

**District I**

1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-8161 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

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

Form C-101

August 1, 2011

Permit 178305

**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
4. Property Code 40282		3. API Number 30-005-64183
5. Property Name Lancer State		6. Well No. 001

**7. Surface Location**

UL - Lot A	Section 36	Township 13S	Range 28E	Lot Idn	Feet From 990	N/S Line N	Feet From 990	E/W Line E	County Chaves
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**8. Proposed Bottom Hole Location**

UL - Lot A	Section 36	Township 13S	Range 28E	Lot Idn A	Feet From 990	N/S Line N	Feet From 990	E/W Line E	County Chaves
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**9. Pool Information**

WC-005 G-01 S142835D;SAN ANDRES	98054
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3622
16. Multiple N	17. Proposed Depth 3500	18. Formation San Andres	19. Contractor	20. Spud Date 1/15/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	32	450	450	0
Prod	7.875	5.5	17	3500	425	0

**Casing/Cement Program: Additional Comments**

Mack Energy proposes to drill a 12 1/4" hole to 450', run 8 5/8" casing and cement to surface. Drill a 7 7/8" hole to 3500', run 5 1/2" casing and cement to surface. Put well on production.

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable.	<b>OIL CONSERVATION DIVISION</b>	
Signature:		
Printed Name: Electronically filed by Jerry Sherrell	Approved By: Randy Dade	
Title: Production Clerk	Title: District Supervisor	
Email Address: jerrys@mec.com	Approved Date: 12/11/2013	Expiration Date: 12/11/2015
Date: 12/11/2013	Phone: 505-748-1288	Conditions of Approval Attached

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**Energy, Minerals and Natural Resources**  
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Form C-102  
 August 1, 2011  
 Permit 178305

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-005-64183	2. Pool Code 98054	3. Pool Name WC-005 G-01 S142835D;SAN ANDRES
4. Property Code 40282	5. Property Name Lancer State	6. Well No. 001
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3622

**10. Surface Location**

UL - Lot A	Section 36	Township 13S	Range 28E	Lot Idn	Feet From 990	N/S Line N	Feet From 990	E/W Line E	County Chaves
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**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 39.84	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**

<div style="border: 1px solid black; width: 100px; height: 100px; position: relative;"> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); width: 10px; height: 10px; background-color: purple;"></div> </div>	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By:        Jerry Sherrell          Title:                Production Clerk          Date:                 12/11/2013</p>	
	<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:        Filimon Jaramillo          Date of Survey:     10/31/2013          Certificate Number: 12797</p>	

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Form APD Comments  
  
Permit 178305

**PERMIT COMMENTS**

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211		API Number: 30-005-64183
		Well: Lancer State #001
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.	12/11/2013

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Form APD Conditions  
Permit 178305

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211		API Number: 30-005-64183
		Well: Lancer State #001

OCD Reviewer	Condition
CSHAPARD	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