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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

APR 14 2009

HOBBS

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
NMNM-119274

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator

Mack Energy Corporation

3a. Address

P.O. Box 960 Artesia, NM 88210-0960

3b Phone No (include area code)

(575) 748-1288

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

2285 FSL & 330 FEL, Sec. 29 T15S R30E

7 If Unit of CA/Agreement, Name and/or No

8 Well Name and No
Peery Federal #7

9 API Well No
30-005-29075

10 Field and Pool or Exploratory Area
Little Lucky Lake; Wolfcamp

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 checked="" 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 Spud/Casing
	<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 recompleat 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 recompleat 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.)

2/7/2009 Spud 14 3/4" hole @ 7:15pm.

2/8/2009 TD 14 3/4" hole @ 485'.

2/9/2009 Ran 11 joints 9 5/8", -36#, J-55, ST&C @ 485'. Cemented w/ 240sx Class C 2% CaCl, Tailed cement w/ 250sx Class C 2% CaCl, circ 25sx, plug down 12:25pm. WOC 18 hours tested BOP to 2000# for 10 minutes, held ok.

3/23/2009 TD @ 9,563'.

3/28/2009 Ran split string. Ran 13 joints 4 1/2", 11.6#, P-110, Buttress from 8,954' to 9500', set w/ open hole packers. Ran 223 joints 5 1/2", 17#, P-110, Buttress @ 8954'. Ported collar @ 7935'. Cemented w/ 870sx 50:50:10 Class C, Tailed cement w/ 755sx 61:15:11 Class C Poz, 100sx Class C, circ 105sx, plug down @ 12:00am. WOC 12 hours tested casing to 600# for 20 minutes, held ok.

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Jerry Sherrell

Title Production Clerk

Signature

Jerry W. Sherrell

Date 4/3/09

ACCEPTED FOR RECORD

SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

PETROLEUM ENGINEER

Date

APR 16 2009

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 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)