

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

## - Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

-PLC-364-A  
MACKENNEY  
13837

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

PROPOSED  
2014-7-22

WELLS

- Colorado State

30-025-40881

- Utah State

30-025-40652

POOLS

- Arkansas Junction  
San Andres  
2500

- WC-025

G-01, Grayburg

- 98059  
Arkansas Junction

Bond Springs  
2340

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or, \_\_\_\_\_

[F] ☐ Waivers are Attached

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Deana Weaver

Print or Type Name

Signature

Production Clerk

Title

Date

dweaver@mec.com  
e-mail Address

4.2.14

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# MEMO

---

DATE: April 1, 2014

TO: NMOCD

FROM: Travis K. Lanning

RE: UTAH STATE LEASE  
VB-1421-0  
T18S, R36E  
Section 13: Lots NE/4, SW/4,  
Lea County, New Mexico

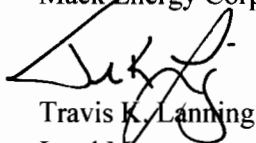
COLORADO STATE LEASE  
V-8272-0  
T18S, R36E  
Section 24: N/2NE/4,  
Lea County, New Mexico

Mack Energy Corporation respectfully requests approval to amend PLC-369 for our Utah State Lease (VB-1424-0) and our Colorado State Lease (V-8272-0). The Utah State #1 produces from the San Andres and Bone Springs Formations (DHC-4619) and the Colorado State # 1 produces from the San Andres and will be re-completed to also produce in the Grayburg Formation (DHC-4654). Production will be commingled at the Utah State #1 tank battery with each well would having separate production equipment equipped with a meter to measure production prior to combining in a common storage tank.

Both wells have identical working interest ownership; however, the State of New Mexico has a 3/16<sup>th</sup> Royalty in the Utah State Lease and a 1/6<sup>th</sup> Royalty in the Colorado State Lease. ✓

Please do not hesitate to contact me should you require any further information. OK

Sincerely,  
Mack Energy Corporation

  
Travis K. Lanning  
Land Manager

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
511 S. First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (505) 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

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                                |                                                              |                                                                |
|------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------|
| <sup>1</sup> API Number<br><b>30-025-40881</b> | <sup>2</sup> Pool Code<br><b>2500</b>                        | <sup>3</sup> Pool Name<br><b>Arkansas Junction; San Andres</b> |
| <sup>4</sup> Property Code<br><b>39584</b>     | <sup>5</sup> Property Name<br><b>COLORADO STATE</b>          |                                                                |
| <sup>7</sup> OGRID No.<br><b>13837</b>         | <sup>8</sup> Operator Name<br><b>MACK ENERGY CORPORATION</b> |                                                                |
|                                                |                                                              | <sup>6</sup> Well Number<br><b>1</b>                           |
|                                                |                                                              | <sup>9</sup> Elevation<br><b>3762.2</b>                        |

<sup>10</sup> Surface Location

| U.I. or lot no. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County     |
|-----------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| <b>B</b>        | <b>24</b> | <b>18 S</b> | <b>36 E</b> |         | <b>330</b>    | <b>NORTH</b>     | <b>1650</b>   | <b>EAST</b>    | <b>LEA</b> |

<sup>11</sup> Bottom Hole Location If Different From Surface

| U.I. or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|                 |         |          |       |         |               |                  |               |                |        |

