

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. LC-061842
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) 1980 FNL 1980 FEL Sec. 14-T17S-R32E	8. Well Name and No. Miller BX Federal #7
	9. API Well No. 30-025-00549
	10. Field and Pool, or Exploratory Area Maljamar Grayburg SA
	11. County or Parish, State Lea, 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"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input type="checkbox"/> Other _____ <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 <small>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form 1)</small>

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.)*

1. Squeeze open hole w/100sx cmt.
2. Pull out hole w/pkr and tbq.
3. Tag cmt plug @ 3850'.
4. Spot 100' over base salt.
5. Perf csg 50' below top salt (1183').
6. Squeeze perfs w/25sx plug.
7. Tag plug @ 963'.
8. Perf csg @ 60'.
9. Squeeze perfs w/cmt. ~~Attempt to~~ ^{Will} circ cmt on all csg.
10. Install dry hole marker and clean location.
11. We will need a workover pit on this location.

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APR 7 3 08 PM '95
CARTER
AREA

14. I hereby certify that the foregoing is true and correct

Signed <u>Crisa D Carter</u>	Title <u>Production Clerk</u>	Date <u>4-7-95</u>
(This space for Federal or State office use)		
Approved by <u>Orig. Signed by Adam Salameh</u>	Title <u>Petroleum Engineer</u>	Date <u>4/25/95</u>
Conditions of approval, if any: <u>- SEE STIPS -</u>		

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.

BUREAU OF LAND MANAGEMENT
CARLSBAD RESOURCE AREA

Permanent Abandonment of Wells on Federal Lands

Conditions of Approval

1. **Approval:** Plugging operations shall commence within 90 days from the approval date of plugging procedure.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Eddy County call (505)887-6544 ; for wells in Lea County call (505) 393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,896 feet; a 3M system for a well not deeper than 13,636 feet ; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final.

Unless otherwise specified in the approved procedure, the cement plug 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 "M" , for deeper than 7,500 feet plugs, mixed at 16.4 lbs./gal. with 4.3 gallons of fresh water per sack.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

Following the submittal and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.

MACR ENERGY CORPORATION

MILLER BX 7
SEC14 T17S R32E 1980FNL 1980FEL

WELL HISTORY

PBTD: 4322'
TD: 4322'
SP Csg: 7 5/8 24# @1013' C/W300sx 4% gel 100sx 2% gel (cmt circ)
LS Csg: 4 1/2 9.5# @3908' C/w175sx pox 100sx neat (TOC 2050 by survey)
T SALT: 1133
B SALT: 2216
PERFS: Open hole (4322-3908)

COMPLETION REPORT

6-26-62 c/o to 4322' Notched open hole at 4284,4191,4066,4047,
Frac open hole with 60000 gals crude 600sx sand POT: 45BOPD

WELL REPORT

12-5-73 Pulled rods and pump. Unable to pull 2 3/8" tbg. Ran freepoint
tbg stuck at 3985' in open hole, back off tbg at 3708' pull out
hole,
12-6-73 Went in hole with wash pipe c/o bridges at 3893-95, 3980-92,
4064-66, 4107-27, 1400# pressure below bridges, Well flowed 120
bbls fluid in 24 hrs 10% oil cut left flowing on 12/64 choke
12-8-73 Flowing
12-9-73 Flowing
12-10-73 Circ hole w/brine wtr washed over tbg, POOH rec 13 jts tbg & MA

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OFFICE

MAC ENERGY CORPORATION

MILLER BX 7

SEC14 T17S R32E 1980FNL 1980FEL

12-11-73 Ran in hole with 3 7/8 bit c/o to 4217 unable to make connection
left well flowing on 14/64 choke @850#
Well flowing 418 bbls wtr and 54 in 19 hrs on 14/64 choke

