

DATE IN 3/16/09	SUSPENSE	ENGINEER W. Jones	LOGGED IN 3/16/09	TYPE SWD	APP NO. PKAAD907551658
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505
2009 MAR 16 PM 1:23



30-015-36696
Eagle Nest SWD #2
Mack Energy Corp.
13837

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
[B] ☒ Offset Operators, Leaseholders or Surface Owner
[C] ☒ Application is One Which Requires Published Legal Notice
[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jerry W. Sherrell
Print or Type Name

Jerry W. Sherrell
Signature

Production Clerk
Title

3-11-09
Date

jerrys@mackenergycorp.com
e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X _____ Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No

II. OPERATOR: Mack Energy Corporation

ADDRESS: P.O. Box 960 Artesia, NM 88211-0960

CONTACT PARTY: Jerry W. Sherrell

PHONE: (575)748-1288

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____ Yes X _____ No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (if well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of freshwater from two or more freshwater wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Jerry W. Sherrell

TITLE: Production Clerk

SIGNATURE: Jerry W. Sherrell

DATE: 3-11-09

* if the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

Side I

INJECTION WELL DATA SHEET

OPERATOR: Mack Energy Corporation

WELL NAME & NUMBER: Eagle Nest SWD #2

WELL LOCATION: 1675 FNL & 330 FEL

FOOTAGE LOCATION 8 UNIT LETTER 5 SECTION 16S TOWNSHIP 30E RANGE

WELL CONSTRUCTION DATA

Surface Casing

13 3/8" casing @ 490'; cem w/ 900sx; circ.

Hole Size: 17 1/2 Casing Size: 13 3/8 @ 490'

Cemented with: 900sx sx. or ft

Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

8 5/8" casing @ 1,830'; cem w/ 740 sx; circ.

2 7/8" PC tubing @ 3312'
Set w/ 10K nickel plated pkr

Hole Size: 12 1/4 Casing Size: 8 5/8 @ 1830'

Cemented with: 740sx sx. or ft

5 1/2" casing @ 3894'; cem w/ 900sx;
TOC @ 418'

Top of Cement: Surface Method Determined: Circulated

Production Casing

Hole Size: 7 7/8 Casing Size: 5 1/2 @ 3,894'

Cemented with: 900sx sx. or ft

Top of Cement: 418' Method Determined: ft

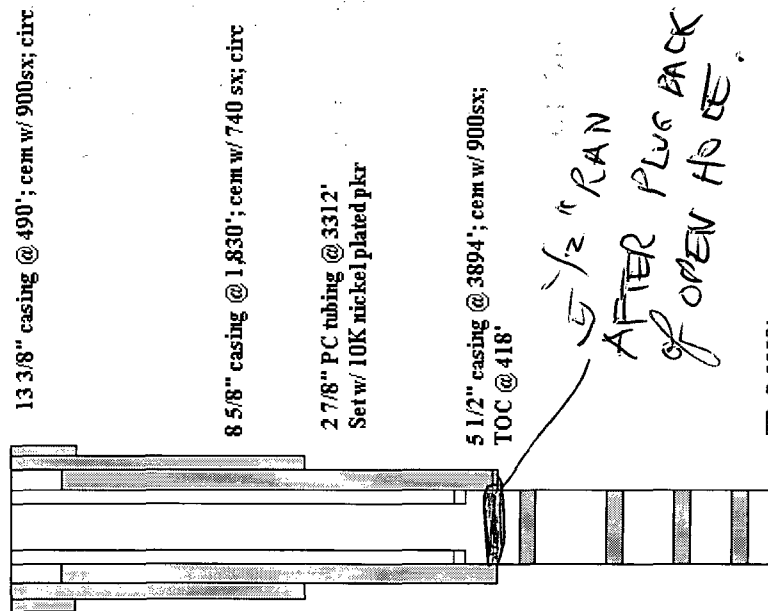
Total Depth: 9000'

Injection Interval

3412.5 feet to 3668 Perforated

(Perforated or Open Hole; indicate which)

WELBORE SCHEMATIC



POST CONVERSION DIAGRAM

Perf @ 3412.5-3668'

70sx plug @ 4210-4358'

70sx plug @ 6232-6350'

70sx plug @ 7540-7689'

80sx plug @ 8830-8955'

INJECTION WELL DATA SHEETTubing Size: 2 7/8" Lining Material: Plastic CoatedType of Packer: Arrow Set 10K Nickel Plated PackerPacker Setting Depth: 3312'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? ☐ Yes ☒ No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: San Andres3. Name of Field or Pool (if applicable): SWD; San Andres4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Under Glorieta / Over Grayburg