|                                            |                               |                                  |                         |
|--------------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br><b>40</b> | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>589°21'02"W 2645.39 FT</p> <p>589°32'02"W 2647.55 FT</p> <p>NW CORNER SEC. 24<br/>LAT. = 32°44'25.789"N<br/>LONG. = 103°18'59.238"W</p> <p>N/4 CORNER SEC. 24<br/>LAT. = 32°44'25.833"N<br/>LONG. = 103°18'28.273"W</p> <p>SURFACE LOCATION</p> <p>NE CORNER SEC. 24<br/>LAT. = 32°44'25.791"N<br/>LONG. = 103°17'57.283"W</p> <p>COLORADO STATE #1<br/>ELEV. = 3762.2'<br/>LAT. = 32°44'22.554"N (NAD83)<br/>LONG. = 103°18'16.593"W</p> <p>W/4 CORNER SEC. 24<br/>COMPUTED</p> <p>E/4 CORNER SEC. 24<br/>LAT. = 32°43'59.592"N<br/>LONG. = 103°17'57.257"W</p> <p>SW CORNER SEC. 24<br/>LAT. = 32°43'33.435"N<br/>LONG. = 103°18'59.123"W</p> <p>S/4 CORNER SEC. 24<br/>LAT. = 32°43'33.468"N<br/>LONG. = 103°18'28.183"W</p> <p>SE CORNER SEC. 24<br/>LAT. = 32°43'33.411"N<br/>LONG. = 103°17'57.252"W</p> <p>500°39'24"E 2646.10 FT</p> <p>500°39'21"E 2646.06 FT</p> <p>500°39'24"E 2646.10 FT</p> <p>500°39'21"E 2646.06 FT</p> <p>589°22'39"E 2643.70 FT</p> <p>589°34'03"E 2642.94 FT</p> |  | <p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>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 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.</p> <p><i>Deana Weaver</i> 2.4.11<br/>Signature Date</p> <p><b>Deana Weaver</b><br/>Printed Name</p> <p><b>dweaver@mec.com</b><br/>E-mail Address</p> <p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>NOVEMBER 20, 2012<br/>Date of Survey</p> <p><i>James Jaramilla</i><br/>Signature and Seal of Professional Surveyor</p> <p>Certificate Number FJL INDIAN, JARAMILLA, PLS 12797<br/>SURVEY NO. 1368</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (505) 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

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                         |                                                       |                                                         |
|-----------------------------------------|-------------------------------------------------------|---------------------------------------------------------|
| <sup>1</sup> API Number<br>30-025-40881 | <sup>2</sup> Pool Code<br>98059                       | <sup>3</sup> Pool Name<br>WC-025 G-01 S183624; Grayburg |
| <sup>4</sup> Property Code<br>39584     | <sup>5</sup> Property Name<br>COLORADO STATE          |                                                         |
| <sup>7</sup> OGRID No.<br>13837         | <sup>8</sup> Operator Name<br>MACK ENERGY CORPORATION | <sup>6</sup> Well Number<br>1                           |
|                                         |                                                       | <sup>9</sup> Elevation<br>3762.2                        |

<sup>10</sup> Surface Location

| U.L. or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B               | 24      | 18 S     | 36 E  |         | 330           | NORTH            | 1650          | EAST           | LEA    |

<sup>11</sup> Bottom Hole Location If Different From Surface

| U.L. or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|                 |         |          |       |         |               |                  |               |                |        |

|                                     |                               |                                  |                         |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>40 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Survey plat showing well location and acreage. The plat is a rectangular area with dimensions 2645.39 FT by 2647.55 FT. It shows the well location at the center, with coordinates and bearings. The well is labeled 'COLORADO STATE #1' with an elevation of 3762.2'. The plat also shows the corners of Section 24, with their respective coordinates and bearings. The well is located in the center of the section, with a distance of 1650' from the north line and 330' from the west line.</p> | <p><b><sup>16</sup> OPERATOR CERTIFICATION</b><br/>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 undivided mineral interest in the land including the proposed bottom hole location 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.</p> <p>Signature: <u>Deana Weaver</u> Date: <u>2 4.14</u></p> <p>Printed Name: <u>Deana Weaver</u></p> <p>E-mail Address: <u>dweaver@mec.com</u></p> <p><b><sup>17</sup> SURVEYOR CERTIFICATION</b><br/>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.</p> <p>NOVEMBER 20, 2012</p> <p>Date of Survey: <u>NOVEMBER 20, 2012</u></p> <p>Signature and Seal of Professional Surveyor: <u>[Signature]</u></p> <p>Certificate Number: <u>FILED IN THE PUBLIC RECORDS OF THE COUNTY OF LEA, NEW MEXICO</u></p> <p>SURVEY NO. <u>1368</u></p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

District I  
 1621 N. French Dr., Hobbs, NM 88240  
 Phone: (575) 393-6161 Fax: (575) 393-0720  
 District II  
 811 S. First St., Artesia, NM 87010  
 Phone: (575) 748-1283 Fax: (575) 748-9720  
 District III  
 1000 Rio Hondo Road, Aztec, NM 87410  
 Phone: (505) 334-6176 Fax: (505) 334-6176  
 District IV  
 1720 S. St. Francis Dr., Santa Fe, NM 87505  
 Phone: (505) 476-7462 Fax: (505) 476-7462

