<u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210 Phone: (505) 748-1283 Fax: (505) 748-9720

State of New Mexico

Form C-101 Permit 36910

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe. NM 87505

A TO							U5			
AP	PLICATION	1. C M /	perator Na ACK ENE PO Bo	TO DRILL, RE-I me and Address ERGY CORP ox 960 NM 88211	ENTER, DEE	PEN	, PLUGBA	2. OGRID I 1383 3. API NO	Number 7 Imber	
			,				30 -	015-	35128	
	4. Property Code	e		5. Prop	erty Name				5. Well No.	
	35967			NINC	STATE			001		
		<u></u>		7. Surfac	e Location		<u> </u>			
UL - L	ot Section	Township	Rang		From N/S L	ine	Feet From	E/W Line	County	
Н	29	188	23H	E H 1'	780 N		660	E	EDDY	
				& Pool I	1formation					
FOUR N	ILE DRAW;	WOLFCAN	AP(G)	0. T UUI:11	Hormation				97415	
		· · · · · · · · · · · · · · · · · · ·	(A A A 4:4: amal 330	all Informati	~				
0 11	ork Type	10. Well	Tune	Additional W			Lease Type	13 Gro	and Level Elevation	
	v Well	GA		11. Cable/Ru	rtai y	12	State	13. 010	4031	
				16.5						
14	. Multiple	15. Propos		16. Forma			17. Contractor		18. Spud Date	
	N.	T	.00	Wolfca	<u> </u>			9/1/2006		
D	epth to Ground w	ater			rest fresh water we	11	}	Distance to	nearest surface water	
Die Ti	460	12	mils thick		1000				> 1000	
	er: Synthetic 🔀	12								
Cío	sed Loop System		· · · · · · · · · · · · · · · · · · ·	Clay Pit Volume:				Diesel/Oil-base	ed 🔀 Gas/Air 🗌	
Cío	sed Loop System		•		Fr	esh Wa	ter 🗆 Brine 🗀 I	Diesel/Oil-base	ed 🛭 Gas/Air 🗌	
			19.	. Proposed Casing	Fr and Cement	esh Wa	ter 🗆 Brine 🗀 I gram			
Туре	Hole Size	Casing T	19.	. Proposed Casing Casing Weight/ft	Fr and Cement Setting Dep	esh Wa	ter Brine I gram Sacks of C		Estimated TOC	
	Hole Size		19. Type	. Proposed Casing	Fr and Cement	esh Wa	ter 🗆 Brine 🗀 I gram	ement		
Type Surf	Hole Size	Casing T	19. Type	Proposed Casing Casing Weight/ft 48	and Cement Setting Dept	esh Wa	gram Sacks of C 450	ement	Estimated TOC 0	
Type Surf Int1	Hole Size 17.5 12.25	Casing T 13.37: 9.625	19. Sype 5	Casing Weight/ft 48 36 17	And Cement Setting Dept 450 1400 8200	Prog	Sacks of C 450 1700 1700	ement	Estimated TOC 0 0	
Type Surf Int1 Prod Mack Eino probl	Hole Size 17.5 12.25 7.875 nergy proposes ems we will rec	Casing T 13.37 9.625 5.5 to drill a 17 duce hole to	19. Sype 5. Signature 5. Casin 7.1/2 hole 12.1/4 austring a flu	Casing Weight/ft 48 36 17 17 19/Cement Progra to +-450', if hole probind drill to 1400', run 9 and caliper will be run	Additional standard will figure of	Prosth I Conptionate the cemen	gram Sacks of C 450 1700 1700 mments al 13 3/8 casin t. Drill a 7 7/8 t with 25% ex	g string will	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing	
Type Surf Int1 Prod Mack En	Hole Size 17.5 12.25 7 875 nergy proposes ems we will recent. Note: On p	Casing T 13.37 9.625 5.5 to drill a 17 duce hole to	19. Type 5. Type 7. Casin 7.1/2 hole 7.1/4 austring a flu	Casing Weight/ft 48 36 17 ag/Cement Prograt to +-450', if hole prob and drill to 1400', run 9 aid caliper will be run Proposed Blowout	and Cement Setting Dept 450 1400 8200 m: Additional elems occur an of 5/8 casing and and will figure of the second	Programme of the control of the cont	sram Sacks of C 450 1700 1700 mments al 13 3/8 casin at. Drill a 7 7/8 t with 25% ex	g string will B hole to 813 cess, attemp	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing t to circulate.	
Type Surf Int1 Prod Mack En no probland cem	Hole Size 17.5 12.25 7.875 nergy proposes ems we will recent. Note: On p	Casing T 13.37 9.625 5.5 to drill a 17 duce hole to	19. Type 5. Type 7. Casin 7.1/2 hole 7.1/4 austring a flu	Casing Weight/ft 48 36 17 17 18 17 19 17 18 18 18 19 19 10 10 10 10 10 10 10 10	and Cement Setting Dept 450 1400 8200 m: Additional elems occur an of 5/8 casing and and will figure of the second	Programme I Constitution of the constitution o	Sacks of C 450 1700 1700 mments al 13 3/8 casin tt. Drill a 7 7/8 t with 25% ex am ssure	g string will B hole to 813 cess, attemp	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing	
Type Surf Int1 Prod Mack En no probland cem	Hole Size 17.5 12.25 7 875 nergy proposes ems we will recent. Note: On p	Casing T 13.37 9.625 5.5 to drill a 17 duce hole to	19. Type 5. Type 7. Casin 7.1/2 hole 7.1/4 austring a flu	Casing Weight/ft 48 36 17 ag/Cement Prograt to +-450', if hole prob and drill to 1400', run 9 aid caliper will be run Proposed Blowout	and Cement Setting Dept 450 1400 8200 m: Additional elems occur an of 5/8 casing and and will figure of the second	Programme of the control of the cont	Sacks of C 450 1700 1700 mments al 13 3/8 casin tt. Drill a 7 7/8 t with 25% ex am ssure	g string will B hole to 813 cess, attemp	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing t to circulate.	