1-30-74 Laid down tbg ran in hole with bit c/o to 4322 TD

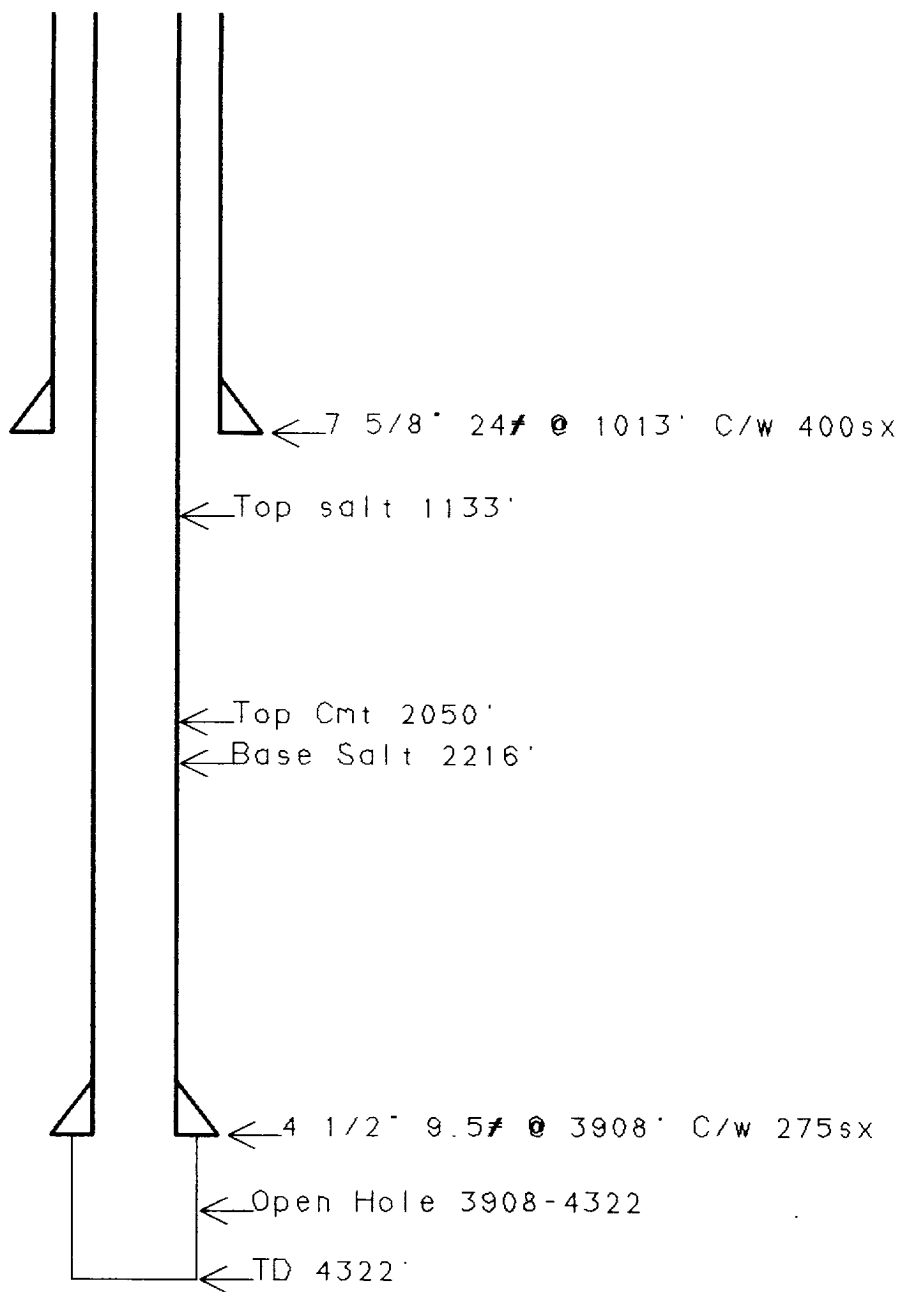
1-31-74 Ran in hole with Lynes open hole straddle pkrs w/50' spacing
Btm pkr at 4260' Top pkr at 4210' pkrs failed

2-4-74 Cleaned formation face with string shot 4200-15, Set open hole
bridge plug at 4210' shut off wtr flow, spotted 6' cmt on top
of bridge plug PBTD 4204. Ran in hole with tbg set at 4034'
Ran rods put on production

3-10-74 wtr flowing again Conoco tried to repair well but was unable to
left well alone sold to us

4-4-95 PROPOSE TO PLUG AND ABANDON AS FOLLOWS:

- 1 Squeeze open hole w/100sx cmt.
- 2 Pull out hole w/pkr and tbg.
- 3 Tag cmt plug @ 3850'
- 4 Spot 100' over base salt
- 5 Perf csg 50' below top salt (1183')
- 6 Squeeze perfs w/25sx plug.
- 7 Tag plug @ 963'
- 8 Perf csg @ 60'
- 9 Squeeze perfs w/cmt. Attemp to circ cmt on all csg.
- 10 Install dry hole marker and clean location.
- 11 We will need a workover pit on this location.