AREA OF REVIEW WELL DATA

LEASE	WELL#	LOCATION	TD (PBD)	TYPE & DATE DRILLED	HOLE SIZE	CASING SIZE & WEIGHT	SETTING DEPTH	SX CMT	TOC	PERFS
Eagle Nest SWD	2	1675' FNL	11,876'	SWD 11/11/2008	17 1/2	13 3/8, 48#	490'	900	Circ	
		330' FEL	3,836'		12 1/4	8 5/8, 32#	1830'	740	Circ	
		5-16S-30E			7 7/8	5 1/2, 17#	3,894'	900	418'	3412.5-3668'
West Henshaw Premier Unit	2Z	1980' FSL	2817'	Injection Well 2/16/1957	N/A	10 3/4, 32.75#	428'	75	178	2783-2817' Open Hole
		1980' FWL 4-16S-30E	2814'			5 1/2, 15.5# 4, 11#	2778' 2814'	200 50	2038 2682	
West Henshaw Premier Unit	4Z	1980' FSL	2782'	Oil Well 5-10-1957	10	8 5/8, 24#	430'	75	180	2759-2782' Open Hole
		660' FWL 4-16S-30E	2759'		8 6 1/2	7, 17# 5 1/2, 14#	2017-2101' 2759'	0 100	0 2750	

5th Floor

**Eagle Nest #2 SWD
Sec. 5-T16S-R30E
30-015-36696**

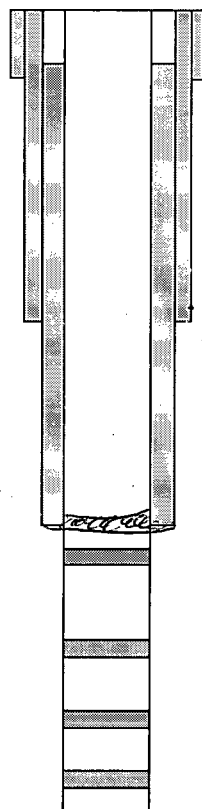
*Pre-Conversion
Diagram*

Perf @ 3412.5-3668'

70sx plug @ 4210-4358'
70sx plug @ 6232-6350'

70sx plug @ 7540-7689'

80sx plug @ 8830-8955'



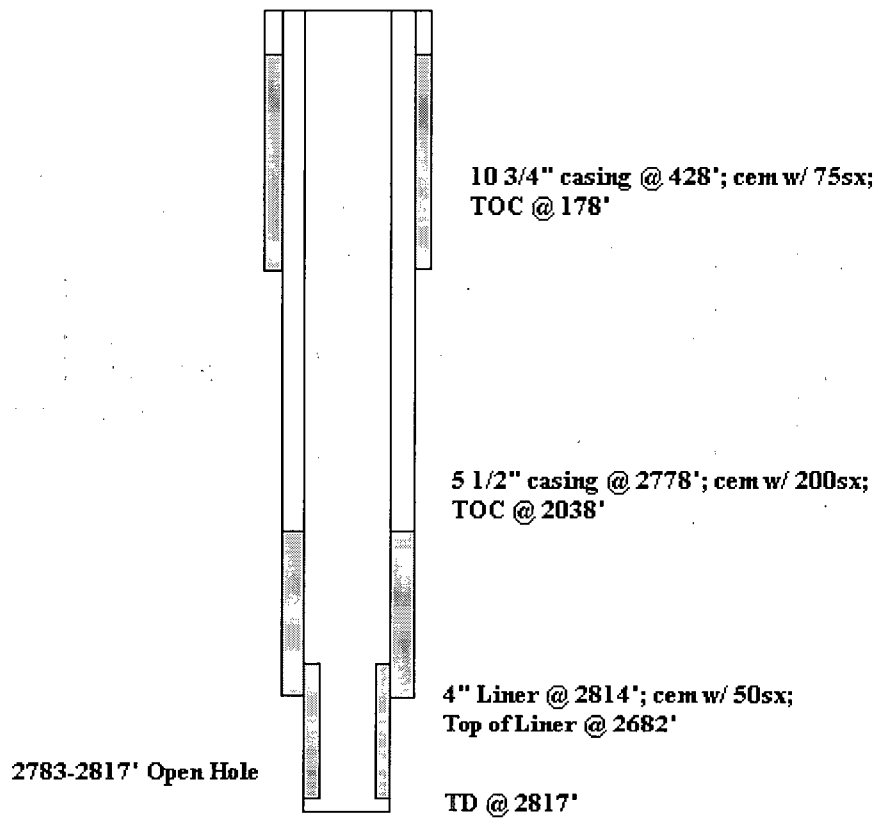
13 3/8" casing @ 490'; cem w/ 900sx; circ

