



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

January 25, 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Mack Energy Corporation
P. O. Box 960
Artesia, New Mexico 88211-0960

Attention: Jerry Sherrell
jerrys@mackenergycorp.com

Administrative Order NSL-5160

Dear Mr. Sherrell:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on January 7, 2005 (*administrative application reference No. pMES0-501850085*); and (ii) the Division's records in Santa Fe and Artesia: all concerning Mack Energy Corporation's ("Mack") request for an unorthodox Strawn gas well location within a proposed 320-acre standard lay-down gas spacing unit comprising the S/2 of Section 16, Township 16 South, Range 27 East, NMPM, Eddy County, New Mexico, for either the Undesignated Duffield-Strawn Gas Pool (96348), the Undesignated North Duffield-Strawn Gas Pool (96621), or the Undesignated Southwest Diamond Mound-Strawn Gas Pool (97254).

The S/2 of Section 16 is a single state lease issued by the New Mexico State Land Office (State Lease No. V-05752).

This 320-acre unit is to be dedicated to the plugged and abandoned Southland Royalty Company ("Southland") Duffield "16" State Com. Well No. 1 (API No. 30-015-25072), to be redesignated the Oryx State Well No. 1, located 990 feet from the South line and 2180 feet from the West line (Unit N) of Section 16.

Your application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is the Division's understanding this well was originally drilled by Southland in September, 1985 to a total depth of 8,800 feet in order to test the deeper Atoka and Morrow formation for gas within a standard 320-acre lay-down gas spacing unit also comprising the S/2 of Section 16. At that time, this location was considered to be standard for a lay-down 320-acre unit. According to the Division's records, this well tested dry and was subsequently plugged and abandoned in October, 1985.

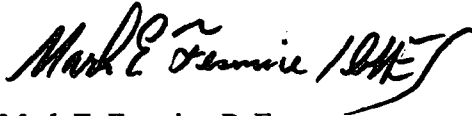
Mack Energy Corporation
January 25, 2005
Page 2

Division Administrative Order NSL-5160

It is further understood that Mack now intends to reenter this well and attempt a completion in the shallower Strawn formation.

By the authority granted me under the provisions of Division Rule 104.F (2), as revised, the above-described unorthodox Strawn gas well location for Mack's Oryx State Well No. 1 within the S/2 of Section 16 is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire / MEF".

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/11/05 16:12:22
OGOMES -TPF4
PAGE NO: 1

