Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT NMOCD ARTESIA

FORM APPROVED Budget Bureau No 1004-0135 Expires March 31,1993

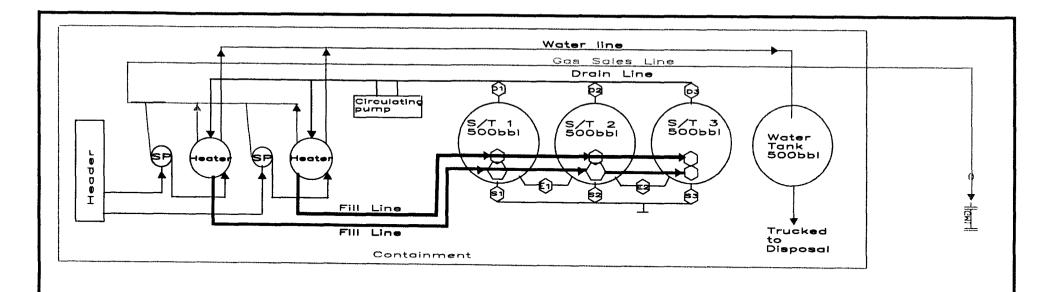
5 Lease Designation and Serial No

NMNM-109644

SUNDRY NOTICES AND REPORTS ON WELLS

6 If Indian Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7 If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE I Type of Well NMNM-123767/NMNM-123768 Well Well 8 Well Name and No 2 Name of Operator Redskins Federal Com #1 & #2 9 API Well No 30 -015- 36587 Mack Energy Corporation 3 Address and Telephone No 30-015-36511 P.O. Box 960 Artesia, NM 88211-0960 (575) 748-1288 10. Field and Pool, or Exploratory Area 4 Location of Well (Footage, Sec, T R, M or Survey Description) Ishee Lake; Abo 11 County or Parish, State 2285 FSL & 40 FEL, Sec. 17 T16S R29E Eddy, NM 12 CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Altering Casing Final Abandonment Notice Conversion to Injection **Onshore Order 7** (Note Report results of multiple completion on Well Completion or Recompletion Report and Log form) 13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)* Name (s) of formation (s) producing water on the lease Ishee Lake; Abo Amount of water produced from each formation in barrels per day 475 A water analysis of produced water from each zone showing at lease the total dissolved solids, ph, and concentration of 3 2010 JUL chlorides and sulfates. Will send when received /s/ JD Whitlock Jr How water is stored on lease Fiberglass Tank How water is moved t disposal facility BUREAU OF LAND MANAGEMENT **Trucked** CARLSBAD FIELD OFFICE Operator's name, well name and location, by 1/4 1/4, section COG Operating LLC township, and range, of the disposal facility. If the disposal Aid State 14 #1 facility is an approved disposal system, the operator's name and the name of the disposal system should suffice. SW/4 SE/4 Sec 14-T17S-R28E Accepted for record SWD-757 Disposal Permit SEE ATTACHED FOR CONDITIONS OF APPROVAL Production Clerk 6/16/10 Approved by Title onditions of approval, if any

Title 18 U.S.C. Section 1001, makes 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





Redskins Federal Battery			
S/T 1	S/T 2	S/T 3	
F1 Open D1 Open E1 Open S1 Closed F2 Closed D2 Closed S2 Closed	F3 Closed	F3 Open D3 Open E2 Open S3 Closed F2 Closed D2 Closed S2 Closed	

Sales	Phose

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5/T 1	S/T 2	S/T 3			
F1 Closed D1 Closed E1 Closed S1 Open F2 Open D2 Open S2 Closed	S2 Open F3 Open D3 Open	F3 Closed D3 Closed E2 Closed S3 Open F1 Open D1 Open S1 Closed			





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Redskins Federal #1 This Lease is subject to the site Security plan for southeast New Mexico operations.

The Plan is Located at :

Mack Energy Corporation P.O. Box 960 Artesia NM 88211-0960

Mack Energy Corporation Redskins Federal Tank Battery NE/4 SE/4 Section 17 T16S R29E

-- Redekins Federal Lease

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- This agency shall be notified of any spill or discharge as required by NTL-3A.
- 4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
- Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 9. Subject to like approval by NMOCD.
- 10. If approved facility is down you must obtain approval prior to taking water to any other facility.

3/25/2010