

Substitute 3 Copies To Appropriate District
Office
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 87400
District IV
1220 S St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
S OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)		WELL API NO. 30-005-62648
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐		5. Indicate Type of Lease STATE ☒ FEE ☐
2. Name of Operator Mack Energy Corporation		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 960 Artesia, NM 88211-0960		7. Lease Name or Unit Agreement Name Falcon State
4. Well Location Unit Letter <u>B</u> <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>16</u> Township <u>14S</u> Range <u>29E</u> NMPM County <u>Chaves</u>		8. Well Number <u>1</u>
I 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 3727' GR		9. OGRID Number 013837
Pit or Below-grade Tank Application ☐ or Closure ☐		10. Pool name or Wildcat Wildcat San Andres
Pit type <u>Depth Groundwater</u> Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☒	COMMENCE DRILLING OPNS ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: <u>Drill Horizontal</u> ☐		OTHER: _____ ☐	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mack Energy Corporation is changing the proposed formation and drilling this well horizontal in the San Andres formation, to a BHL of 660 FNL & 330 FEL, Sec. 16 T14S R29E. 5 1/2 production string will be run to a TD of 4350'.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 9/20/07

Type or print name Jerry W. Sherrell E-mail address: jerrys@mackenergycorp.com Telephone No. (505)748-1288
For State Use Only

APPROVED BY: BRYAN G. ARRAÑT DISTRICT II GEOLOGIST TITLE _____ DATE SEP 25 2007
Conditions of Approval (if any): _____

District I
1625 N French Dr , Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd , Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
EnerRy, Minerals & Natural Resources

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe. NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-005-62648		'Pool Code		'Pool Name Wildcat San Andres	
'Property Code 36691		'Property Name Falcon State			'Well Number 1
'OGRID No 013837		'Operator Name Mack Energy Corporation			'Elevation 3727' GR

HI Surface Location

UL or lot no B	Section 16	Township 14S	Range 29E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line East	County Chaves
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" Bottom Hole Location If Different From Surface

UL or lot no A	Section 16	Township 14S	Range 29E	Lot Idn	Feet from the 660	North/South line North	Feet from the 330	East/West line East	County Chaves
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" Dedicated Acres 80	" joint or Infill	" Consolidation Code	" Order No
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL XL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16			OPERATOR CERTIFICATION <i>I hereby certify that the information 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 or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>	
			Signature Printed Name Jerry W. Sherrell	
			Title Production Clerk	
			Date 9/20/07	
			"SURVEYOR CERTIFICATION <i>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</i>	
			Date of Survey Signature and Seal of Professional Surveyer	
			Certificate Number	



Mack Energy Corp.

Chaves County, NM (NAD 27 NME)

Falcon #1H

Falcon #1H

Wellbore #1

Plan: Plan #2

Standard Planning Report

20 September, 2007





Scientific Drilling
Planning Report



Database:	EDM 2003 16 Single User Db	Local Co-ordinate Reference:	Well Falcon #1H
Company:	Mack Energy Corp.	TVD Reference:	WELL @ 3743.0ft (Original Well Elev)
Project:	Chaves County, NM (NAD 27 NME)	MD Reference:	WELL @ 3743 0ft (Original Well Elev)
Site:	Falcon #1H	North Reference:	True
Well:	Falcon #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #2		

Project:	Chaves County, NM (NAD 27 NME)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site:	Falcon #1H		
Site Position:		Northing:	m
From:	None	Easting:	m
Position Uncertainty:	0.0 ft	Slot Radius:	in
		Grid Convergence:	0 00 °

Well:	Falcon #1H		
Well Position	+N/-S	0.0 ft	Northing:
	+E/-W	0.0 ft	Easting:
Position Uncertainty	0.0 ft	Wellhead Elevation:	3,743 0 ft
		Ground Level:	0.0 ft

Wellbore:	Wellbore #1		
Magnetics	Model Name	Sample Date	Declination
			(°)
	IGRF200510	9/20/2007	