Sec : 16 Twp : 16S Rng : 27E Section Type : NORMAL

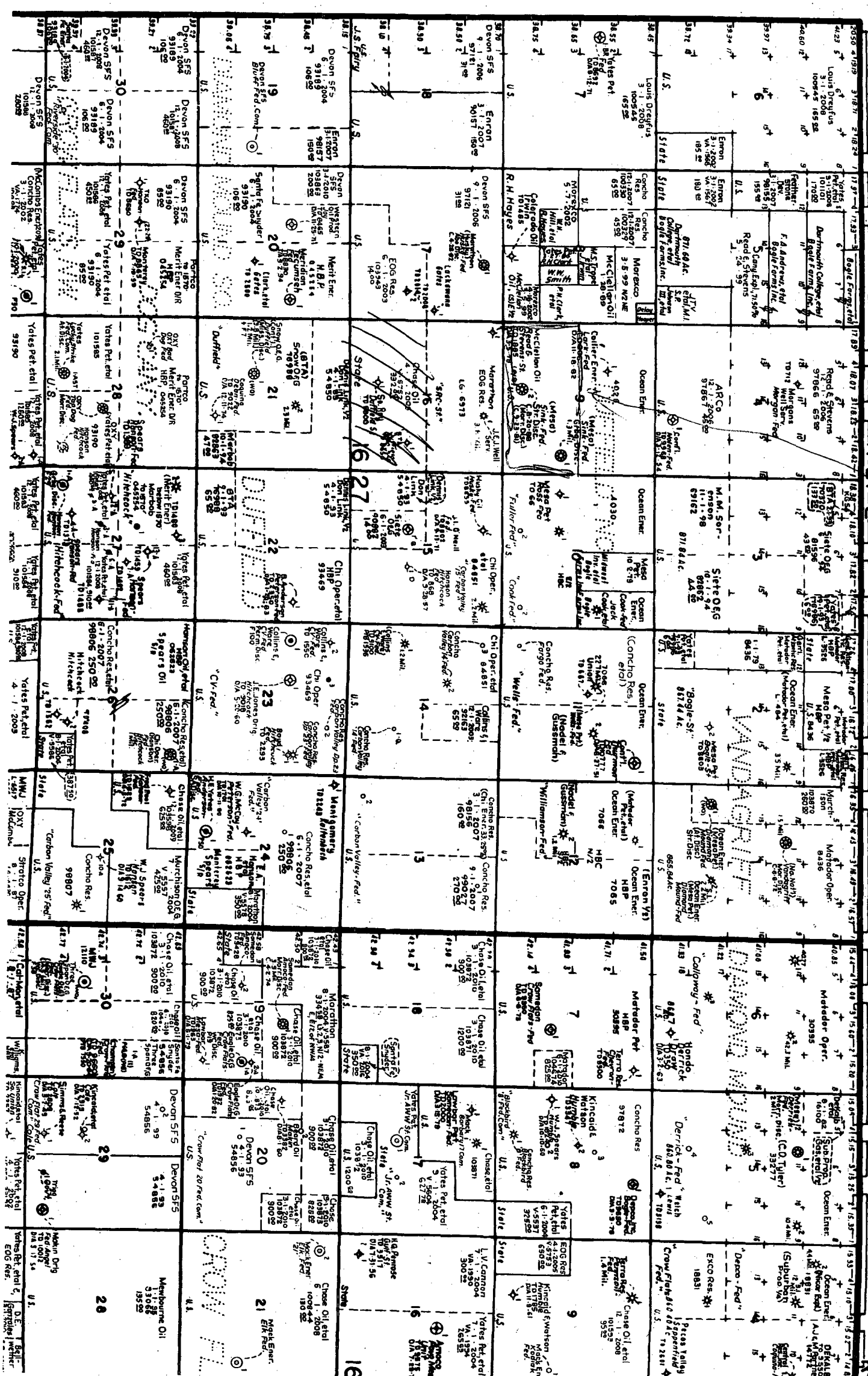
D 40.00 CS LG6973 0002 EOG RESOURCES INC 09/01/89 A	C 40.00 CS LG6973 0002 EOG RESOURCES INC 09/01/89	B 40.00 CS LG6973 0002 EOG RESOURCES INC 09/01/89 A	A 40.00 CS LG6973 0002 EOG RESOURCES INC 09/01/89
E 40.00 CS LG6973 0002 EOG RESOURCES INC 09/01/89	F 40.00 CS LG6973 0002 EOG RESOURCES INC 09/01/89	G 40.00 CS LG6973 0002 EOG RESOURCES INC 09/01/89	H 40.00 CS LG6973 0002 EOG RESOURCES INC 09/01/89
L 40.00 CS V05752 0000 CHASE OIL CORPORA 04/01/05	K 40.00 CS V05752 0000 CHASE OIL CORPORA 04/01/05	J 40.00 CS V05752 0000 CHASE OIL CORPORA 04/01/05	I 40.00 CS V05752 0000 CHASE OIL CORPORA 04/01/05 A
M 40.00 CS V05752 0000 CHASE OIL CORPORA 04/01/05	N 40.00 CS V05752 0000 CHASE OIL CORPORA 04/01/05 A	O 40.00 CS V05752 0000 CHASE OIL CORPORA 04/01/05	P 40.00 CS V05752 0000 CHASE OIL CORPORA 04/01/05