MACK ENERGY CORPORATION

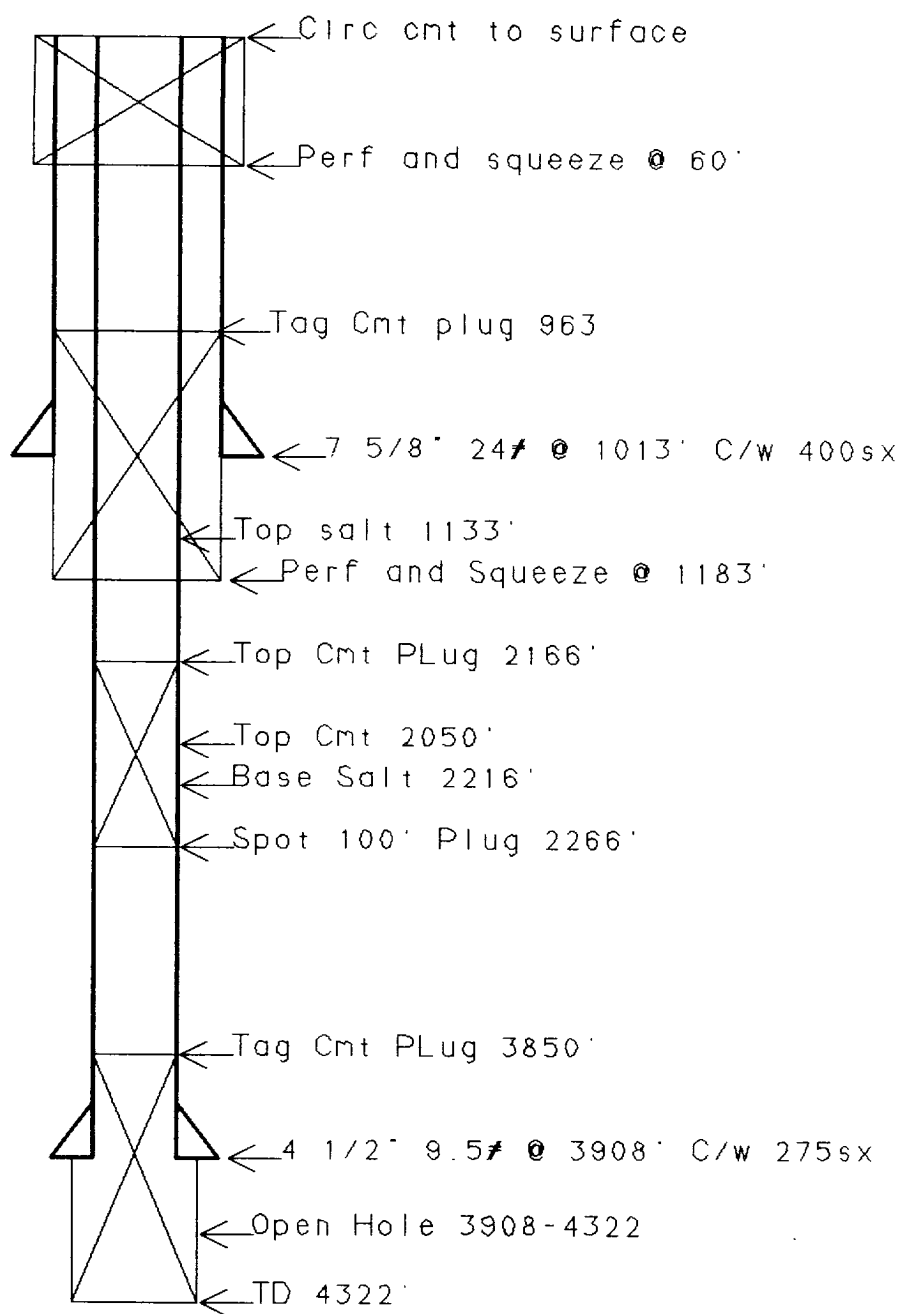
WELL DIAGRAM

MILLER BX FEDERAL #7

SEC 14 T17S R32E

1980FNL 1980FEL

WELL DIAGRAM BEFORE
PREPARE BY
ROBERT CHASE



MACK ENERGY CORPORATION

WELL DIAGRAM

MILLER BX FEDERAL #7

SEC 14 T17S R32E

1980FNL 1980FEL

WELL DIAGRAM AFTER
PREPARE BY
ROBERT CHASE

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U.S. DEPT. OF JUSTICE
OFFICE