<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 <u>District II</u>

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

Phone:(5/5) /48-1283 Fax:(5/5) /48-9/20 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

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 147437

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

	ator Name and Address K ENERGY CORP	2. OGRID Number 13837		
PO Box 960 Artesia, NM 88211		3. API Number 30-025-40533		
4. Property Code 39176	5. Property Name BLACK JACK STATE COM	6. Well No. 001		

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	18	188	35E	I	2285	S	330	E	LEA

8. Pool Information

WC-025 G-06 \$183518A:BONE SPRING	97930

Additional Well Information

9. Work Type	10. Well Typ	e 11. Cable/I	A Section of the Commence of t	e 13. Ground Level Elevation
	240/3033204	e II. Cable I		
New Well	OIL	<u> </u>	State	3956
14. Multiple	15. Proposed I	Depth 16. For	mation 17. Contracto	or 18. Spud Date
N	13589	Bone S	Spring	5/1/2012

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	9.625	36	1600	850	0
Int1	8.75	7	26	9150	875	0
Prod	6 125	4.5	11.6	13589	425	8500

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 14 3/4" hole to 1600, run 9 5/8 casing and cement to surface. Drill a 8 3/4" hole to 9150', run 7" casing and cement to surface. Set KOP. Drill a 6 1/8" curve and horizontal hole to TD, run 4 1/2" liner from TD to 8200' and cement back to 8500'.

Proposed Blowout Prevention Program

Troposcu Diowout Trevention Trogram							
Type	Working Pressure	Test Pressure	Manufacturer				
DoubleRam	3000	3000					

I hereby certify that the information given of my knowledge and belief. I further certify that the drilling pit wil		OIL CONSERVATION DIVISION Approved By: Paul Kautz		
NMOCD guidelines , a general permi OCD-approved plan .				
Printed Name: Electronically filed	by Jerry Sherrell	Title: Geologist		
Title: Production Clerk		Approved Date: 4/20/2012	Expiration Date: 4/20/2014	
Email Address: jerrys@mec.com		A CONTRACTOR OF THE PARTY OF TH		
Date: 4/17/2012	hone: 505-748-1288	Conditions of Approval Attached		

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 147437

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40533	2. Pool Code 97930	WC-025 G-06	3. Pool Name \$183518A;BONE SPRING
4. Property Code 39176	5. Property Name BLACK JACK STATE COM		6. Well No. 001
7. OGRID No.	8. Operator Name		9. Elevation
13837	MACK ENERGY CORP		3956

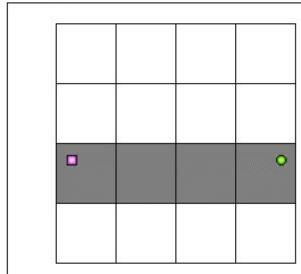
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	18	188	35E		2285	S	330	E	LEA

11. Bottom Hole Location If Different From Surface

JL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	18	188	35E	3	2285	S	330	W	LEA
	cated Acres	13. J	oint 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: 4/17/2012

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: 3/15/2012 Certificate Number: 3239

Permit Comments

Operator: MACK ENERGY CORP , 13837 Well: BLACK JACK STATE COM #001

API: 30-025-40533

Created By	Comment	Comment Date	
JWSHERRELL	H2S concentrations of H2S in this area from surface to TD are low enough that a contingency plan is not required.	4/17/2012	
pkautz	Land s/S	4/18/2012	
CHERRERA	OCD RECIEVED FOMR C-144 CLEZ. OCD PERMIT #P1-04475	4/20/2012	

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837 Well: BLACK JACK STATE COM #001

API: 30-025-40533

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