Design:	Plan #2		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth:
			0 0
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(ft)	(ft)	(ft)
	0.0	0 0	0.0
			90.00

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0 0	0 00	0 00	0.0	0 0	0.0	0 00	0.00	0 00	0.00	
2,427.0	0.00	0.00	2,427 0	0 0	0 0	0 00	0.00	0 00	0.00	
3,169 1	89.05	90.00	2,904.4	0.0	469 5	12.00	12.00	12 13	90.00	
4,349 7	89 05	90.00	2,924.0	0.0	1,650.0	0.00	0 00	0.00	0.00	PBHL-Falcon #1



Scientific Drilling
Planning Report



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Company:	Mack Energy Corp.	TVD Reference:	WELL @ 3743.0ft (Original Well Elev)
Project:	Chaves County, NM (NAD 27 NME)	MD Reference:	WELL @ 3743 0ft (Original Well Elev)
Site:	Falcon #1H	North Reference:	True
Well:	Falcon #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #2		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0 0	0 00	0 00	0 0	0 0	0 0	0 0	0 00	0 00	0 00
East HL-Falcon #1									
100 0	0 00	0 00	100 0	0 0	0 0	0 0	0 00	0 00	0 00
200 0	0 00	0 00	200 0	0 0	0 0	0 0	0 00	0 00	0 00
300 0	0 00	0 00	300 0	0 0	0 0	0 0	0 00	0 00	0 00
400 0	0 00	0 00	400 0	0 0	0 0	0 0	0 00	0 00	0 00
500 0	0 00	0 00	500 0	0 0	0 0	0 0	0 00	0 00	0 00
600 0	0 00	0 00	600 0	0 0	0 0	0 0	0 00	0 00	0 00
700 0	0 00	0 00	700 0	0 0	0 0	0 0	0 00	0 00	0 00
800 0	0 00	0 00	800 0	0 0	0 0	0 0	0 00	0 00	0 00
900 0	0 00	0 00	900 0	0 0	0 0	0 0	0 00	0 00	0 00
1,000 0	0 00	0 00	1,000 0	0 0	0 0	0 0	0 00	0 00	0 00
1,100 0	0 00	0 00	1,100 0	0 0	0 0	0 0	0 00	0 00	0 00
1,200 0	0 00	0 00	1,200 0	0 0	0 0	0 0	0 00	0 00	0 00
1,300 0	0 00	0 00	1,300 0	0 0	0 0	0 0	0 00	0 00	0 00
1,400 0	0 00	0 00	1,400 0	0 0	0 0	0 0	0 00	0 00	0 00
1,500 0	0 00	0 00	1,500 0	0 0	0 0	0 0	0 00	0 00	0 00
1,600 0	0 00	0 00	1,600 0	0 0	0 0	0 0	0 00	0 00	0 00
1,700 0	0 00	0 00	1,700 0	0 0	0 0	0 0	0 00	0 00	0 00
1,800 0	0 00	0 00	1,800 0	0 0	0 0	0 0	0 00	0 00	0 00
1,900 0	0 00	0 00	1,900 0	0 0	0 0	0 0	0 00	0 00	0 00
2,000 0	0 00	0 00	2,000 0	0 0	0 0	0 0	0 00	0 00	0 00
2,100 0	0 00	0 00	2,100 0	0 0	0 0	0 0	0 00	0 00	0 00
2,200 0	0 00	0 00	2,200 0	0 0	0 0	0 0	0 00	0 00	0 00
2,300 0	0 00	0 00	2,300 0	0 0	0 0	0 0	0 00	0 00	0 00
2,400 0	0 00	0 00	2,400 0	0 0	0 0	0 0	0 00	0 00	0 00
2,427 0	0 00	0 00	2,427 0	0 0	0 0	0 0	0 00	0 00	0 00
KOP 2427' Start 12.0°/100'									
2,500 0	8 76	90 00	2,499 7	0 0	5 6	5 6	12 00	12 00	0 00
2,600 0	20 76	90 00	2,596 2	0 0	31 0	31 0	12 00	12 00	0 00
2,700 0	32 76	90 00	2,685 4	0 0	75 9	75 9	12 00	12 00	0 00
2,800 0	44 76	90 00	2,763 2	0 0	138 4	138 4	12 00	12 00	0 00
2,900 0	56 76	90 00	2,826 3	0 0	215 7	215 7	12 00	12 00	0 00
3,000 0	68 76	90 00	2,872 0	0 0	304 5	304 5	12 00	12 00	0 00
3,100 0	80 76	90 00	2,898 3	0 0	400 8	400 8	12 00	12 00	0 00
3,169 1	89 05	90 00	2,904 4	0 0	469 6	469 6	12 00	12 00	0 00
EOC hold 89.05°									
3,200 0	89 05	90 00	2,904 9	0 0	500 5	500 5	0 00	0 00	0 00
3,300 0	89 05	90 00	2,906 6	0 0	600 4	600 4	0 00	0 00	0 00
3,400 0	89 05	90 00	2,908 2	0 0	700 4	700 4	0 00	0 00	0 00
3,500 0	89 05	90 00	2,909 9	0 0	800 4	800 4	0 00	0 00	0 00
3,600 0	89 05	90 00	2,911 6	0 0	900 4	900 4	0 00	0 00	0 00
3,700 0	89 05	90 00	2,913 2	0 0	1,000 4	1,000 4	0 00	0 00	0 00
3,800 0	89 05	90 00	2,914 9	0 0	1,100 4	1,100 4	0 00	0 00	0 00
3,900 0	89 05	90 00	2,916 5	0 0	1,200 4	1,200 4	0 00	0 00	0 00
4,000 0	89 05	90 00	2,918 2	0 0	1,300 4	1,300 4	0 00	0 00	0 00
4,100 0	89 05	90 00	2,919 9	0 0	1,400 3	1,400 3	0 00	0 00	0 00
4,200 0	89 05	90 00	2,921 5	0 0	1,500 3	1,500 3	0 00	0 00	0 00
4,300 0	89 05	90 00	2,923 2	0 0	1,600 3	1,600 3	0 00	0 00	0 00
4,349 7	89 05	90 00	2,924 0	0 0	1,650 0	1,650 0	0 00	0 00	0 00
PBHL-Falcon #1									



