

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) 334-8178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 196435

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 39742		3. API Number 30-025-42313
5. Property Name NORWAY STATE		6. Well No. 002

7. Surface Location

UL - Lot	O	Section	36	Township	21S	Range	36E	Lot Idn	Feet From	1140	N/S Line	S	Feet From	2290	E/W Line	E	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	O	Section	36	Township	21S	Range	36E	Lot Idn	O	Feet From	965	N/S Line	S	Feet From	2285	E/W Line	E	County	Lea
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9. Pool Information

DRINKARD	19190
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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 3501
16. Multiple N	17. Proposed Depth 7850	18. Formation Drinkard	19. Contractor	20. Spud Date 12/12/2014
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	1200	675	0
Prod	7.875	5.5	17	7850	1645	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4" hole to 1200', run 8 5/8" casing and cement. Drill a 7 7/8" hole to 7850', run 5 1/2" casing and cement. Put well on production.
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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. Signature: _____ Printed Name: Electronically filed by Jerry Sherrell Title: Production Clerk Email Address: jerrys@mec.com Date: 12/5/2014	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 12/8/2014 Expiration Date: 12/8/2016 Conditions of Approval Attached
Phone: 575-748-1288	

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Form C-102
August 1, 2011
Permit 196435

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42313	2. Pool Code 19190	3. Pool Name DRINKARD
4. Property Code 39742	5. Property Name NORWAY STATE	6. Well No. 002
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3501

10. Surface Location

UL - Lot O	Section 36	Township 21S	Range 36E	Lot Idn	Feet From 1140	N/S Line S	Feet From 2290	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot O	Section 36	Township 21S	Range 36E	Lot Idn	Feet From 965	N/S Line S	Feet From 2285	E/W Line E	County Lea
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

<table border="1" style="width: 100%; height: 150px; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> </table>																	<p style="text-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 Title: Production Clerk Date: 12/5/2014</p> <hr/> <p style="text-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 Date of Survey: 12/2/2014 Certificate Number: 12797</p>

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Form APD Comments

 Permit 196435

PERMIT COMMENTS

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211		API Number: 30-025-42313
		Well: NORWAY STATE #002
Created By	Comment	Comment Date
JWSHERRELL	H2S concentrations of wells in this are from surface to TD are low enough that a contingency plan is not required.	12/5/2014

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Form APD Conditions

Permit 196435

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211	API Number: 30-025-42313
	Well: NORWAY STATE #002

OCD Reviewer	Condition
DMULL	Will require a directional survey with the C-104
DMULL	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	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	SURFACE & PRODUCTION CASING - Cement must circulate to surface
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water