

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

OCB Hobbs
HOBS OCB
APR 08 2013
RECEIVED

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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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

| | | |
|--|---|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM-016796 |
| 2. Name of Operator Mack Energy Corporation | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P.O. Box 960 Artesia, NM 88210-0960 | 3b. Phone No. (include area code) (575) 748-1288 | 7. If Unit of CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T,R,M, or Survey Description) 1650 FNL & 330 FWL, Sec. 31 T17S R33E | | 8. Well Name and No. Federal MA #2 |
| | | 9. API Well No. 30-025-36388 |
| | | 10. Field and Pool or Exploratory Area Corbin Delaware |
| | | 11. Country or Parish, State Lea, NM |

12. CHECK THE 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 <u>Change Operator</u> |
| | <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 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.)

As required by 43 CFR 3100.0-5(a) and 43 CFR 3162.3 we are notifying you of a change of operator on the above referenced lease.

Mack Energy Corporation, as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described.

Mack Energy Corporation meets Federal bonding requirements as follows (43 CFR 3104):

Bond Coverage: S / W

BLM Bond File No.: NMB000286

The effective date of this change: 1/1/2013

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

| | | |
|--|----------------|---------------------------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Jerry W. Sherrell | | Title Production Clerk |
| Signature <i>Jerry W. Sherrell</i> | Date 1/9/13 | |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE **APPROVED**

| | |
|---|--------|
| Approved by | Title |
| 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 |

APPROVED
APR - 4 2013
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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 any such change, publication, United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

SUBJECT TO LIKE
APPROVAL BY STATE

APR 09 2013

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

Conditions of Approval

Mack Energy Corporation

**Federal M A #1
NMNM016796 3002501339**

4/4/2013

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. Submit for approval of water disposal method.
3. Submit updated facility diagrams as per Onshore Order #3
4. This agency shall be notified of any spill or discharge as required by NTL-3A.
5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
7. Subject to like approval by NMOCD.

JDB442013