**HOBBS OGD**

**JUL 10 2013**

**RECEIVED**

State of New Mexico  
 Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-102  
 Revised August 1, 2011  
 Submit one copy to appropriate  
 District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                                                |                                                              |                                       |                                                                 |
|------------------------------------------------|--------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------|
| <sup>1</sup> APJ Number<br><b>30-025-40652</b> |                                                              | <sup>2</sup> Pool Code<br><b>2340</b> | <sup>3</sup> Pool Name<br><b>Arkansas Junction; Bone Spring</b> |
| <sup>4</sup> Property Code<br><b>39300</b>     | <sup>5</sup> Property Name<br><b>UTAH STATE</b>              |                                       | <sup>6</sup> Well Number<br><b>1</b>                            |
| <sup>7</sup> OGRID No.<br><b>13837</b>         | <sup>8</sup> Operator Name<br><b>MACK ENERGY CORPORATION</b> |                                       | <sup>9</sup> Elevation<br><b>3769.3</b>                         |

**" Surface Location**

| 111. or lot no. | Section   | Township    | Range       | Lot 10n | Feet from the | North/South line | Feet from the | East/West line | County     |
|-----------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| <b>K</b>        | <b>13</b> | <b>18 S</b> | <b>36 E</b> |         | <b>2310</b>   | <b>SOUTH</b>     | <b>2310</b>   | <b>WEST</b>    | <b>LEA</b> |

**" Bottom Hole Location If Different From Surface**

| 111. or lot no. | Section | Township | Range | Lot 10n | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|                 |         |          |       |         |               |                  |               |                |        |

|                                            |                               |                                  |                         |
|--------------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>10</sup> Dedicated Acres<br><b>40</b> | <sup>11</sup> Joint or Infill | <sup>12</sup> Consolidation Code | <sup>13</sup> 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.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>SW CORNER SEC. 13</b><br/>LAT. = 32.7548862°N<br/>LONG. = 103.3160109°W</p> <p>NOTE:<br/>LATITUDE AND LONGITUDE<br/>COORDINATES ARE SHOWN<br/>USING THE NORTH<br/>AMERICAN DATUM OF 1927<br/>(NAD27), AND ARE IN<br/>DECIMAL DEGREE FORMAT.</p> <p>UTAH STATE #1<br/>ELEV. = 3769.3'<br/>LAT. = 32.7467278°N (NAD27)<br/>LONG. = 103.3084731°W</p> <p>SURFACE<br/>LOCATION</p> <p><b>E/4 CORNER SEC. 13</b><br/>LAT. = 32.7403787°N<br/>LONG. = 103.2987756°W</p> <p><b>SW CORNER SEC. 13</b><br/>LAT. = 32.7403775°N<br/>LONG. = 103.3159657°W</p> <p><b>S/4 CORNER SEC. 13</b><br/>LAT. = 32.7403900°N<br/>LONG. = 103.3073946°W</p> <p><b>SE CORNER SEC. 13</b><br/>LAT. = 32.7403787°N<br/>LONG. = 103.2987756°W</p> |  | <p><b>" OPERATOR CERTIFICATION</b><br/>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 undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well on this location pursuant to a contract with an owner of such interest or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Deana Weaver</i> 51.13<br/>Signature Date</p> <p><b>Deana Weaver</b><br/>Printed Name</p> <p>dweaver@mec.com<br/>E-mail Address</p> <p><b>" SURVEYOR CERTIFICATION</b><br/>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.</p> <p>JUNE 20, 2012<br/>Date of Survey</p> <p><i>[Signature]</i><br/>Signature and Seal of Professional Surveyor</p> <p>Certificate Number: 118797<br/>JAMES J. JARAMILLA<br/>REGISTERED LAND SURVEYOR, N.C. 1158</p> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**DWC-4619**

**CONTINUED**

**AUG 15 2013**

District I  
 1625 N. French Dr., El Paso, NM 88240  
 Phone: (505) 393-6161 Fax: (505) 393-0720  
 District II  
 811 S. First St., Artesia, NM 88210  
 Phone: (505) 748-1281 Fax: (505) 748-9720  
 District III  
 1000 Rio Huerfano Road, Artec, NM 87416  
 Phone: (505) 134-6178 Fax: (505) 134-6170  
 District IV  
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 Phone: (505) 476-1400 Fax: (505) 476-1402