Scientific Drilling
Planning Report



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well Falcon #1H
Company:	Mack Energy Corp.	TVD Reference:	WELL @ 3743.0ft (Original Well Elev)
Project:	Chaves County, NM (NAD 27 NME)	MD Reference:	WELL @ 3743.0ft (Original Well Elev)
Site:	Falcon #1H	North Reference:	True
Well:	Falcon #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #2		

Targets										
Target Name	hit/miss target	Dip Angle	Dip Dir	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
Shape		(°)	(°)	(ft)	(ft)	(ft)	(m)	(m)		
East HL-Falcon #1		0 00	0 00	0 0	0.0	1,650.0	-7 21	502 87	30° 59' 24.511 N	105° 55' 25 186 W
- plan misses by 1650 0ft at 0 0ft MD (0 0 TVD, 0 0 N, 0 0 E)										
- Rectangle (sides W0.0 H1,000 0 D0 0)										
PBHL-Falcon #1		0 00	0 00	2,924.0	0.0	1,650 0	-7 21	502 87	30° 59' 24 511 N	105° 55' 25.186 W
- plan hits target										
- Circle (radius 10 0)										

Plan Annotations					
Measured Depth	Vertical Depth	Local Coordinates			
(ft)	(ft)	+N/-S	+E/-W	Comment	
(ft)	(ft)	(ft)	(ft)		
2,427 0	2,427.0	0 0	0 0	KOP 2427' Start 12 0°/100'	
3,169.1	2,904.4	0 0	469 6	EOC hold 89 05°	



Scientific Drilling for Mack Energy Corp.
Site: Chaves County, NM (NAD 27 NME)
Well: Falcon #1H
Wellbore: Wellbore #1
Design: Plan #2