8 5/8" casing @ 1,830'; cem w/ 740 sx; circ

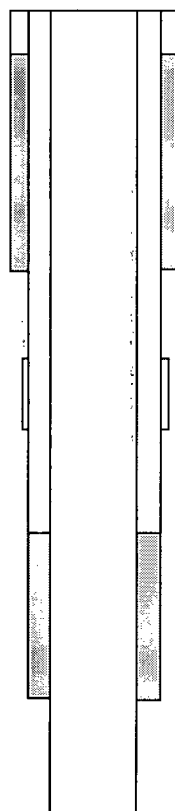
5 1/2" casing @ 3894'; cem w/ 900sx;
TOC @ 418'

TD @ 9000'

West Henshaw Premier Unit #2Z
Sec 4-T16S-R30E
30-015-03860



West Henshaw Premier Unit #4Z
Sec 4-T16S-R30E
30-015-03862



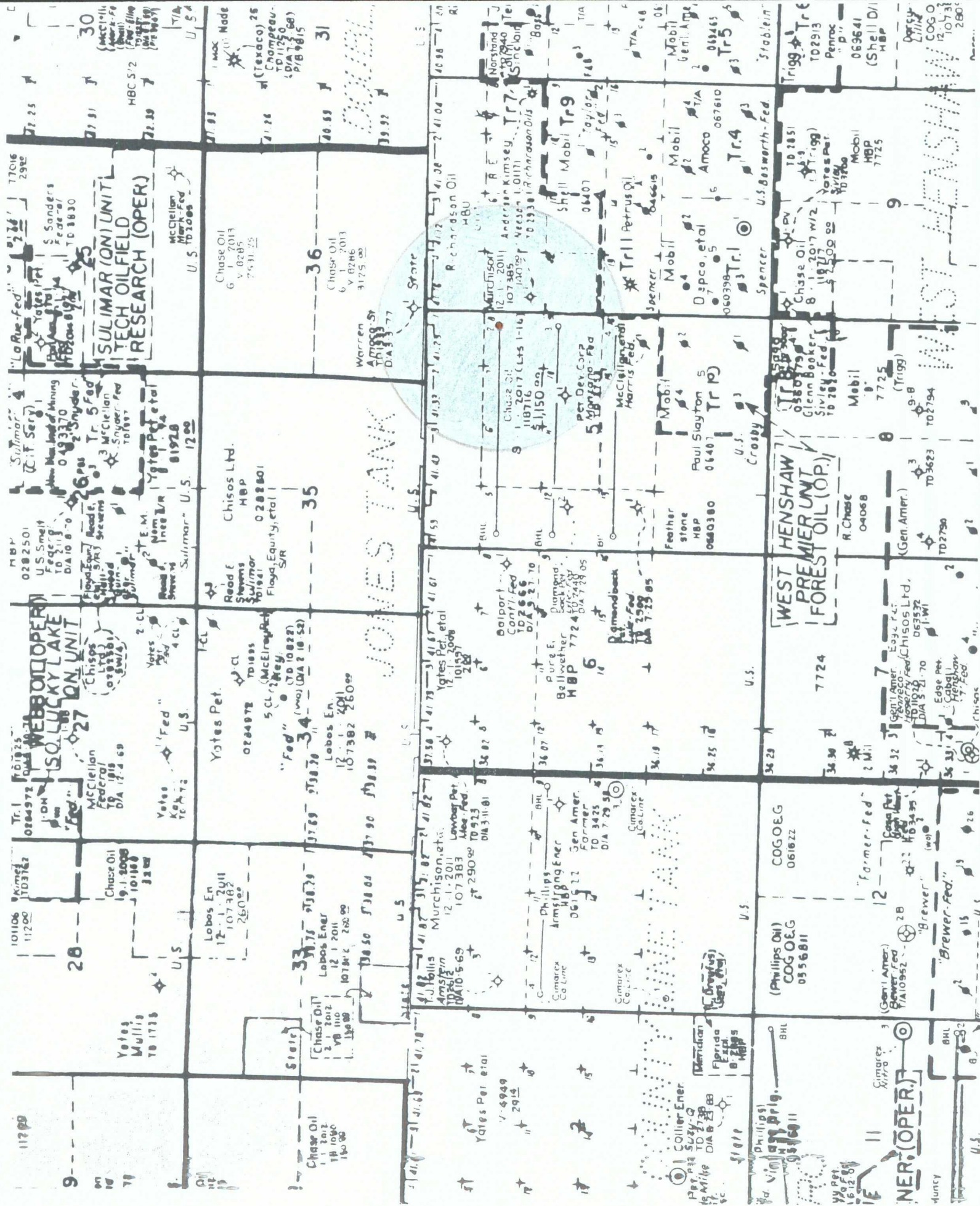
8 5/8" casing @ 430'; cem w/ 75sx;
TOC @ 180'