Type Surf Int1 Prod Mack Eno probland cem I hereby cobest of my I further	Hole Size 17.5 12.25 7!875 nergy proposes ems we will recent. Note: On proposes ent. Note:	Casing T 13.37: 9.625 5.5 to drill a 17 duce hole to production s commation given	Type Casin 7 1/2 hole 12 1/4 artiring a flu Wo	Casing Weight/ft 48 36 17 17 18 19/Cement Program 10 to +-450', if hole probund drill to 1400', run 9 10 pid caliper will be run 10 Proposed Blowout 11 orking Pressure 2000 12 oruge and complete to the 13 oruge and complete to the 14 orking to the content of the	Additional standard will figure of the standard Prevention P	Programmer	Sacks of C 450 1700 1700 mments al 13 3/8 casin tt. Drill a 7 7/8 t with 25% ex am ssure	g string will B hole to 813 cess, attemp	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing t to circulate.	
Type Surf Int1 Prod Mack En no probl and cem I hereby c best of m I further	Hole Size 17.5 12.25 7!875 nergy proposes ems we will recent. Note: On proposes ent. Note:	Casing T 13.37: 9.625 5.5 to drill a 17 duce hole to production s commation given	Type Casin 7 1/2 hole 12 1/4 artiring a flu Wo	Casing Weight/ft 48 36 17 17 19/Cement Program to +-450', if hole probered drill to 1400', run 9 prid caliper will be run Proposed Blowout orking Pressure 2000 rue and complete to the	Additional standard will figure of the standard Prevention P	Programmer of the series of th	Sacks of C 450 1700 1700 mments 1 3 3/8 casin t. Drill a 7 7/8 t with 25% ex am ssure 0 NSERVA	g string will B hole to 813 cess, attemp	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing t to circulate. anufacturer VISION RRANT	
Type Surf Int1 Prod Mack En no probl and cem I hereby c best of m I further	Hole Size 17.5 12.25 7!875 nergy proposes ems we will recent. Note: On proposes emt. No	Casing T 13.37: 9.625 5.5 to drill a 17 duce hole to production s commation given	Type Casin 7 1/2 hole 12 1/4 artiring a flu Wo	Casing Weight/ft 48 36 17 17 18 19/Cement Program 10 to +-450', if hole probund drill to 1400', run 9 10 pid caliper will be run 10 Proposed Blowout 11 orking Pressure 2000 12 oruge and complete to the 13 oruge and complete to the 14 orking to the content of the	and Cement Setting Dept 450 1400 8200 m: Additional Setting and columns occur and setting and will figure of the columns occur and will figure occur an	Programmer	Sacks of C 450 1700 1700 1700 mments 11 3 3/8 casin tt. Drill a 7 7/8 t with 25% ex am SSURE NSERVA BRY DIS	g string will B hole to 813 cess, attemp M FION DI AN G. A	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing to circulate. Eanufacturer VISION RRANT GEOLOGIST	
Type Surf Int1 Prod Mack En no probl and cem I hereby c best of m I further NMOCD OCD-app Printed Title:	Hole Size 17.5 12.25 7.875 nergy proposes ems we will recent. Note: On p Type DoubleRam ertify that the inforknowledge and becertify that the diguidelines are proved plan. Name:	Casing T 13.37: 9.625 5.5 to drill a 17 duce hole to production s commation given	Type Casin 7 1/2 hole 12 1/4 artiring a flu Wo	Casing Weight/ft 48 36 17 17 18 19/Cement Program 10 to +-450', if hole probund drill to 1400', run 9 10 pid caliper will be run 10 Proposed Blowout 11 orking Pressure 2000 12 oruge and complete to the 13 oruge and complete to the 14 orking to the content of the	Approved By:	Programmer	Sacks of C 450 1700 1700 1700 mments 11 3 3/8 casin tt. Drill a 7 7/8 t with 25% ex am SSURE NSERVA BRY DIS	g string will B hole to 813 cess, attemp M FION DI AN G. A	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing to circulate. Eanufacturer VISION RRANT GEOLOGIST	
Type Surf Int1 Prod Mack En no probl and cem I hereby c best of m I further NMOCD OCD-app Printed Title:	Hole Size 17.5 12.25 7!875 nergy proposes ems we will recent. Note: On proposes emt. No	Casing T 13.37: 9.625 5.5 to drill a 17 duce hole to production s promation given	Type Casin 7 1/2 hole 12 1/4 artiring a flu Wo	Casing Weight/ft 48 36 17 17 18 19/Cement Program 10 to +-450', if hole probund drill to 1400', run 9 10 pid caliper will be run 10 Proposed Blowout 11 orking Pressure 2000 12 oruge and complete to the 13 oruge and complete to the 14 orking to the content of the	Approved By: And Cement Setting Dept 450 1400 8200 M: Additional lems occur an of 5/8 casing and deand will figure of the control of t	Programmer	Sacks of C 450 1700 1700 1700 mments 11 3 3/8 casin tt. Drill a 7 7/8 t with 25% ex am SSURE NSERVA BRY DIS	g string will hole to 813 cess, attemp M FION DI AN G. A FRICT II	Estimated TOC 0 0 0 0 be set at +-450'. If 19', run 5 1/2 casing t to circulate. Innufacturer VISION RRANT	

