

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 22 2010

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

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| 5. Lease Serial No. NMLC029406B |
| 6. If Indian, Allottee or Tribe Name |
| 7. If Unit or CA/Agreement, Name and/or No. |
| 8. Well Name and No. GRACE MITCHELL B FEDERAL 8 |
| 9. API Well No. 30-025-39495 |
| 10. Field and Pool, or Exploratory MALJAMAR;GRAYBURG-SA |
| 11. County or Parish, and State LEA COUNTY, NM |

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | |
| 2. Name of Operator MACK ENERGY CORPORATION | |
| Contact: ROBERT CHASE E-Mail: JERRY@MEC.COM | |
| 3a. Address P.O. BOX 960 ARTESIA, NM 88210 | 3b. Phone No. (include area code) Ph: 575-748-1288 Fx: 575-746-9539 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 5 T17S R32E SWSE 907 FSL 1515FEL | |

12. CHECK 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 |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Production Start-up |
| | <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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

5/24/2010 Perforated 4,210.5-4,502' 70 holes.
5/25/2010 Acidize w/2,675 gals 15% NEFE.
5/27/2010 Frac w/8,406# Lite Prop, 172,539# White Sand 16/30, 20,064# Siber Prop 16/30, 30,660 gals
30# gel, 64,092 gals 40# gel.
5/28/2010 RIH w/145 jts 2 7/8" J-55 6.5# tubing, SN @ 4511', 2 1/2 x 2 x 24' pump.

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|--|------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #88175 verified by the BLM Well Information System For MACK ENERGY CORPORATION, sent to the Hobbs | |
| Name (Printed/Typed) DEANA WEAVER | Title PRODUCTION CLERK |
| Signature (Electronic Submission) | Date 06/18/2010 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-------------|--------------|
| Approved By _____ | Title _____ | Date _____ |
| 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 _____ |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

KZ PETROLEUM ENGINEER
JUL 29 2010