7" casing @ 2101'; Pulled
Top of Casing @ 2017'

5 1/2" casing @ 2759'; cem w/ 100sx;
TOC @ 2750'

2759-2782' Open Hole

TD @ 2782'



VII. DATA SHEET: PROPOSED OPERATIONS

1. Proposed average and maximum daily rate and volume of fluids to be injected;
1,000 BWPD Average 4,000 BWPD Maximum
2. The system is closed or open;
Closed
3. Proposed average and maximum injection pressure;
0-682#
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than re-injected produced water;
We will be re-injecting produced water
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water;
N/A

VIII. GEOLOGICAL DATA

Devonian

1. Lithologic Detail; **Dolomite**
2. Geological Name; **SWD; San Andres**
3. Thickness; **256'**
4. Depth; **3412.5-3688'**

IX. PROPOSED STIMULATION PROGRAM

1. To be treated with 10,000 gallons 15% acid

X. LOGS AND TEST DATA

1. Well data will be filed with OCD.

XI. ANALYSIS OF FRESHWATER WELLS

1. No fresh water wells in the area.

Additional Information

Waters Injected: San Andres

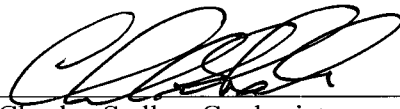
XII. AFFIRMATIVE STATEMENT

RE: Eagle Nest SWD #2

We have examined the available geologic and engineering data and find no evidence of open faults or any other hydraulic connection between the disposal zone and any underground source of drinking water.

Mack Energy Corporation

Date: 3/12/09



Charles Sadler, Geologist

Leasehold/Working Interest Owners:**Surface:**

Bureau of Land Management
Roswell Field Office
2909 West 2nd Street
Roswell, NM 88201

Operators:

Chase Oil Corporation

Cimarex Energy Company
600 N. Marienfeld, Suite 600
Midland, TX 79701

Chisos, Ltd.
670 Dona Ana Road SW
Deming, NM 88030

Edge Petroleum Exploration Company
1301 Travis, Suite 2000
Houston, TX 77002

Pure Energy Group, Inc.
153 Treeline Drive, Suite 200
San Antonio, TX 78209

Keystone O&G NM LLC
LMBI O&G NM LLC
CTV O&G NM LLC
SRBI O&G NM LLC
Thru O&G NM LLC
(all at same address)
201 Main St. #2700
Fort Worth, TX 76102

Murchison Oil & Gas, Inc.
1445 Ross Ave. #5300
Dallas, TX 75202

MEC Petroleum Corp.
P.O. Box 11265
Midland, TX 79702

Pioneer Natural Resources USA, Inc.
P.O. Box 3178
Midland, TX 79702



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8116
RETURN RECEIPT REQUESTED

MEC Petroleum Corp.
PO Box 11265
Midland, TX 79702

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

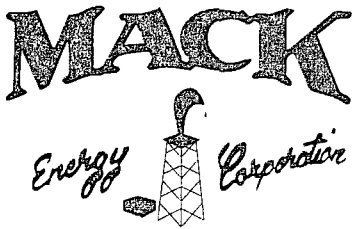
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\dw



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8130
RETURN RECEIPT REQUESTED

Thru O&G NM LLC
201 Main Street #2700
Fort Worth, TX 76102

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

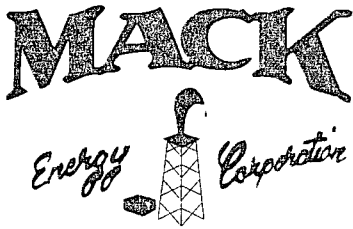
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\dw



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8086
RETURN RECEIPT REQUESTED

SRBI O&G NM LLC
201 Main Street #2700
Fort Worth, TX 76102

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

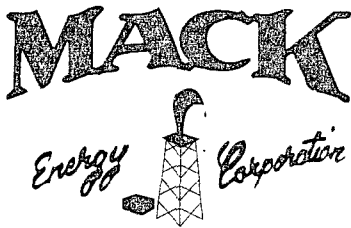
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Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\dw



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Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8123
RETURN RECEIPT REQUESTED

Murchison Oil & Gas, Inc.
1445 Ross Ave. #5300
Dallas, TX 75202

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

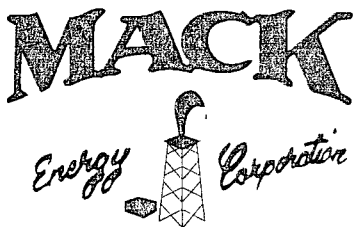
Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

Jerry W. Sherrell
Production Clerk

JWSldw



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8147
RETURN RECEIPT REQUESTED

CTV O&G NM LLC
201 Main Street #2700
Fort Worth, TX 76102

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

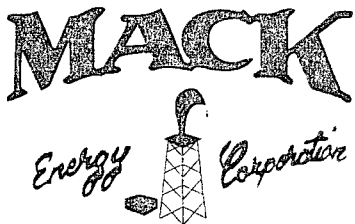
Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

Jerry W. Sherrell
Production Clerk

JWS\dw



Post Office Box 960
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March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8154
RETURN RECEIPT REQUESTED

LMBI O&G NM LLC
201 Main Street #2700
Fort Worth, TX 76102

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

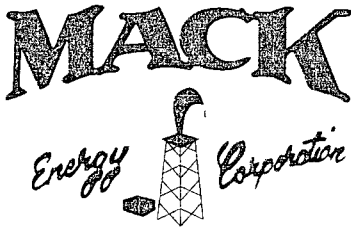
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Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWSldw



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Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8109
RETURN RECEIPT REQUESTED

Pioneer Natural Resources USA, Inc.
PO Box 3178
Midland, TX 79702

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

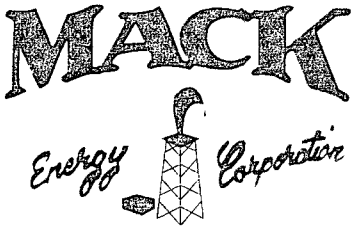
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Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\dw



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March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8161
RETURN RECEIPT REQUESTED

Keystone O&G NM LLC
201 Main Street #2700
Fort Worth, TX 76102

Gentlemen:

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Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

Jerry W. Sherrell
Production Clerk

JWS\dw



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March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8178
RETURN RECEIPT REQUESTED

Pure Energy Group, Inc.
153 Treeline Drive, Suite 200
San Antonio, TX 78209

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

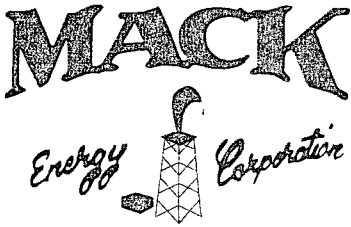
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Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWSldw



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Office (575) 748-1288
Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8185
RETURN RECEIPT REQUESTED

Edge Petroleum Exploration Company
1301 Travis, Suite 2000
Houston, TX 77002

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

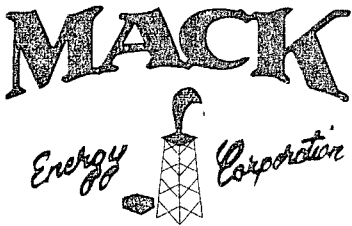
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MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWSldw



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Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8192
RETURN RECEIPT REQUESTED

Chisos, Ltd.
670 Dona Ana Road SW
Deming, NM 88030

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

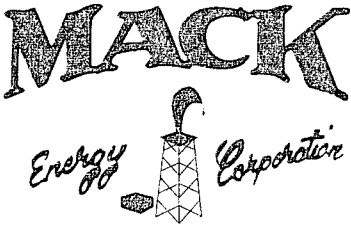
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\dw



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

March 11, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8208
RETURN RECEIPT REQUESTED

Cimarex Energy Company
600 N. Marienfeld, Suite 600
Midland, TX 79701

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

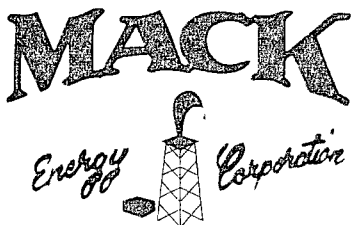
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Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\dw



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

March 10, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8215
RETURN RECEIPT REQUESTED

Bureau of Land Management
Roswell Field Office
2909 West 2nd Street
Roswell, NM 88201

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a San Andres SWD well. Produced water will be injected at a proposed depth of 3412.5-3668'. The Eagle Nest SWD #2, located 1675 FNL & 330 FEL, Sec. 5, T16S R30E, Eddy County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

Jerry W. Sherrell
Production Clerk

JWS\dw

TRANSACTION REPORT

P. 01

MAR-11-2009 WED 09:25 AM

FOR:

SEND

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAR-11	09:24 AM	97468795	22"	2	FAX TX	OK	083	

TOTAL : 22S PAGES: 2

P.O. Box 960 Artesia NM 88211-0960 (505)746-1288 Fax (505)746-9539

**Mack Energy
Corporation**

Fax

To: Artesia Daily Press-Barbara	From: Jerry W. Sherrell
Fax: 505-746-8795	Pages: 2
Phone: 505-746-3524	Date: 3/11/2009
Re: Legal Notice Publication	CC:
Eagle Nest SWD #2	

☐ Urgent ☒ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

• **Comments:** Barbara, would you please bill Mack Energy Corporation for this publication. If you have any questions give me a call at 575-748-1288.

Thanks

Jerry W. Sherrell

Legal Notice

Mack Energy Corporation, Post Office Box 960, Artesia, NM 88211-0960, has filed an Application with the New Mexico Oil Conservation Division seeking authorization to inject produced water into the Eagle Nest SWD #2 1675 FNL & 330 FEL of Section 5, T16S R30E, NMPM, Eddy County, New Mexico. The water will be injected into the San Andres formation at a disposal depth of 3412.5-3668'. Water will be injected at a maximum surface pressure of 682 pounds and a maximum injection rate of 4000 BWPD. Any interested party with questions or comments may contact Jerry W. Sherrell at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960 or call (575) 748-1288. Objections to this application or requests for hearing must be filed with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, within fifteen days of the date of the publication of this notice.

Jones, William V., EMNRD

From: Deana Weaver [deanap@mackenergycorp.com]
Sent: Wednesday, March 18, 2009 1:55 PM
To: Jones, William V., EMNRD
Subject: Eagle Nest SWD #2;
Attachments: Eagle Nest SWD #2.pdf

<<Eagle Nest SWD #2.pdf>> Mr. Will Jones

Attached is the Affidavit of Publication for the Eagle Nest SWD #2.

Thank you
Deana Weaver
Mack Energy Corporation

This inbound email has been scanned by the MessageLabs Email Security System.

Affidavit of Publication

NO. 20601

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being duly

sworn, says: That he is the PUBLISHER of The

Artesia Daily Press, a daily newspaper of general
circulation, published in English at Artesia, said county
and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said
Artesia Daily Press, a daily newspaper duly qualified
for that purpose within the meaning of Chapter 167 of
the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same
day as follows:

First Publication March 12, 2009

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Subscribed and sworn to before me this

12 Day

March

2009



OFFICIAL SEAL
Jo Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 6/26/2012

Jo Morgan
Notary Public, Eddy County, New Mexico

Copy of Publication:

Mack Energy
Corporation, Post Office
Box 960, Artesia, NM
88211-0960, has filed an
Application with the New
Mexico Oil Conservation
Division seeking authori-
zation to inject produced
water into the Eagle Nest
SWD #2 1675 FNL &
330 FEL of Section 5,
T16S R30E, NMPM,
Eddy County, New
Mexico. The water will
be injected into the San
Andres formation at a
disposal depth of
3412.5-3668'. Water will
be injected at a maxi-
mum surface pressure of
682 pounds and a maxi-
mum injection rate of
4000 BWPD. Any inter-
ested party with ques-
tions or comments may
contact Jerry W. Sherrell
at Mack Energy
Corporation, Post Office
Box 960, Artesia, New
Mexico 88211-0960 or
call (575)748-1288.
Objections to this appli-
cation or requests for
hearing must be filed
with the Oil Conservation
Division, 1220 South
Saint Francis Drive,
Santa Fe, New Mexico
87505, within fifteen
days of the date of the
publication of this notice.
Published in the Artesia
Daily Press, Artesia, NM
March 12, 2009.
Legal No. 20601

PLATE RUN 27 (25) by West Federal 10/1/04
Created By: Mike Rayburn Date: 11/08, August 18, 2018
Checked: _____ Color: _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5 Lease Serial No.
NMNM-118716

6 If Indian, Allottee or Tribe Name

\$

SUBMIT IN TRIPLICATE - Other instructions on page 2

JAN 05 2009

OCD-ARTESIA

1 Type of Well

☒ Oil Well

☐ Gas Well

☐ Other

2 Name of Operator

Mack Energy Corporation

3a. Address

P.O. Box 960 Artesia, NM 88210-0960

3b. Phone No. (include area code)

(575) 748-1288

7 If Unit of CA/Agreement, Name and/or No.

8 Well Name and No.
Eagle Nest Federal #2

9. API Well No
30-015-36696

10. Field and Pool or Exploratory Area

Wildcat; San Andres

4. Location of Well (Footage, Sec., T,R,M, or Survey Description)

1675 FNL & 330 FEL, Sec. 5 T16S R30E

11 Country or Parish, State

Eddy, NM

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Spud/Casing
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

11/12/2008 Spud 17 1/2" Hole @ 12:15pm.

11/13/2008 TD 17 1/2 hole @ 490'. Ran 12 joints, 13 3/8", 48#, H40, ST&C @ 490'. Cement w/ 180sx RFC, 175sx 35:65 POZ "C". Tail Cement w/220sx Class "C", 200sx Class "C" 2% CaCl. Plug Down 1:30pm. One inched to surface w/ 125sx Class "C", cir 50sx. WOC 18 hours tested BOP to 2000# for 10minutes, held ok.

11/16/2008 TD 12 1/4" hole @ 1,830'. Ran 43 joints, 8 5/8", 32#, J-55 @ 1,830'. Cement w/ 540sx Class C, Tail Cement w/200 sx Class C 2%, S1. Plug Down 7:45am, circ 150sx. WOC 12 hours tested BOP to 2000# for 10minutes, held ok.

12/7/2008 TD 7 7/8 hole @ 9,000'.

12/9/2008 Plug back TD @ 4,210'. Ran 108 joints, 5-1/2", 17#, J-55 @ 3,894'. Cement w/ 150sx 50:50 Poz/C, Tail Cement w/ 750sx TXI Lightweight, plug down 7:30pm, didn't circulate, tied back into 8 5/8" casing. WOC 12 hours tested casing to 600# for 20 minutes, held ok.

TOL @ ?

ACCEPTED FOR RECORD

JAN 6 2009

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Jerry W. Sherrell

Gerry Guye, Deputy Field Inspector
Title Production Clerk
OCD District II ARTESIA

Signature

Jerry W. Sherrell

Date December 12, 2008

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

DEC 20 2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for my person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JAN 05 2009

OCD-ARTESIA

FORM APPROVED
Budget Bureau No 1004-0135
Expires March 31, 1993

5 Lease Designation and Serial No.

NMNM-118716

6 If Indian, Allottee or Tribe Name

7 If Unit or CA, Agreement Designation

8 Well Name and No.

Eagle Nest Federal #2

9 API Well No

30-015-36696

10 Field and Pool, or Exploratory Area

Wildcat San Andres

11 County or Parish, State

Eddy, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator

Mack Energy Corporation

3 Address and Telephone No

P.O. Box 960 Artesia, NM 88211-0960

(575)748-1288

4 Location of Well (Footage, Sec., T R, M or Survey Description)

1675 FNL & 330 FEL, Sec. 5 T16S R30E

12 CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☒ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Mack Energy Corporation plugged well back as follows:

12/8/08

1st plug 80sx Class H from 8955-8830', WOC and tagged.

2nd plug 70sx Class H from 7689-7540', WOC and tagged.

3rd plug 70sx Class C from 6350-6232', WOC and tagged.

4th plug 70sx Class C from 4358-4210', WOC and tagged.

ACCEPTED FOR RECORD

JAN 6 2009

Gerry Guye, Deputy Field Inspector
NMCD-District II ARTESIA

ACCEPTED FOR RECORD

DEC 16 2008

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct

Signed

Gerry W. Shendell

Title

Production Clerk

Date

12/8/08

(This space for Federal or State office use)

Approved by

Conditions of approval, if any.

Title

Date

Jones, William V., EMNRD

From: Jerry Sherrell [jerrys@mackenergycorp.com]
Sent: Monday, April 06, 2009 2:29 PM
To: Jones, William V., EMNRD
Cc: Charles Sadler; Deana Weaver
Subject: FW: Disposal Application from Mack Energy Corp: Eagle Nest SWD #2 30-015-36696 San Andres from 3412 to 3668
Attachments: MX-7000N_20090406_142511.pdf

Hello Will,

Attached are answers to the questions you had regarding this application.

1. Completion has been prepared and logs are being sent to Hobbs OCD.
2. San Andres, Yeso, Abo and Wolfcamp.
3. See message below.
4. See attached info from the State engineer's office, nearest water is 6 miles and would appear to be 250'+ deep other than a very old well on record.

From: Charles Sadler
Sent: Monday, April 06, 2009 1:52 PM
To: Jerry Sherrell
Subject: RE: Disposal Application from Mack Energy Corp: Eagle Nest SWD #2 30-015-36696 San Andres from 3412 to 3668

The proposed Eagle Nest SWD #2 is located approximately eight miles north of the main self edge San Andres production in the Grayburg Jackson Field. The San Andres porosity developed in the Eagle Nest is too low in the section and is non-productive. Mack Energy perforated the San Andres porosity from 3412.5 – 3668' and pump tested all water.

