

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MACK ENERGY CORP PO Box 960 Artesia, NM 88211		2. OGRID Number 13837
		3. API Number 30-025-40110
4. Property Code 38578	5. Property Name CAMEL STATE	6. Well No. 001

7. Surface Location

UL - Lot P	Section 10	Township 19S	Range 36E	Lot Idn P	Feet From 330	N/S Line S	Feet From 330	E/W Line E	County LEA
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8. Pool Information

WILDCAT;BONE SPRING	96403
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable Rotary	12. Lease Type State	13. Ground Level Elevation 3757
14. Multiple N	15. Proposed Depth 9000	16. Formation Bone Spring	17. Contractor	18. Spud Date 5/7/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Linear: Synthetic <input type="checkbox"/> mils thick    Clay <input type="checkbox"/> Pit Volume:      bbls    Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1600	900	0
Prod	7.875	5.5	17	9000	1525	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4 hole to 1600', run 8 5/8 casing and cement. Drill a 7 7/8 hole to 9000' test Bone Springs formation, run 5 1/2 casing and cement.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Paul Kautz	
	Title: Geologist	
	Printed Name: Electronically filed by Jerry Sherrell	Approved Date: 4/14/2011    Expiration Date: 4/14/2013
	Title: Production Clerk	
	Email Address: jerrys@mackenergycorp.com	
	Date: 4/8/2011      Phone: 505-748-1288	Conditions of Approval Attached

District I  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

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

District III  
 1000 Rio Brazos Rd., Artec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-102  
 Permit 129881

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-40110	2. Pool Code 96403	3. Pool Name WILDCAT;BONE SPRING
4. Property Code 38578	5. Property Name CAMEL STATE	
6. Well No. 001	7. OGRID No. 13837	
8. Operator Name MACK ENERGY CORP	9. Elevation 3757	

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	10	19S	36E		330	S	330	E	LEA

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation 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**

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<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><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></p> <p>Surveyed By: Ronald Eidson          Date of Survey: 4/6/2011          Certificate Number: 3239</p>																	

# Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: CAMEL STATE #001

API: 30-025-40110

Created By	Comment	Comment Date
DWEAVER	H2S Comment H2S in this area from surface to TD are low enough that a contingency plan is not required.	4/7/2011
Artesia	Rejected for operator to correct county fro Eddy to Lea	4/8/2011

# Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837

Well: CAMEL STATE #001

API: 30-025-40110

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite