Ph: 505.748.1288
Fx: 505.746.9539

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T15S R29E NENW 10FNL 1650FWL
33.008659 N Lat, 104.019577 W Lon

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 checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Deepen |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Alter Casing |
| | <input type="checkbox"/> Hydraulic Fracturing |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Change Plans |
| | <input type="checkbox"/> Plug and Abandon |
| | <input type="checkbox"/> Convert to Injection |
| | <input type="checkbox"/> Plug Back |
| | <input type="checkbox"/> Production (Start/Resume) |
| | <input type="checkbox"/> Reclamation |
| | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Temporarily Abandon |
| | <input checked="" type="checkbox"/> Water Disposal |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Well Integrity |
| | <input type="checkbox"/> Other |

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.

- Name of formations producing water on the lease. Round Tank; San Andres.
- Amount of water produced from all formations in barrels per day. 840.
- Attach a current water analysis of produced water from all zones showing at least tds, ph, and concentrations of chlorides and sulfates.
- How water is stored on lease. Fiberglass tank.
- How water is moved to disposal facility. Pipeline.
- Identify the Disposal Facility by:
 - Facility operators name. Mack Energy Corporation.
 - Name of Facility or well name and number. Round Tank SWD #1
 - Type of facility or well (WDW) (WIW) etc. WDW.
 - Location. NESW Sec. 19 T15S R29E.
- Attach a copy of the state issued permit for the Disposal Facility.

GC 12/12/19
Accepted for record - NMOCD

RECEIVED

DEC 11 2019

DISTRICT 7 - ARTESIA O.C.D.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #494639 verified by the BLM Well Information System
For MACK ENERGY CORPORATION, sent to the Roswell
Committed to AFMSS for processing by JENNIFER SANCHEZ on 12/05/2019 (20JS0031SE)

Name (Printed/Typed) JERRY SHERRELL Title PRODUCTION CLERK

Signature (Electronic Submission) Date 12/05/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Office BUREAU OF LAND MANAGEMENT
ROSWELL FIELD OFFICE

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.

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #494639

Operator Submitted

BLM Revised (AFMSS)

Sundry Type: DISPOSE
SR

Lease: NMNM059038

Agreement:

Operator: MACK ENERGY CORPORATION
PO BOX 960
ARTESIA, NM 88211-0960
Ph: 575-748-1288

Admin Contact: JERRY SHERRELL
PRODUCTION CLERK
E-Mail: jerrys@mec.com
Ph: 575-748-1288

Tech Contact: JERRY SHERRELL
PRODUCTION CLERK
E-Mail: jerrys@mec.com
Ph: 575-748-1288

Location:
State: NM
County: CHAVES

Field/Pool: ROUND TANK SAN ANDRES

Well/Facility: THUNDER BAY FEDERAL COM 1H
Sec 22 T15S R29E Mer NMP NENW 10FNL 1650FWL
33.008659 N Lat, 104.019577 W Lon

DISPOSE
SR

NMNM059038

NMNM139214 (NMNM139214)

MACK ENERGY CORPORATION
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NM
CHAVES

ROUND TANK-SAN ANDRES

THUNDER BAY FEDERAL COM 1H
Sec 22 T15S R29E NENW 10FNL 1650FWL
33.008659 N Lat, 104.019577 W Lon

MAR 11 2009



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



March 9, 2009

Administrative Order SWD-1163

Jerry W. Sherrell
Mack Energy Corp
PO Box 960
Artesia, NM 88211-0960

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Rule 26.8B., Mack Energy Corp seeks an administrative order to utilize its Roundtank SWD Well No. 1 (API 30-005-64095) located 1980 feet from the South line and 1980 feet from the West line, Unit K of Section 19, Township 15 South, Range 29 East, NMPM, Chaves County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of Division Rule 26.8B. Satisfactory information has been provided that affected parties as defined in Rule 26.8B.(2) have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in Rule 26.8 will be met and the operator is in compliance with Division Rule 5.9.

IT IS THEREFORE ORDERED THAT:

The applicant Mack Energy Corp; is hereby authorized to utilize its Roundtank SWD Well No. 1 (API 30-005-64095) located 1980 feet from the South line and 1980 feet from the West line, Unit K of Section 19, Township 15 South, Range 29 East, NMPM, Chaves County, New Mexico, for disposal of produced water into the Devonian formation from approximately 10500 feet to 11200 feet through 2-7/8 inch or smaller diameter, plastic-lined tubing set within 100 feet of the disposal interval.

As preparation and prior to commencing disposal, the operator shall perform the following work on the subject well:

- 1) Unless hole-conditions prevent this, run openhole resistivity and porosity logs from total depth to surface and supply copies of these electric logs to the Division (send to Hobbs district for scanning).
- 2) Send a copy of a mudlog with plots of lithology, drilltimes, and any hydrocarbon

- shows through this Devonian interval - OR
- 3) If a mudlog is NOT available, perforate and swab test the new perforations for hydrocarbon potential and catch a water sample for analysis. The Division's district office shall be noticed prior to this test and given the opportunity to witness the swab test. The results of the swab test and water analysis shall be sent to the Division attached to a sundry notice.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the proposed disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The wellhead injection pressure on the well shall be limited to no more than 2100 psi. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district II office in Artesia of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district II office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 26.13 and 7.24.

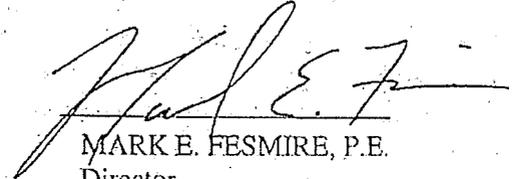
Without limitation on the duties of the operator as provided in Division Rules 30 and 29, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

In accordance with Division Rule No 26.12.C., the disposal authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request, mailed by the operator prior to the termination date, may grant an extension thereof for good

cause. One year after disposal into the well has ceased, the authority to dispose will terminate *ipso facto*.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.


MARK E. FESMIRE, P.E.
Director

MEF/wvjj

cc: Oil Conservation Division - Artesia
State Land Office - Oil, Gas, and Minerals Division