The nearest San Andres completion (approximately 2.4 miles to the northeast) is the Mack Operated Big Lucky Lake Com #2, located 1980 FSL & 660 FEL, Section 30, T15S, R30E, Chaves County. This well was completed from the San Andres in June, 1979 for an IP of 10 BOPD but was uneconomic and was abandoned that same year.

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Wednesday, April 01, 2009 3:43 PM
To: Jerry Sherrell
Cc: Ezeanyim, Richard, EMNRD; Reeves, Jacqueta, EMNRD
Subject: Disposal Application from Mack Energy Corp: Eagle Nest SWD #2 30-015-36696 San Andres from 3412 to 3668

Hello Jerry:

The review of your application showed: (Please reply by next Wednesday, April 8, 2009)

- 1) Please copy your logs for this well and send these copies to the Hobbs office for scanning into the OCD online log database.
- 2) Please send a list of all Pools or Formations which Mack envisions contributing waste water to this proposed injection well.
- 3) Ask your geologist to write a short piece about the productivity of the San Andres in this area. Does Mack intend to test this interval prior to injection? Where is the nearest SA production?
- 4) The application says no Fresh Water wells in this area. At what depth is Fresh Water in this area?

Thank You,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

Injection Permit Checklist (7/8/08)

Case R- SWD 1173 WFX PMX IPI Permit Date 4/7/08 UIC Qtr 1
 # Wells 2 Well Name: Eagle Nest SWD #2
 API Num: (30-) 015-36696 Spud Date: 11/11/08 New/Old N (UIC primacy March 7, 1982)
 Footages 1675 FNL / 330 FEL 1818 Sec 5 Tsp 16S Rge 30E County Eddy
 Operator: Mack Energy Corp Contact Terry W. Starnell
 OGRID: 13837 RULE 40 Compliance (Wells) 3/325 (Finan Assur) OK
 Operator Address: P.O. Box 960 Artesia NM 88211-0960

Current Status of Well: _____

Planned Work to Well: _____

Planned Tubing Size/Depth: 2780332

	Sizes Hole.....Pipe	Setting Depths	Cement Sx or Cf	Cement Top and Determination Method
Existing Surface	<u>17 1/2 13 1/8</u>	<u>490</u>	<u>900</u>	<u>CIRC</u>
Existing Intermediate	<u>12 1/4 8 5/8</u>	<u>1830</u>	<u>740</u>	<u>CIRC</u>
Existing Long String	<u>7 1/8 5 1/2</u>	<u>3894</u>	<u>900</u>	<u>418</u>

DV Tool _____ Liner _____ Open Hole _____ Total Depth 9000 PBTD 4210

Well File Reviewed ✓

Diagrams: Before Conversion ✓ After Conversion ✓ Elogs in Imaging File: none

Intervals:	Depths	Formation	Producing (Yes/No)
Above (Name and Top)			
Above (Name and Top)	<u>2800</u>	<u>TOP SA.</u>	
Injection.....	<u>3412</u>	<u>SA</u>	
Interval TOP:	<u>3668</u>	<u>SA.</u>	
Injection.....			
Interval BOTTOM:	<u>4406</u>	<u>FLOR.</u>	
Below (Name and Top)			

5 1/2 Row AFTER
PB of Hole
682 PSI Max. WHIP

Open Hole (Y/N) _____

Deviated Hole? well is deviated deeper than SA.

Sensitive Areas: Capitan Reef Cliff House Salt Depths _____

..... Potash Area (R#111-P) _____ Potash Lessee _____ Noticed? _____

Fresh Water: Depths: ? Wells (Y/N) No Analysis Included (Y/N): _____ Affirmative Statement ✓

Salt Water: Injection Water Types: _____ Analysis? _____

Injection Interval..... Water Analysis: ? Hydrocarbon Potential ?

Notice: Newspaper (Y/N) ✓ Surface Owner BLM Mineral Owner(s) _____

RULE 701B(2) Affected Parties: CH&H CIMARRON CHISOS EDGE PURE KAYENTA MUSCHAY MEC P
LMBE CTV THRU OES SRBF OEG

Area of Review: Adequate Map (Y/N) ✓ and Well List (Y/N) ✓

Active Wells 0 Num Repairs _____ Producing in Injection Interval in AOR _____

..P&A Wells 0 Num Repairs _____ All Wellbore Diagrams Included? _____

Questions to be Answered:

What Types of water? P&A/FMS?

LOGS not in SYSTEM

SET CIBP in case below Reps

Required Work on This Well: Test SA & Production

AOR Repairs Needed: _____

Request Sent _____ Reply: _____

Request Sent _____ Reply: _____

Request Sent _____ Reply: _____