

District I1625 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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170**District IV**1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462**HOBBS OCD**

DEC 13 2016

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State of New Mexico

Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101
Revised July 18, 2013☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address M & M ENERGY, LLC. 2409 ELLA LEE LANE HOUSTON, TEXAS 77019		² OGRID Number 294619
⁴ Property Code 317102	³ Property Name STATE "23"	⁵ API Number 30-025-43471
		⁶ Well No. 1

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
F	23	21S	35E		2196'	NORTH	2108'	WEST	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name EUMONT-YATES 7RIVERS QUEEN	Pool Code 22800
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Additional Well Information

¹¹ Work Type N	¹² Well Type O	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3567'
¹⁶ Multiple NO	¹⁷ Proposed Depth 5000'	¹⁸ Formation TANSIL/YATES/7 RIVERS, QUEEN	¹⁹ Contractor UNKNOWN	²⁰ Spud Date WHEN APPROVED
Depth to Ground water 100'	Distance from nearest fresh water well 0.75 MILES NORTH	Distance to nearest surface water NA		

☐ 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
Conductor	17-1/2"	13-3/8"	48#	40'	Redi-Mix	Surface
Surface	12-1/4"	8-5/8"	24#	400'	325 Sx.	Surface
Production	7-7/8"	5-1/2"	15.5#	5000'	800 Sx.	Surface

Casing/Cement Program: Additional Comments

SEE ATTACHED SHEET

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DOUBLE RAM	2000	1500	SHAFFER or CAMERON

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐, if applicable.Signature: *Micheal McGhee*

Printed name: Micheal McGhee

Title: Managing Member

E-mail Address: mmcghee01@yahoo.com

Date: 11/04/2016

Phone: 713-304-1695

OIL CONSERVATION DIVISION

Approved By:

[Signature]

Title:

Petroleum Engineer

Approved Date:

12/13/16

Expiration Date:

12/13/16

Conditions of Approval Attached

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 12-1/4" hole to 400'. Run and set 400' of 8-5/8" 24# J-55 ST&C casing. Cement with 325 Sx. Of Class "C" cement + 2% caCL, + .125# Flocele/Sx. Yield 1.34, circulate cement to surface.
3. Drill 7-7/8" hole to 5000'. Run and set 5000' of 5-1/2" 15.5# J-55 ST&C casing. Cement with 800 Sx. Of Class "C" cement + additives. Yield 1.6, circulate cement to surface. If hole conditions require DV-Tool will be run and cement volumes will be recalculated.

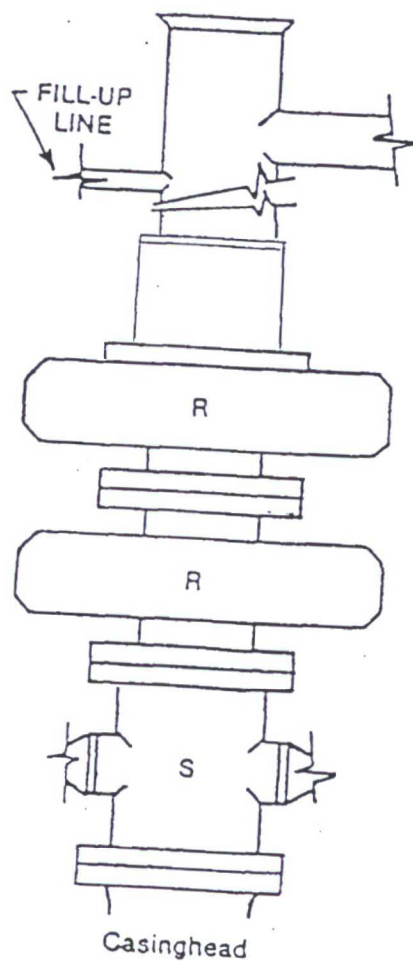


FIGURE K1-1. Recommended IADC Class 2 BOP stack, 2000 psi WP. Either SRd (left) or SA (right) arrangement is acceptable and drilling spool is optional.