Diamond Head - Abilene Gas Co. 1 (Created 2-6-03 by R-11895)

R-27-E

R-1

T 16 S



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NEW MEXICO OIL CONSERVATION COMMISSION

OCT 29 1984
O. C. D.
ARTESIA, OFFICE

Form C-101
Revised 1-1-83

30-015-25072

5A. Indicate Type of Lease
STATE ☒ FEE ☐
5. State Oil & Gas Lease No.
V-489

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well OIL WELL ☒ GAS WELL ☐ OTHER ☐		8. Farm or Lease Name	
2. Name of Operator Southland Royalty Company		9. Well No. 1	
3. Address of Operator 21 Desta Drive, Midland, Texas 79705		10. Field and Pool, or Wildcat Diamond Mound (Atoka)	
4. Location of Well UNIT LETTER N LOCATED 660 FEET FROM THE South LINE AND 1980 FEET FROM THE West LINE OF SEC. 16 TWP. 16S RGE. 27E NMPM		12. County Eddy	
19. Proposed Depth 8800'		19A. Formation Atoka	
20. Rotary or C.T. Rotary		21. Elevations (Show whether DF, RT, etc.) 3575.9' GR	
21A. Kind & Status, Plug. Bond Blanket		21B. Drilling Contractor	
22. Approx. Date Work will start 11-12-84			

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	48#	350'	400 sx.	Circ.
12 1/4"	8 5/8"	24#	1500'	750 sx.	Circ.
7 7/8"	4 1/2"	10.5 & 11.6#	8800'	300 sx.	TOC @ 6000' by T

Drill 17 1/2" hole to 350'. Set 13 3/8" csg @ 350'. Cmt w/400 sx. Drill 12 1/4" hole to 1500'. Set 8 5/8" csg @ 1500'. Cmt w/750 sx. Drill 7 7/8" hole to TD to test the Atoka and intermediate horizons with shows. If commercial, run 4 1/2" csg to TD. Cmt w/sufficient volume to bring cmt above prospective zones. Estimated top of cmt @ 6000'. Perforate and stimulate.

MUD PROGRAM: 0-350' spud mud; 350-1500' brine; 1500-8000' fresh wtr; 8000-TD Cut brine, gel, Drispac, 3% KCl. MW 9-9.2. VIS 32-36, 6 cc. BHP @ TD anticipated to be 4400 psi. BOP PROGRAM: BOP to be installed and tested after setting 8 5/8" cas & at 8000'. BOP to be tested by Yellow Jacket, Inc.

GAS NOT DEDICATED

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 4-30-85
UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Danell Roberts Title Operations Engineer Date 10-29-84

(This space for State Use)

APPROVED BY Mike Williams Original Signed By Mike Williams DATE OCT 30 1984
CONDITIONS OF APPROVAL, IF ANY: Oil & Gas Inspector

Notify N.M.O.C.C. in sufficient time to witness cementing the 8 5/8" casing

Post ID-1
11-2-84
New loc + API

NEW MEXICO OIL CONSERVATION COMM. ON
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator SOUTHLAND ROYALTY CO.		Lease DUFFIELD "16" State Com		Well No. 1
Init Letter N	Section 16	Township 16S	Range 27E	County EDDY
Actual Footage Location of Well: 660 feet from the SOUTH line and 1980 feet from the WEST line				
Ground Level Elev. 3575.9	Producing Formation Atoka	Pool Diamond Mound	Dedicated Acreage: 320 Acres	

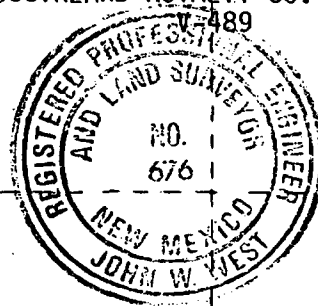
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

