

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5 Lease Designation and Serial No NMNM-119274
2 Name of Operator Mack Energy Corporation	6 If Indian, Allottee or Tribe Name
3 Address and Telephone No P.O. Box 960 Artesia, NM 88211-0960 (505)748-1288	7 If Unit or CA, Agreement Designation
4 Location of Well (Footage, Sec, T, R, M or Survey Description) 660 FSL & 1980 FEL, Sec. 29-T15S-R30E Unit 0	8 Well Name and No Peery Federal #2
	9 API Well No 30-005-00515
	10 Field and Pool, or Exploratory Area Little Lucky Lake; Morrow
	11 County or Parish, State Chaves, NM

12 CHECK APPROPRIATE BOX(s) 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"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Extension to complete
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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)*

Mack Energy Corporation is requesting approval to extend the deadline on the Peery Federal #2, for an additional six month period. The lease was effective 1/1/08, therefore 7/1/08 is the deadline. We have been working diligently to comply with this request, but do to many numerous issues that require time to resolve, we need additional time to complete. The Peery Federal #2 well will be plugged, at this time a intent to plugged is being prepared.

RECEIVED

JUN 17 2009

HOBBS OCD

APPROVED FOR 6 MONTH PERIOD
ENDING JAN 01 2009

14 I hereby certify that the foregoing is true and correct

Signed James W. Sherrill Title Production Clerk Date 6/10/08

(This space for Federal or State office use)

Approved by DAVID R. GLASS Title PETROLEUM ENGINEER Date JUN 12 2008
Conditions 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

•See Instruction on Reverse Side

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

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☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

Mack Energy Corporation

3 Address and Telephone No

P.O. Box 960 Artesia, NM 88211-0960

(505)748-1288

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

660 FSL & 1980 FEL, Sec. 29-T15S-R30E

Unit 0

5 Lease Designation and Serial No

NMNM-119274

6 If Indian, Allottee or Tribe Name

7 If Unit or CA, Agreement Designation

8 Well Name and No

Peery Federal #2

9 API Well No

30-005-00515

10 Field and Pool, or Exploratory Area

Little Lucky Lake; Morrow

11 County or Parish, State

Chaves, NM

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☒ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(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)*

Notify BLM 24 hours prior to starting plugging operations.

- 1) Set CIBP @ 9800' w/ 25sx cmt plug.
- 2) Perf 7" csg. at 7,775' and set 30sx plug from 7775-7675', 100' in csg & 100' out (Wolfcamp)
- 3) Perf 7" csg. at 6,425' and set 30sx plug from 6425-6325', 100' in csg & 100' out (Abo)
- 4) Perf 7" csg at 4,378' and set 30sx plug from 4,378-4,278', 100' in csg & 100' out (Glorieta)
- 5) Perf 7" csg at 3000' and set 30sx plug from 3,000-2,000', 100' in csg & 100' out (9 5/8" shoe)
- 6) Perf 7" csg at 515' and set 45sx plug from 515-360', 155' in csg & 155' out (13 3/8" shoe and Top of salt)
- 7) Perf 7" csg at 65' and circulate cmt to surface.
- 8) Install P & A Marker

Note: Circ. well with salt gel mud consisting of at least 9.5# Brine with 25 pounds of gel per barrel after the bottom plug is set.

APPROVED AS TO PLUGGING OF THIS
WELL BORE. LIABILITY UNDER BOND
IS RETAINED UNTIL SURFACE RESTORATION
IS COMPLETED.

APPROVED

JUN 18 2008

GARY GOURLEY
PETROLEUM ENGINEER

14 I hereby certify that the foregoing is true and correct

Signed Gary W. Shewell

Title Production Clerk

Date 6/17/08

(This space for Federal or State office use)

Approved by [Signature]
Conditions of approval, if any

**SUBJECT TO
LIKE APPROVAL
BY NMOC**

Title _____ Date _____
**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED**

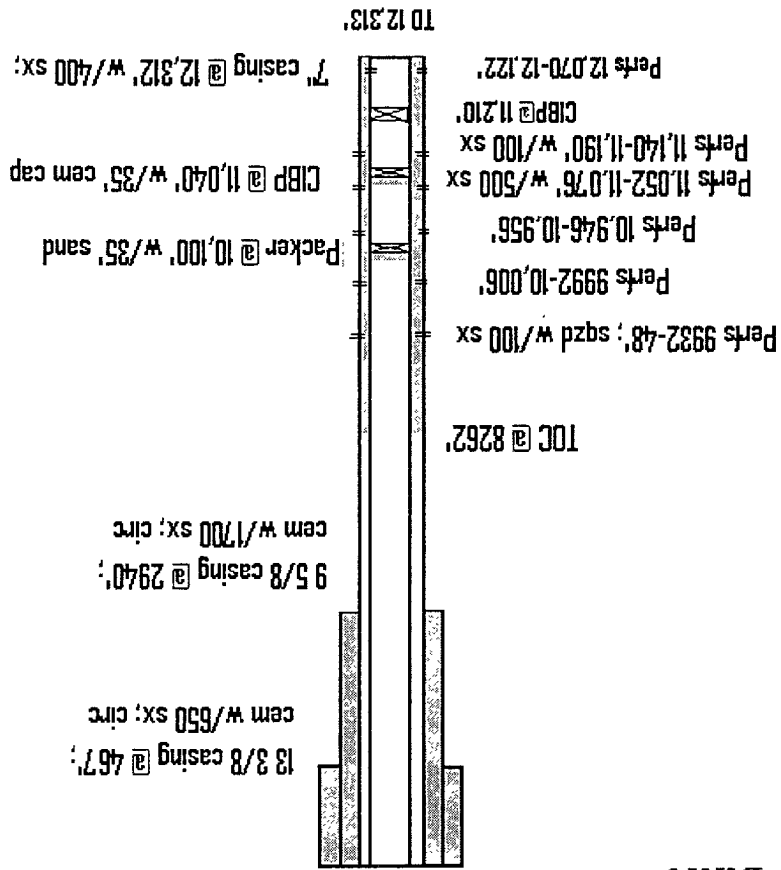
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

•See Instruction on Reverse Side

SEE COA ATTACHED.

