

RECEIVED
 Form 3160-3 (August 2007)
 OCT 02 2009
HOBBSD

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

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

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.

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

5 Lease Serial No
 NMNM-~~23409~~ **32409**

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)
 1779 FSL & 436 FEL, Sec. 28 T15S R30E

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

8 Well Name and No
 Sam SWD #3

9 API Well No
 30-005-29104

10 Field and Pool or Exploratory Area
 SWD; Devonian/Ellenburger

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 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 type="checkbox"/> Other
	<input checked="" 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.)

Change well name from Sam Federal #3 to Sam SWD #3.

Mack Energy proposes to change the Sam Federal #3 to a Devonian/Ellenburger SWD well. Below are the proposed changes to the casing string.

Surface casing: Drill 17 1/2 hole, set 13 3/8, H-40 48# ST&C set at 700', cmt w/450sx Class C. Safety factors C/B/T 2.163/3.315/3.460.

Intermediate casing: Drill 12 1/4 hole, set 8 5/8, J-55 32# ST&C set at ~~4100'~~ **3200'**, cmt w/ 800sx Class C. Safety factors C/B/T 1.141/15.270/13.100.

Production casing: Drill 7 7/8 hole, set 5 1/2, HCL-80, L-80 17# Buttress, LT&C set at 12,800 cmt w/ 2500sx Class C. Safety factors C/B/T 1.341/1.21/11.68.

This sundry is approved subject to the attached supplemental Conditions of Approval.

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

Title Production Clerk

Signature *Jerry W. Sherrell* Date 9/18/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]* Title *Geologist* Date **SEP 24 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.

Office *RFO* *KZ* **OCT 05 2009**

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)

*NMOCD CONDITIONS OF APPROVAL
 MAY NOT INJECT UNTIL 2ND APPLICATION
 IS APPROVED KZ*

**SEE ATTACHED FOR
 CONDITIONS OF APPROVAL**

**PECOS DISTRICT - RFO
CONDITIONS OF APPROVAL
Supplement**

OPERATORS NAME: Mack Energy Corporation
LEASE NO.: NMNM-32409
WELL NAME & NO: Sam Federal No. 3
SURFACE HOLE FOOTAGE: 1779' FSL & 436' FEL
LOCATION: Section 28, T. 15 S., R. 30 E., NMPM
COUNTY: Chaves County, New Mexico

B. CASING

1. The 13 3/8" inch usable water protection casing string(s) shall be set in competent bedrock at a depth range of 450' to 700'. The occurrence of Halite (salt) in this area is variable with thin bedded Halite interbedded with thicker anhydrites in the upper portion of the Salado formation. The wells in the area disclose that most halite occurs at depths below 700' however to the west salt occurrence is shallower at an approximate 500'.

With the conditions above, halite may be encountered at a shallower depth than 700', should this occur the surface casing will be set a minimum of 25 ft above the halite.

The 8 5/8" intermediate casing may be set at an approximate depth of 3200 a change from the proposed depth of 4100'