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 163374

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

1. Operator Name and Address	2. OGRID Number
MACK ENERGY CORP PO Box 960 Artesia, NM 88211	13837
	3. API Number 30-025-41034

4. Property Code	5. Property Name	6. Well No.
38761	LEO STATE	008

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	18	18S	35E	G	1650	N	2310	E	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	18	18S	35E	G	1650	N	2310	E	Lea

9. Pool Information

WC-025 G-06 S183518A;BONE SPRING	97930

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3967
16. Multiple	**17. Proposed Depth**	**18. Formation**	**19. Contractor**	**20. Spud Date**
N	9650	Bone Spring		3/15/2013
Depth to Ground water	**Distance from nearest fresh water well**			**Distance to nearest surface water**

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1700	825	0
Prod	7.875	5.5	17	9650	1240	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4" hole to 1700', run 8 5/8" casing and cement to surface. Drill a 7 7/8" hole to 9650', run 5 1/2" casing and cement to surface. Put well on production.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. **I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☐, if applicable.** Signature:	OIL CONSERVATION DIVISION Approved By: Paul Kautz
Printed Name: Electronically filed by Jerry Sherrell	Title: Geologist
Title: Production Clerk	Approved Date: 3/5/2013 — Expiration Date: 3/5/2015
Email Address: jerrys@mec.com	
Date: 3/1/2013 — Phone: 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 163374

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-025-41034	97930	WC-025 G-06 S183518A;BONE SPRING

4. Property Code	5. Property Name	6. Well No.
38761	LEO STATE	008

7. OGRID No.	8. Operator Name	9. Elevation
13837	MACK ENERGY CORP	3967

10. Surface Location

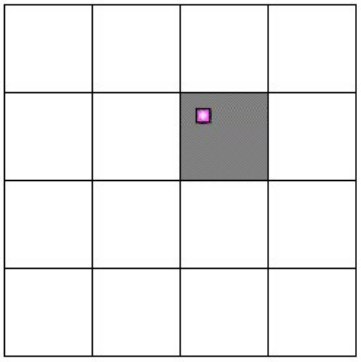
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	18	18S	35E		1650	N	2310	E	LEA

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

12. Dedicated Acres	13. Joint or Infill	14. Consolidation Code	15. Order No.
40.00			

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: 3/1/2013

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: Filimon Jaramillo
Date of Survey: 3/1/2013
Certificate Number: 12797

Permit Comments

Operator: MACK ENERGY CORP , 13837
Well: LEO STATE #008
API: 30-025-41034

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.	3/1/2013
pkautz	Land s/S	3/5/2013
CHERRERA	OCD RECEIVED FORM C144 CLEZ. OCD PERMIT #P1-05833	3/5/2013

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837
Well: LEO STATE #008
API: 30-025-41034

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
pkautz	In order to seal off protectable water surface casing must be set 25' below top of Rustler Anhydrite.