

**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 135223

**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 30-025-40217
4. Property Code 33261	5. Property Name CONDOR STATE	6. Well No. 002

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	25	18S	34E	E	2285	N	330	W	LEA

**8. Pool Information**

AIRSTRIPEBONE SPRING	960
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable Rotary	12. Lease Type State	13. Ground Level Elevation 3976
14. Multiple N	15. Proposed Depth 13657	16. Formation 3rd Bone Spring Carbonate	17. Contractor	18. Spud Date 10/1/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	9.625	36	1800	700	0
Int1	8.75	7	26	9200	1075	0
Prod	6.125	4.5	11.6	13657	0	

**Casing/Cement Program: Additional Comments**

Mack Energy proposes to drill a 14 3/4 hole to 350', run 9 5/8 casing and cement to surface. Drill 8 3/4 hole to 9200', run 7 casing and cement to surface. Drill 6 1/8 horizontal hole. Run 4 1/2 liner from TD to 8600', set with open hole packer system and liner hanger.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Paul Kautz	
	Title: Geologist	
	Approved Date: 8/5/2011	Expiration Date: 8/5/2013
Printed Name: Electronically filed by Jerry Sherrell		
Title: Production Clerk		
Email Address: jerrys@mec.com		
Date: 8/3/2011	Phone: 505-748-1288	Conditions of Approval Attached

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**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
August 1, 2011  
Permit 135223

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-40217	2. Pool Code 960	3. Pool Name AIRSTIP;BONE SPRING
4. Property Code 33261	5. Property Name CONDOR STATE	6. Well No. 002
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3976

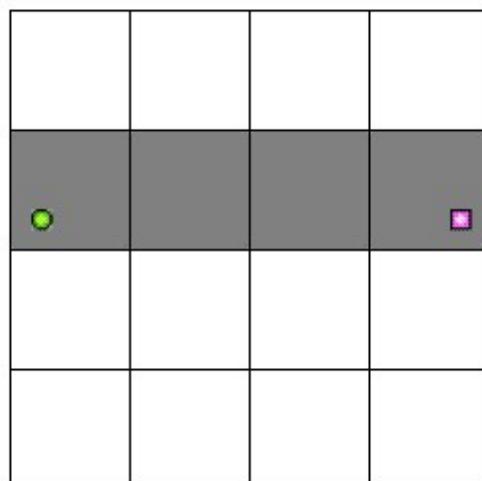
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	25	18S	34E		2285	N	330	W	LEA

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	25	18S	34E	H	2285	N	330	E	LEA
12. Dedicated Acres 160.00		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**



**OPERATOR CERTIFICATION**

*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.*

E-Signed By: Jerry Sherrell  
Title: Production Clerk  
Date: 8/3/2011

**SURVEYOR CERTIFICATION**

*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.*

Surveyed By: Ronald Eidson  
Date of Survey: 7/18/2011  
Certificate Number: 3239

## Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: CONDOR STATE #002

API: 30-025-40217

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.	7/29/2011
pkautz	IAND s/s	8/5/2011

# Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837

Well: CONDOR STATE #002

API: 30-025-40217

OCD Reviewer	Condition
pkautz	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