District I 1825 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 183630

 Operator Nan MAC 	ne and Address K ENERGY CO	RP						2. 0	DGRID Number 13837		
	30x 960 sia, NM 88211							3. /	API Number 30-025-41757		
4. Property Code 39158				5. Property Name BARBARO STATE					6. Well No. 002		
					7. Surfa	ace Location					
UL - Lot	Section	Township	Rang	je	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	11111
0	17		18S	35E	1200	330	S	2310	E		Lea
					8. Proposed Bo	ottom Hole Locatio	on				
UL - Lot	Section	Township	Rang	e	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
0	17	2 852	18S	35E	0	330	S	2310	E		Lea

9. Pool Information

or commontation	10.
WC-025 G-06 S183518A:BONE SPRING	97930

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3942
16. Multiple N	17. Proposed Depth 9900	18. Formation Bone Spring	19. Contractor	20. Spud Date 4/1/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☑ 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	Sads of Cement	Estimated TOC
Surf	12.25	8.625	32	1700	900	0
Prod	7.875	5.5	17	9900	1365	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4" hole to 1700', run 8 5/8" casing circ cement to surface. Drill a 7 7/8" hole to 9900', run 5 1/2" casing circ cement to surface. Put well on production.

22. Proposed Blowout Prevention Program

		Wallalaculei
Double Ram 3000	3000	

knowledge and	belief. I have complied with 19.15.1	bove is true and complete to the best of my 4.9 (A) NMAC ⊠ and/or 19.15.14.9 (B) NMAC		OIL CONS	ERVATION DIVISION
Signature:					
Printed Name:	Electronically filed by Jerr	y Sherrell	Approved By:	Paul Kautz	
Title:	Production Clerk		Title:	Geologist	
Email Address:	jerrys@mec.com	240 D. C.	Approved Date:	3/27/2014	Expiration Date: 3/27/2016
Date:	3/26/2014	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 183630

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41757	2. Pool Code 97930	3. Pool Name WC-025 G-06 S183518A:BONE SPRING
4. Property Code	5. Property Name	8. Well No.
39158	BARBARO STATE	002
7. OGRID No.	8. Operator Name	9. Elevation
13837	MACK ENERGY CORP	3942

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	17	188	35E		330	S	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	12. Dedicated Acres		13. Joint or Infill		14. Consolidation C	ode		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, organization either owns a working interest or unleased mineral interest in the land including the proposed bottom a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or agreement or a compulsory pooling order heretofore entered by the division.				
E-Signed By:	Jerry Sherrell			
Title:	Production Clerk			
Date:	3/26/2014			
	SURVEYOR CERTIFICATION ne well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, true and correct to the best of my belief.			
Surveyed By:	Filimon Jaramillo			
Date of Survey:	3/10/2014			
Certificate Number:	12797			

Form APD Comments

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 District II

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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

Permit 183630

PERMIT COMMENTS

Operator Name and Address:	API Number:
MACK ENERGY CORP [13837]	30-025-41757
PO Box 960	Well:
Artesia, NM 88211	BARBARO STATE #002

Created By	Comment	Comment Date
DWEAVER	H2S Concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	3/26/2014

Form APD Conditions

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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

Permit 183630

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
MACK ENERGY CORP [13837]	30-025-41757
PO Box 960	Well:
Artesia, NM 88211	BARBARO STATE #002

OCD Reviewer	Condition
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	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	1) SURFACE & Production CASING - Cement must circulate to surface