NOTIFY OCD OF SPUD & TIME TO WITNESS CEMENTING OF SURFACE & INTERMEDIATE CASING

District IV

Permit 36910

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Ave., Artesia, NM 88210 District III

1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico **Energy, Minerals and Natural Resources**

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. ÁPI Number	2. Pool Code 97415		3. Pool Name FOUR MILE DRAW; WOLFCAMP(G)		
4. Property Code 35967	5. Proper	ty Name STATE	6. Well No. 001		
7. OGRID No. 13837	•	or Name RGY CORP	9. Elevation 4031		

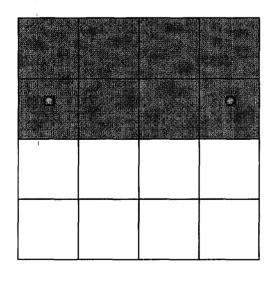
10 Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Н	29	18S	23E		1780	N	660	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot E	Section 29	Township 18S	Range 23E	Lot Id	in	Feet From 1780	N/S L N	ine	Feet From 660	E/W Line W	County EDDY
12. Dedicated Acres 320.00		13. J	oint or Infill		14.	Consolidation C	Code			15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By:

Title:

Date:

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Gary Eidson Date of Survey: 7/31/2006 Certificate Number: 12641

Permit Conditions of Approval

Operator: MACK ENERGY CORP, 13837 Well: NINO STATE #001

API:

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	Will require a directional survey with the C-104
BArrant	Operator to notify OCD time of spud and time to witness the cementing to surface of all casing cstrings.

Drill only Administrative approval required 50 from Santa Fe. Please see comments.

Permit Comments

Operator: MACK ENERGY CORP , 13837 Well: NINO STATE #001

API:

Created By	Comment	Comment Date
JWSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	8/29/2006
BArrant;	According to current records, there is another well producing from the same formation in the NW/4. Also, please submit a directional drill plan, distance to nearest public dwelling and Detailed C-102 that shows the producing area, project area, etc. Please refer to offest APD to the south for more information. BGA	8/30/2006

Arrant, Bryan, EMNRD

From: Arrant, Bryan, EMNRD

Sent: Thursday, August 31, 2006 2:29 PM

To: 'Jerry Sherrell'

Cc: Stogner, Michael, EMNRD

Subject: Infill gas wells within a 320 acres/ Nino State # 1

Hi Jerry,

Please note that an operator is required to apply for a simultaneous dedication if it is the intent of the operator to drill for example 2 horizontal gas wells within a 320 unit.

Or if in your case there is another well that your company operates producing from the same formation with the same dedicated acres.

This is regarding your application (The Nino State # 1 located in Section 29,18S-23E, 1780 FNL & 660' FEL, Eddy County New Mexico, API # 30-015-35128)

I misspoke when I noted that your company needed a NSP. Sorry!!!!

I'll change this in the well file.

Also, please note that the conditions of approval and comments made before this well is to be spudded.

I'll visit w/you later,

Bryan Arrant 505-748-1283 ext. 103