

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

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 178304

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 30-005-64185
4. Property Code 40284	5. Property Name Hornet State	6. Well No. 001

7. Surface Location

UL - Lot P	Section 4	Township 14S	Range 29E	Lot Idn	Feet From 330	N/S Line S	Feet From 990	E/W Line E	County Chaves
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8. Proposed Bottom Hole Location

UL - Lot P	Section 4	Township 14S	Range 29E	Lot Idn P	Feet From 330	N/S Line S	Feet From 990	E/W Line E	County Chaves
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9. Pool Information

LONE WOLF; SAN ANDRES	96619
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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 3717
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.	OIL CONSERVATION DIVISION	
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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				<p align="center">OPERATOR CERTIFICATION</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</p> <p>Title: Production Clerk</p> <p>Date: 12/11/2013</p>
				<p align="center">SURVEYOR CERTIFICATION</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</p> <p>Date of Survey: 8/1/2013</p> <p>Certificate Number: 12797</p>

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Form APD Comments
Permit 178304

PERMIT COMMENTS

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211		API Number: 30-005-64185
		Well: Hornet 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
CSHAPARD	Land p/S	12/11/2013

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Form APD Conditions
 Permit 178304

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211		API Number: 30-005-64185
		Well: Hornet 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	