SOUTHLAND ROYALTY CO. LG 6973		SOUTHLAND ROYALTY CO. LG 6973		CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Darrell Roberts</i> Name Darrell Roberts Position Operations Engineer Company Southland Royalty Company Date 10-29-84	
SOUTHLAND ROYALTY CO. V-489		SOUTHLAND ROYALTY CO. V-489		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 knowledge and belief. Date Surveyed 10/24/84 Registered Professional Engineer and/or Land Surveyor <i>John W. West</i> Certificate No. JOHN W. WEST, 676 RONALD J. EIDSON, 3239	



NE MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Southland Royalty Co.			Lease Duffield "16" State Com		Well No. 1
Unit Letter N	Section 16	Township 16S	Range 27E	County Eddy	
Actual Footage Location of Well: 990 feet from the South line and 2180 feet from the West line					
Ground Level Elev. 3566.3	Producing Formation Atoka	Pool Diamond Mound		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

SOUTHLAND ROYALTY COMPANY LG 6973		SOUTHLAND ROYALTY COMPANY LG 6973		CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Darrell Roberts</i> Name Darrell Roberts Position Operations Engineer Company Southland Royalty Company Date 11-6-84
SOUTHLAND ROYALTY COMPANY V 489		SOUTHLAND ROYALTY COMPANY V 489		
2180' 990' STATE		STATE		
Date Surveyed Nov. 2, 1984 Registered Professional Engineer and/or Land Surveyor <i>John W. West</i> Certificate No. JOHN W. WEST, 676 RONALD J. EIDSON, 3239				

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NEW MEXICO OIL CONSERVATION COMMISSION

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NOV 07 1984

Form C-101
Revised 1-4-83

REVISED LOCATION

O. C. D.
ARTESIA, OFFICE

5A. Indicate Type of Lease	STATE ☒	FEE ☐
5. State Oil & Gas Lease No.	V-489	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL ☒ DEEPEN ☐ PLUG BACK ☐			7. Unit Agreement Name
b. Type of Well OIL WELL ☐ GAS WELL ☒ OTHER ☐			8. Form or Lease Name Duffield "16" State Com
2. Name of Operator Southland Royalty Company			9. Well No. 1
3. Address of Operator 21 Desta Drive, Midland, Texas 79705			10. Field and Pool, or Wildcat Diamond Mound (Atoka)-Mid
4. Location of Well UNIT LETTER N LOCATED 990 FEET FROM THE South LINE AND 2180 FEET FROM THE West LINE OF SEC. 16 TWP. 16S RGE. 27E NMPM			12. County Eddy
19. Proposed Depth 8800'		19A. Formation Atoka	20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 3575.9' GR 3566.3'	21A. Kind & Status Plug. Bond Blanket	21B. Drilling Contractor	22. Approx. Date Work will start 11-12-84

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	48#	350'	400 sx.	Circ.
12 1/4"	8 5/8"	24#	1500'	750 sx.	Circ.
7 7/8"	4 1/2"	10.5 & 11.6#	8800'	300 sx.	TOC @ 6000' by T

Drill 17 1/2" hole to 350'. Set 13 3/8" csg @ 350'. Cmt w/400 sx. Drill 12 1/4" hole to 1500'. Set 8 5/8" csg @ 1500'. Cmt w/750 sx. Drill 7 7/8" hole to TD to test the Atoka and intermediate horizons with shows. If commercial, run 4 1/2" csg to TD. Cmt w/sufficient volume to bring cmt above prospective zones. Estimated top of cmt @ 6000'. Perforate and stimulate.

MUD PROGRAM: 0-350' spud mud; 350-1500' brine; 1500-8000' fresh wtr; 8000-TD Cut brine, gel, Drispac, 3% KCl. MW 9-9.2. VIS 32-36, 6 cc. BHP @ TD anticipated to be 4400 psi. BOP PROGRAM: BOP to be installed and tested after setting 8 5/8" cas & at 8000'. BOP to be tested by Yellow Jacket, Inc.