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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                                                |                                                              |                                       |                                                                |
|------------------------------------------------|--------------------------------------------------------------|---------------------------------------|----------------------------------------------------------------|
| <sup>1</sup> API Number<br><b>30-025-40652</b> |                                                              | <sup>2</sup> Pool Code<br><b>2500</b> | <sup>3</sup> Pool Name<br><b>Arkansas Junction; San Andres</b> |
| <sup>4</sup> Property Code<br><b>39300</b>     | <sup>5</sup> Property Name<br><b>UTAH STATE</b>              |                                       | <sup>6</sup> Well Number<br><b>1</b>                           |
| <sup>7</sup> OGRID No.<br><b>13837</b>         | <sup>8</sup> Operator Name<br><b>MACK ENERGY CORPORATION</b> |                                       | <sup>9</sup> Elevation<br><b>3769.3</b>                        |

**" Surface Location**

| III. or lot no. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County     |
|-----------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| <b>K</b>        | <b>13</b> | <b>18 S</b> | <b>36 E</b> |         | <b>2310</b>   | <b>SOUTH</b>     | <b>2310</b>   | <b>WEST</b>    | <b>LEA</b> |

**" Bottom Hole Location If Different From Surface**

| III. or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|                 |         |          |       |         |               |                  |               |                |        |

|                                            |                               |                                  |                         |
|--------------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>10</sup> Dedicated Acres<br><b>40</b> | <sup>11</sup> Joint or Infill | <sup>12</sup> Consolidation Code | <sup>13</sup> 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.

**NOTE:**  
LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1927 (NAD27) AND ARE IN DECIMAL DEGREE FORMAT.

**UTAH STATE #1**  
ELEV. = 3769.3'  
LAT. = 32.746727°N (NAD27)  
LONG. = 103.3084731°W

**SURFACE LOCATION**

**SW CORNER SEC. 13**  
LAT. = 32.7403775°N  
LONG. = 103.3159657°W

**S/4 CORNER SEC. 13**  
LAT. = 32.7403500°N  
LONG. = 103.3073646°W

**SE CORNER SEC. 13**  
LAT. = 32.7403787°N  
LONG. = 103.2987566°W

**" OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that the organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location 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.

Under hereinafter entered by the division:  
Deana Weaver 5.1.13  
 Signature Date  
Deana Weaver  
 Printed Name  
dweaver@mec.com  
 E-mail Address

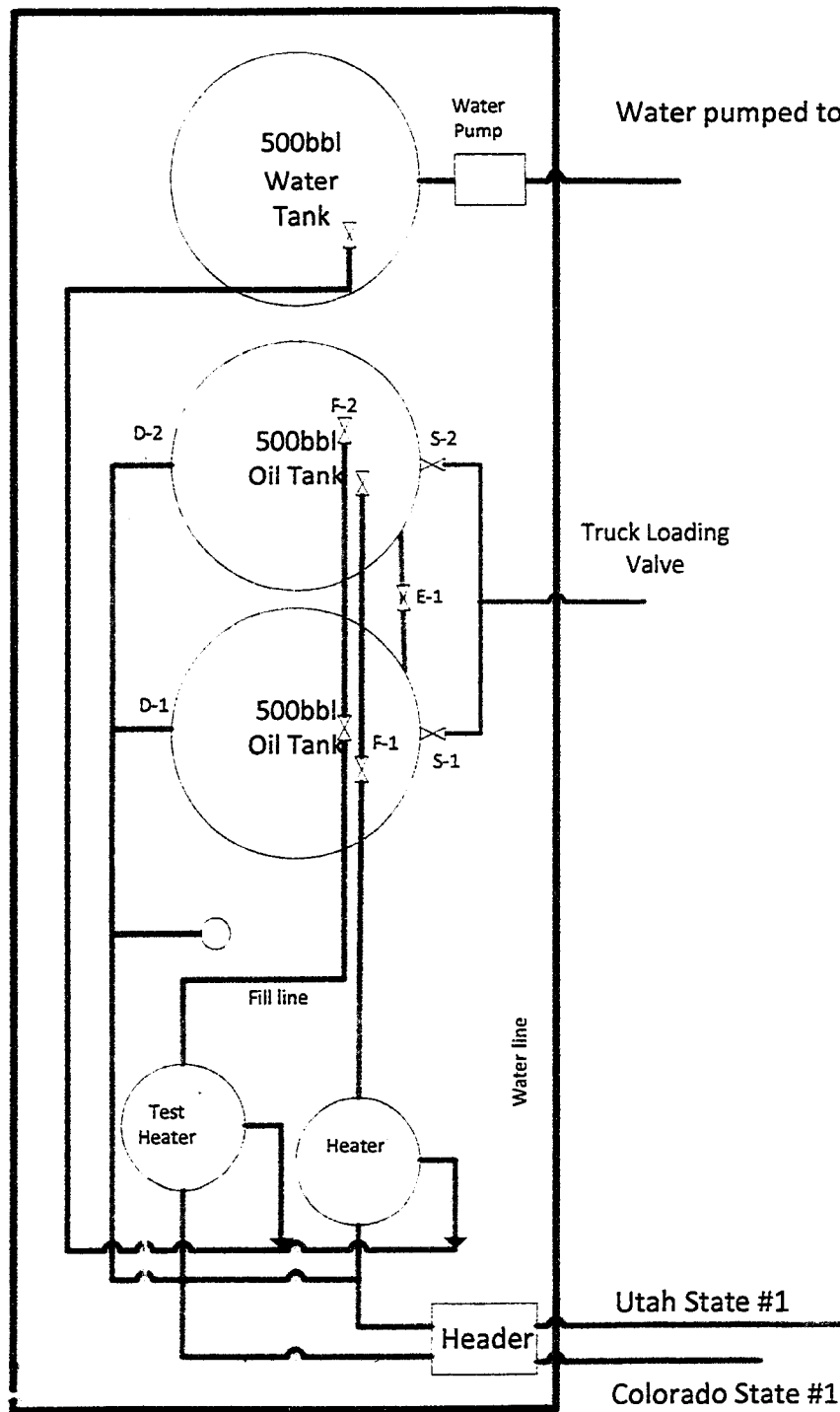
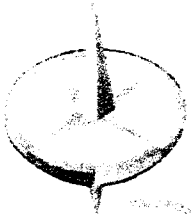
**" SURVEYOR CERTIFICATION**