SECTION DETAILS

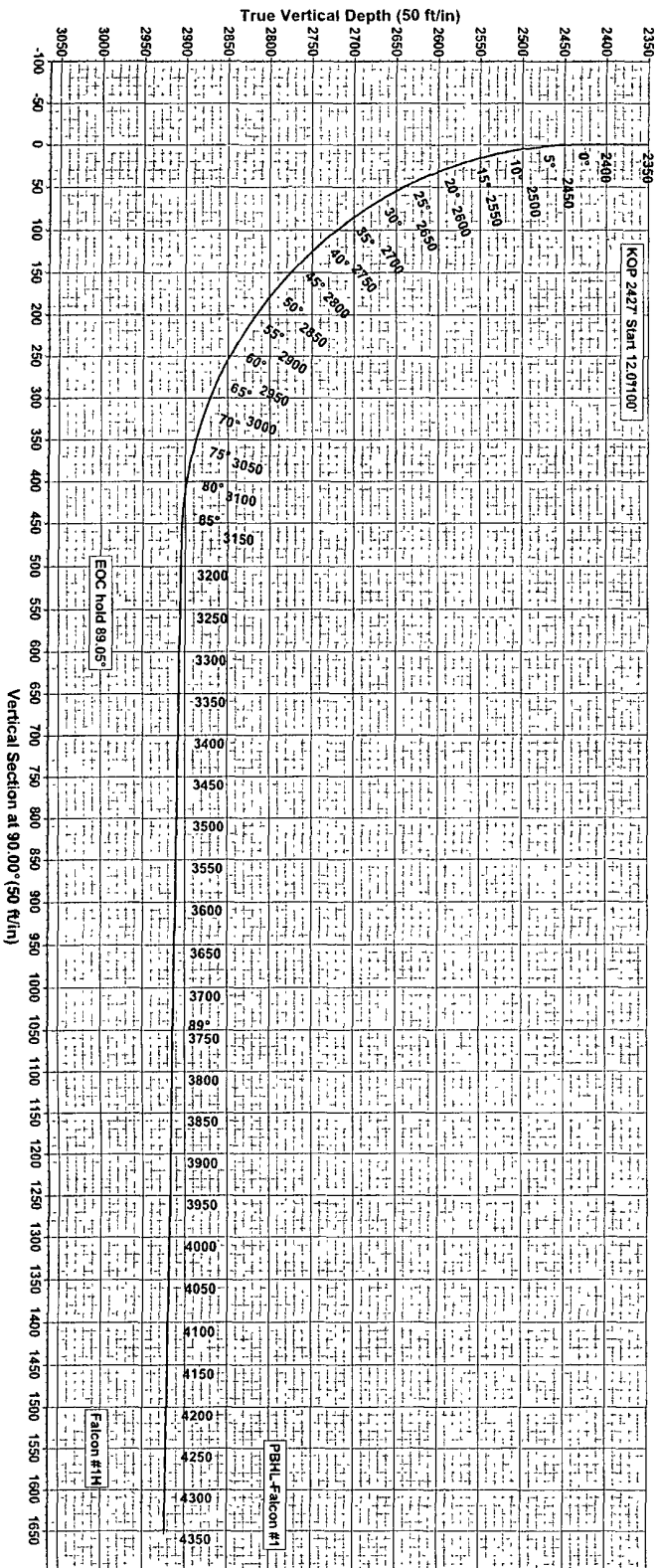
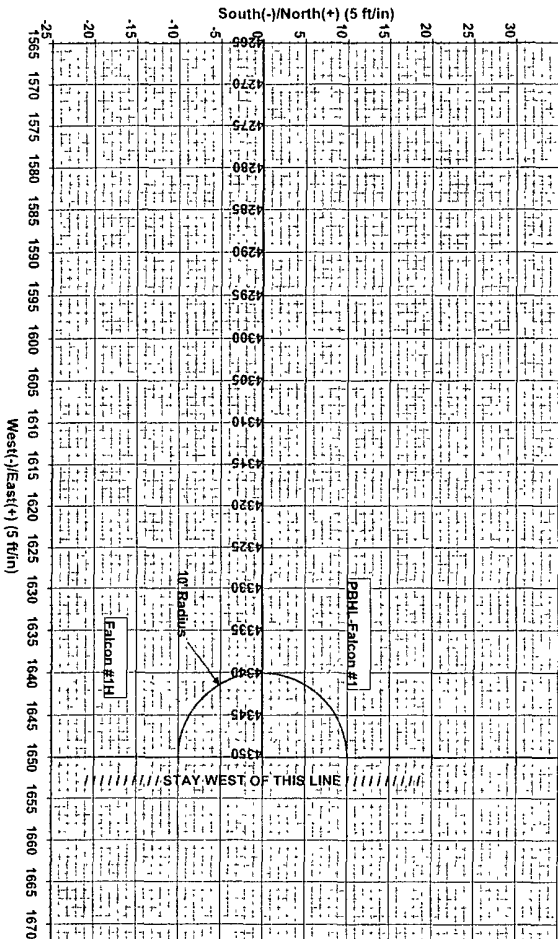
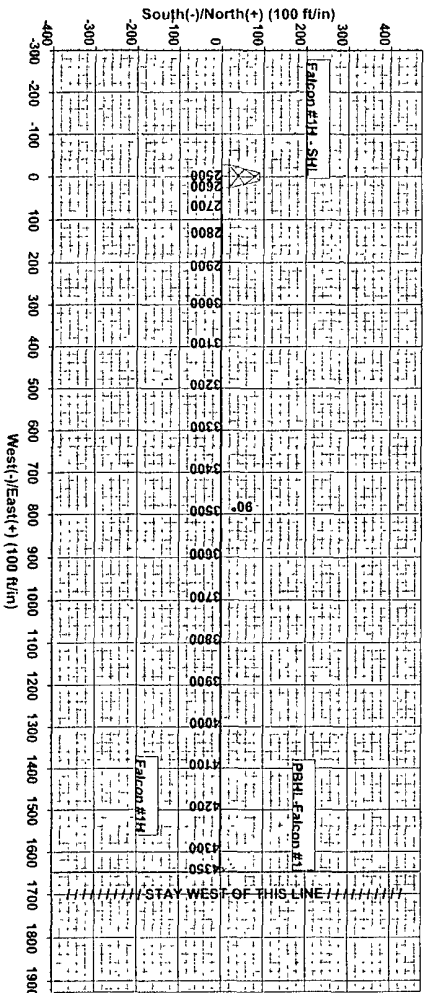
Sec	MD	Inc	ADI	TVD	+N/S	+E/W	Dleg	Tface	Vsec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	2427.0	0.00	0.00	2427.0	0.0	0.0	0.00	0.00	0.0	
3	3169.1	83.05	90.00	2904.4	0.0	463.5	12.00	90.00	463.5	
4	4349.7	83.05	90.00	2924.0	0.0	1650.0	0.00	1650.0	PBHL-Falcon #1	

WELL DETAILS: Falcon #1H

+N/S	+E/W	North	East	Latitude	Longitude	Slot
0.0	0.0	0.00	0.00			

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N/S	+E/W	North	East	Latitude	Longitude	Shape
East HL-Falcon #1	0.0	0.0	1650.0	-7.21	502.87			Rectangle (Sides: 1.0, 0.01000, 0)
PBHL-Falcon #1	2924.0	0.0	1650.0	-7.21	502.87			Circle (Radius: 10.0)



PROJECT DETAILS: Chaves County, NM (NAD 27 NME)

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico East 3001
System Datum: Mean Sea Level

Plan: Plan #2 (Falcon #1H/Wellbore #1)

Created By: Julio Pina Date: 20-Sep-07
Checked: Date: _____
Reviewed: Date: _____
Approved: Date: _____