GAS NOT DEDICATED

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 5-13-85
UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Danell Roberts Title Operations Engineer Date 11-6-84

(This space for State Use)

APPROVED BY Original Signed By Mike Williams TITLE Oil & Gas Inspector DATE NOV 13 1984

Notify N.M.O.C.C. in sufficient time to witness cementing the 8 5/8" casing

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NEW MEXICO OIL CONSERVATION COMMISSION
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 O. C. D.
 ARTESIA, OFFICE

Form C-101
 Revised 1-4-85 30-015-25022

5A. Indicate Type of Lease
 STATE ☒ FEE ☐
 5. State Oil & Gas Lease No.
 V-489

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL ☒ DEEPEN ☐ PLUG BACK ☐		7. Unit Agreement Name
b. Type of Well OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐		8. Form or Lease Name Duffield "16" State Com.
2. Name of Operator Southland Royalty Company.		9. Well No. 1
3. Address of Operator 21 Desta Drive, Midland, Texas 79705		10. Field and Pool, or Wildcat Diamond Mound (Atoka)-M
4. Location of Well UNIT LETTER N LOCATED 990 FEET FROM THE South LINE AND 2180 FEET FROM THE West LINE OF SEC. 16 TWP. 16S RGE. 27E NMPM		12. County Eddy
19. Proposed Depth 8800'		19A. Formation Atoka
20. Rotary or C.T. Rotary		21. Elevations (Show whether DF, RT, etc.) 3575.9' OR 3566.3'
21A. Kind & Status Plug Bond Bland		21B. Drilling Contractor Bland
22. Approx. Date Work will start 11-12-84		

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	48#	350'	400 sx.	Circ.
12 1/4"	8 5/8"	24#	1500'	750 sx.	Circ.
7 7/8"	4 1/2"	10.5 & 11.6#	8800'	300 sx.	TOC @ 6000' by

Drill 17 1/2" hole to 350'. Set 13 3/8" csg @ 350'. Cmt w/400 sx. Drill 12 1/4" hole to 1500'. Set 8 5/8" csg @ 1500'. Cmt w/750 sx. Drill 7 7/8" hole to TD to test the Atoka and intermediate horizons with shows. If commercial, run 4 1/2" csg to TD. Cmt w/sufficient volume to bring cmt above prospective zones. Estimated top of cmt @ 6000'. Perforate and stimulate.

MUD PROGRAM: 0-350' spud mud; 350-1500' brine; 1500-8000' fresh wtr; 8000-TD Cut brine, gel, Drispac, 3% KCl. MW 9-9.2. VIS 32-36, 6 cc. BHP @ TD anticipated to be 4400 psi. BOP PROGRAM: BOP to be installed and tested after setting 8 5/8" cas & at 8000'. BOP to be tested by Yellow Jacket, Inc.

GAS NOT DEDICATED

APPROVAL VALID FOR 180 DAYS
 PERMIT EXPIRES 2-15-86
 UNLESS DRILLING UNDERWAY

Was Expired Intend

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Danell Roberts Title Operations Engineer Date 8-6-85

(This space for State Use)

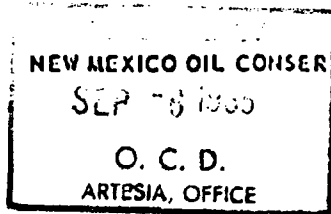
Original Signed By

APPROVED BY Mike Williams
 Oil & Gas Inspector

TITLE Notify N.M.O.C.C. in sufficient
 time to witness cementing
 the 8 5/8 casing

DATE AUG 15 1985

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Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State ☒ Fee ☐

5. State Oil & Gas Lease No.
V-489

SUNDY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO RE-DRILL WELLS IN A DIFFERENT RESERVOIR.
SEE APPLICATIONS FOR PERMIT - 1103 (C-102) FOR SUCH PROPOSALS.)

