District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

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

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-101 August 1, 2011

Permit 150931

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

MAC	ator Name and Address K ENERGY CORP	2. OGRID Number 13837	
PO Box 960 Artesia, NM 88211		3. API Number 30-025-40664	
4. Property Code	5. Property Name	6. Well No.	
39307	MESCALERO STATE COM	001	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	11	12S	34E	0	220	S	2104	E	LEA

### 8. Pool Information

FOUR LAKES: UPPER PENN	25460

### **Additional Well Information**

9. Work Type New Well	10. Wet		11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 4147	
14. Multiple 15. Proposed Depth N 14733		0.000	16. Formation 17. Contra Pennsylvanian		18. Spud Date 7/30/2012	
Depth to Ground	water		Distance from nearest fresh water	well	Distance to nearest surface water	

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	500	0
Int1	12.25	9.625	40	4250	1150	0
Int2	8.75	7	26	10150	1350	0
Prod	6.125	4.5	11.6	14733	475	9500

### Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 17 1/2 hole to 400', run 13 3/8 casing and cement. Drill a 12 1/4 hole to 4250', run 9 5/8 casing and cement. Drill a 8 3/4 hole to 10150', run 7" casing and cement. Drill 6 1/8 horizontal section, run 4 1/2 liner from TD-9500' and cement.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given of my knowledge and belief. I further certify that the drilling pit w	8995 - 20 8088 - 68 55	OIL CONSERVATION DIVISION			
NMOCD guidelines , a general pern OCD-approved plan .		Approved By: Paul Kautz			
Printed Name: Electronically filed	by Jerry Sherrell	Title: Geologist			
Title: Production Clerk		Approved Date: 7/3/2012	Expiration Date: 7/3/2014		
Email Address: jerrys@mec.com					
Date: 7/3/2012	Phone: 505-748-1288	Conditions of Approval Atta	ached		

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Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 150931

### WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40664	2. Pool Code 25460	3. Pool Nat FOUR LAKES;UP	
4. Property Code 39307	5. Property Name MESCALERO STATE COM		6. Well No. 001
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP		9. Elevation 4147

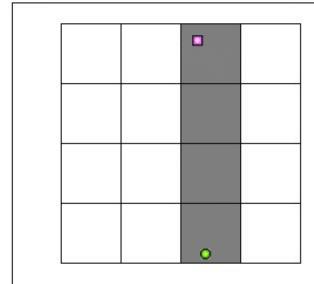
#### 10. Surface Location

9	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
5	0	11	12S	34E		220	S	2104	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
В	11	12S	34E	В	355	N	2285	E	LEA
1	cated Acres	13. J	oint 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



## 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: Jerry Sherrell Title: Production Clerk Date: 7/3/2012

## 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: 5/18/2012 Certificate Number: 12641

## **Permit Comments**

Operator: MACK ENERGY CORP , 13837 Well: MESCALERO STATE COM #001

API: 30-025-40664

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.	6/26/2012
pkautz	Land p/S	7/3/2012
CHERRERA	OCD RECEIVED FORM C144 CLEZ. OCD PERMIT #P1-04875	7/3/2012

## Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837 Well: MESCALERO STATE COM #001

API: 30-025-40664

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