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.

JUNE 20, 2012  
 Date of Survey  
[Signature]  
 Signature and Seal of Production Surveyor  
 Certificate Number 115797  
 FILMONT JARAMILLO  
 PROD. LAND SURV. NO. 1158

DHC-4619

SCANNED



Water pumped to Disposal R-33228

Truck Loading Valve

Utah State #1

Mack Energy Corporation  
11344 Lovington Hwy  
Artesia, NM 88210

Utah-Colorado State  
Proposed Commingled TB  
NESW Sec. 13 T18S R36E  
Lease VB-1421 & V-8272

Gas Meter  
located in the  
NWSW Sec. 13  
T18S R36E

Utah State #1

Colorado State #1



P.O. Box 960  
Artesia, NM 88211-0960  
Office (575) 748-1288  
Fax (575) 746-9539

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*March 27, 2014*

*Mr. Pete Martinez  
State Land Office  
P.O. Box 1148  
Santa Fe, NM 87504-1148*

*Re: Application for Surface Commingling*

*Dear Mr. Martinez:*

*Enclosed is a copy of our C-103 application.  
Mack Energy Corp. is requesting an amendment to Surface Commingle PCL-369 the  
Colorado State Lease V-8272 at the Utah State TB VB-1421 located in the NE/4SW/4  
Sec. 13 T18S R36E Lea County.*

*Please process the application at your earliest convenience. Should you have any  
questions, please call me at the above number.*

