

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR, USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-40882 30-025-40796
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Mack Energy Corporation		6. State Oil & Gas Lease No. V-8274 V-8262
3. Address of Operator P.O. Box 960 Artesia, NM 88210		7. Lease Name or Unit Agreement Name Oregon State & Nevada State
4. Well Location Unit Letter _____ feet from the _____ line and _____ feet from the _____ line Section 18 & 24 Township 18S Range 36E & 37E NMPM County Lea		8. Well Number 1 & 1
11. Elevation (Show whether DR, RKB, RT, GP etc.) Multiple		9. OGRID Number 013837
		10. Pool Name or Wildcat Arkansas Junction; San Andres

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIALWORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Off lease Measurement/Surface Commingle <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mack Energy Corporation as operator received approval for Off Lease Measurement/Surface Commingle of production CTB-675 on 7/2/2013. At this time Mack Energy is requesting approval to commingle the gas production at one sales meter at the Nevada CTB. Currently the gas is separately measured at the Nevada State #1 TB. Mack Energy is assessed a low volume fee for the Nevada gas production meter. Combining gas production into one meter allow us to continue to produce both leases economically. Oil Production will continue to be commingled and allocated based on periodic well tests.

The gas will be allocated based on current production numbers using percentages. Based on production we are proposing a split of 90/10%. we will allocate 90% to the Oregon State and 10% to the Nevada State. I have attached monthly production for the last six months for both leases. Both wells have identical working and revenue interests, all of which is owned by the Chase Family.

*CTB-675-A. supersede CTB-675. Recommend Approval. Michael McMillan 9-29-2016. Subject to like Approval NMSLW.*

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 2/29/16  
Type or print name Jerry W. Sherrell E-mail address: jerrys@mec.com PHONE: (575)748-1288  
For State Use Only  
APPROVED BY: David R. Catani TITLE Division Director DATE 3/2/16  
Conditions of Approval (if any):