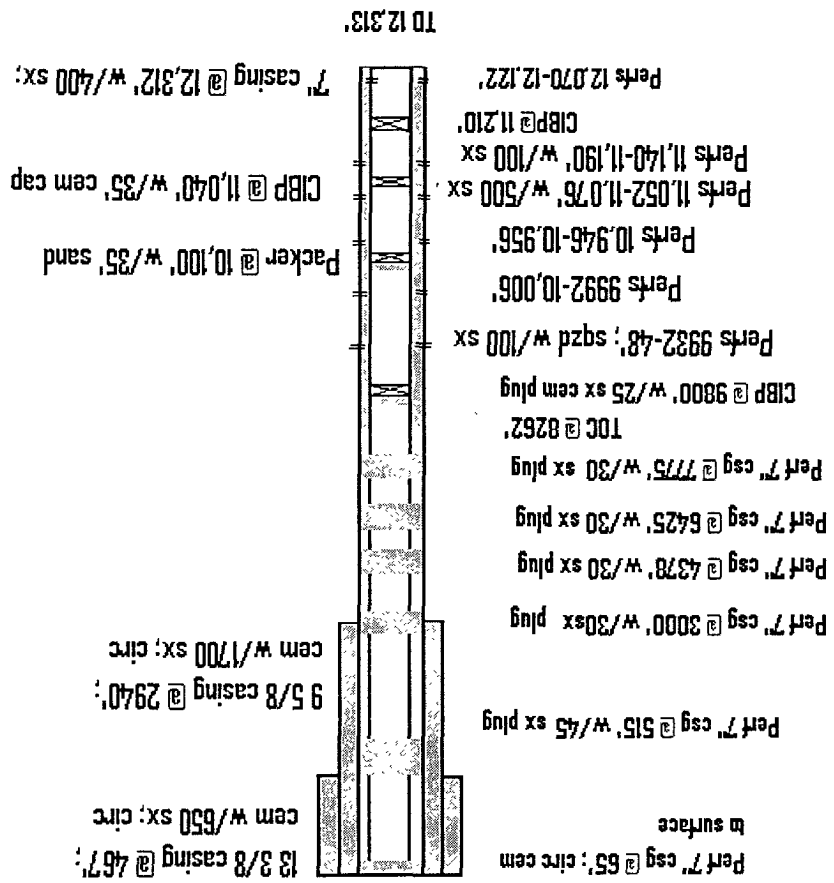
MACK ENERGY CORPORATION
 Peery Federal #2 29-T15S-R30E
 30-005-00515

Before



MACK ENERGY CORPORATION
 Peery Federal #2 29-1155-R30E
 30-005-00515

After



GENERAL GUIDELINES FOR PLUGGING PROCEDURES

1. All cement plugs from the surface casing shoe to 5000 ft. will be a minimum of 100 ft. in length or a minimum of 25 sx whichever is greater.
2. All plugs spotted from 5,000 to 10,000 ft. must be a minimum of 150 ft. in length or a minimum of 25 sx whichever is greater.
3. All plugs spotted from 10,000 to 15,000 ft. must be a minimum of 200 ft. in length or a minimum of 25 sx whichever is greater.
4. A cement plug is required to be set at least 50 ft. below and 50 ft. above all casing shoes and casing stub plugs and must be tagged. A CIBP with 35 ft. of cement on top may be set in lieu of the required cement plugs.
5. A cement plug shall be placed opposite all open perforations and extend a minimum of 50 ft. below to 50 ft. above the perforated interval. In lieu of the cement plug, a bridge plug is acceptable and set 50 ft. above the uppermost perforation with 35 ft. of cement on top.
6. The salt section shall be isolated by placing a cement plug at the base of the salt and at the top of the salt section. These plug shall be 100 ft. in length or 25 sx which ever is greater. If in the R-111P potash area the requirement is a solid cement plug be set across the salt section (50 ft. below to 50 ft. above the salt section). Fluid used to mix this cement plug shall be saturated with the salts common to the salt section penetrated and with suitable porporations but not more than three percent of calcium chloride by weight of cement being considered the desired mixture whenever possible. This plug to be tagged.
7. If cement does not exist behind casing at recommended geological formations to be isolated, the casing must be cut and pulled and cement plugs placed at recommended formations to be isolated or casing must be perforated and cement squeezed behind casing at recommended formations to be isolated.
8. Formations to be isolated with 100 ft. cement plug or CIBP with 35 ft. on top are as follows, top of Fusselman, top of Devonian, top of Morrow, top of Wolfcamp. In Delaware Basin: top of Bone Springs, top of Delaware, top and base of salt section. In platform shelf: top of Abo, top of Glorieta, top of Yates will be base of salt plug.
9. There will not be more than 2000 ft. more or less between cement plugs.
10. Mud laden fluids mixed at 25 sx of gel per 100 barrels of water shall be placed between all plugs.
11. Cement plugs shall consist of either Class C, for up to 7,500 feet of depth, mixed at 14.8 lbs/gal with 6.3 gallons of fresh water per sack or Class H, for deeper than 7,500 feet-plugs, mixed at 16.4 lbs/gal with 4.3 gallons of fresh water per sack.