*Sincerely,*

*MACK ENERGY CORPORATION*

*Deana Weaver  
Production Clerk  
dweaver@mec.com*

*DW/*

*Enclosures*



# Production / Cum Balance Report State Numbers

| Date                                             | Days | Oil Mth                                   | Gas Mth       | Wtr Mth        | Daily Oil    | Daily Gas    | Daily Wtr      | Wtr Cum | Oil Cum | Gas Cum |
|--------------------------------------------------|------|-------------------------------------------|---------------|----------------|--------------|--------------|----------------|---------|---------|---------|
| <b>Delivery Sy Utah/ColoradoState</b>            |      | <b>Delivery Sys Utah / Colorado State</b> |               |                |              |              |                |         |         |         |
| <b>Well 2524.001.1</b>                           |      | <b>Well N Utah State 1 - 1</b>            |               |                |              |              |                |         |         |         |
| 09/01/2013                                       | 30   | 207                                       | 293           | 1,719          | 6.9          | 9.8          | 57.3           | 6,668   | 1,088   | 1,082   |
| 10/01/2013                                       | 31   | 151                                       | 183           | 1,500          | 4.9          | 5.9          | 48.4           | 8,168   | 1,239   | 1,265   |
| 11/01/2013                                       | 30   | 119                                       | 110           | 1,446          | 4.0          | 3.7          | 48.2           | 9,614   | 1,358   | 1,375   |
| 12/01/2013                                       | 31   | 111                                       | 125           | 1,609          | 3.6          | 4.0          | 51.9           | 11,223  | 1,469   | 1,500   |
| 01/01/2014                                       | 31   | 111                                       | 163           | 1,646          | 3.6          | 5.3          | 53.1           | 12,869  | 1,580   | 1,663   |
| 02/01/2014                                       | 28   | 84                                        | 113           | 702            | 3.0          | 4.0          | 25.1           | 13,571  | 1,664   | 1,776   |
| <b>Property Ttl</b>                              |      | <b>783</b>                                | <b>987</b>    | <b>8,622</b>   | <b>25.9</b>  | <b>32.7</b>  | <b>284.0</b>   |         |         |         |
| <b>Well 2524.001.2</b>                           |      | <b>Well N Utah State 1 - 2</b>            |               |                |              |              |                |         |         |         |
| 09/01/2013                                       | 30   | 1,419                                     | 2,007         | 11,783         | 47.3         | 66.9         | 392.8          | 84,822  | 9,664   | 12,134  |
| 10/01/2013                                       | 31   | 1,028                                     | 1,248         | 10,203         | 33.2         | 40.3         | 329.1          | 95,025  | 10,692  | 13,382  |
| 11/01/2013                                       | 30   | 802                                       | 742           | 9,759          | 26.7         | 24.7         | 325.3          | 104,784 | 11,494  | 14,124  |
| 12/01/2013                                       | 31   | 1,165                                     | 1,308         | 16,850         | 37.6         | 42.2         | 543.5          | 121,634 | 12,659  | 15,432  |
| 01/01/2014                                       | 31   | 836                                       | 1,219         | 12,347         | 27.0         | 39.3         | 398.3          | 133,981 | 13,495  | 16,651  |
| 02/01/2014                                       | 28   | 591                                       | 789           | 4,917          | 21.1         | 28.2         | 175.6          | 138,898 | 14,086  | 17,440  |
| <b>Property Ttl</b>                              |      | <b>5,841</b>                              | <b>7,313</b>  | <b>65,859</b>  | <b>192.9</b> | <b>241.6</b> | <b>2,164.6</b> |         |         |         |
| <b>Well 2527.001.1</b>                           |      | <b>Well N Colorado State 1</b>            |               |                |              |              |                |         |         |         |
| 09/01/2013                                       | 30   | 592                                       | 1,252         | 6,288          | 19.7         | 41.7         | 209.6          | 23,129  | 2,704   | 4,729   |
| 10/01/2013                                       | 31   | 444                                       | 1,036         | 6,490          | 14.3         | 33.4         | 209.4          | 29,619  | 3,148   | 5,765   |
| 11/01/2013                                       | 30   | 325                                       | 513           | 6,775          | 10.8         | 17.1         | 225.8          | 36,394  | 3,473   | 6,278   |
| 12/01/2013                                       | 31   | 199                                       | 413           | 3,828          | 6.4          | 13.3         | 123.5          | 40,222  | 3,672   | 6,691   |
| 01/01/2014                                       | 31   | 115                                       | 356           | 2,132          | 3.7          | 11.5         | 68.8           | 42,354  | 3,787   | 7,047   |
| 02/01/2014                                       | 28   | 448                                       | 732           | 6,174          | 16.0         | 26.1         | 220.5          | 48,528  | 4,235   | 7,779   |
| <b>Property Ttl</b>                              |      | <b>2,123</b>                              | <b>4,302</b>  | <b>31,687</b>  | <b>71.0</b>  | <b>143.2</b> | <b>1,057.5</b> |         |         |         |
| <b>Delivery System Ttl</b>                       |      | <b>8,747</b>                              | <b>12,602</b> | <b>106,168</b> | <b>289.8</b> | <b>417.5</b> | <b>3,506.1</b> |         |         |         |
| <b>Report Ttl</b>                                |      | <b>8,747</b>                              | <b>12,602</b> | <b>106,168</b> | <b>289.8</b> | <b>417.5</b> | <b>3,506.1</b> |         |         |         |
| <b>Delivery System Equals Utah/ColoradoState</b> |      |                                           |               |                |              |              |                |         |         |         |
| <b>Utah / Colorado State</b>                     |      |                                           |               |                |              |              |                |         |         |         |
| <b>Beg Date Equals 9/1/2013 12:00:00 AM</b>      |      |                                           |               |                |              |              |                |         |         |         |
| <b>End Date Equals 2/28/2014 12:00:00 AM</b>     |      |                                           |               |                |              |              |                |         |         |         |