1. ☒ OIL WELL ☐ GAS WELL ☐ OTHER	7. Unit Agreement Name
2. Name of Operator Southland Royalty Company	8. Form of Lease Name Duffield "16" State
3. Address of Operator 21 Desta Drive, Midland, Texas 79705	9. Well No. 1
4. Location of Well UNIT LETTER <u>N</u> <u>990</u> FEET FROM THE <u>South</u> LINE AND <u>2180</u> FEET FROM <u>West</u> LINE, SECTION <u>16</u> TOWNSHIP <u>16S</u> RANGE <u>27E</u> NMPM. Diamond Mound (Atoka)	10. Field and Pool, or Valued
15. Elevation (Show whether DF, RT, GR, etc.) 3566.3' GR	12. County Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☐	
OTHER _____		Set Surface Csg	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spudded 17 1/2" hole 9-3-85. Set 13 3/8" 48# csg @ 360'. Cmt'd w/400 sxs C1 "C".
Circ 65 sxs. PD @ 5:45 AM 9-4-85. WOC 20 hrs. Test csg to 500#.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

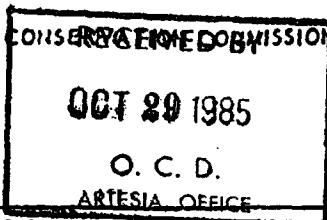
SIGNED Danell Roberts TITLE Operations Engineer DATE 9/5/85

APPROVED BY Les A. Clements TITLE Supervisor District II DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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OPERATOR	☒	

NEW MEXICO OIL CONSERVATION COMMISSION



Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

3a. Indicate Type of Lease
State ☒ Fee ☐

3. State Oil & Gas Lease No.
V-489

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR NOTICES TO WELL OR TO REPORT ON PLUG DATE TO A DIFFERENT RESERVOIR.
SEE APPLICATION FOR PLUG DATE TO DIFFERENT RESERVOIR FOR SUCH PURPOSES.)

1. ☒ OIL WELL ☐ GAS WELL ☐ OTHER	7. Unit Agreement Name
2. Name of Operator Southland Royalty Company	8. Form of Lease Name Duffield "16" State Co
3. Address of Operator 21 Desta Drive, Midland, Texas 79705	9. Well No. 1
4. Location of Well UNIT LETTER <u>N</u> <u>990</u> FEET FROM THE <u>South</u> LINE AND <u>2180</u> FEET FROM <u>West</u> LINE, SECTION <u>16</u> TOWNSHIP <u>16S</u> RANGE <u>27E</u> NMPM.	10. Field and Pool, or Wildcat Diamond Mound (Aroka)
15. Elevation (Show whether <u>DF</u> , <u>RT</u> , <u>CR</u> , etc.) 3566.3' GR	12. County Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☐	
		OTHER <u>Set 8 5/8" Csg</u>	<u>XXX</u>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Set 8 5/8" 24# csg @ 1500'. Cmt w/450 sx Cl "C" Lite & 250 sxs Cl "C". PD @ 3:30 PM
9-6-85. Circ 129 sxs. Tested BOP to 3000#. Hydril to 1500#. Csg to 500#. WOC 22 hrs.
Held OK.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Danell Roberts TITLE Operations Engineer DATE 10/25/85

Original Signed By Les A. Clements

APPROVED BY Supervisor District DATE OCT 31 1985

CONDITIONS OF APPROVAL, IF ANY:

DST #1 6552-6786' (Wolfcamp)

HI 3446#, 10 min IF 284-284#, Strong blow, 60 min ISI 1663#, 60 min FF 284-351#, Strong decreasing to fair blow, 54 MCFD, 180 min FSI 1563#, HO 3347#, DP rec 370' gas cut drlg mud (6.2 Bbls). Sampler press 280#, 1200 cc drlg mud w/tr oil.

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OPERATOR	☒

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Form C-105
Revised 11-1-84

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

O. C. D.
ARTESIA, OFFICE

5a. Indicate Type of Lease
State ☒ Fee ☐

6. State Oil & Gas Lease No.
V-489

1a. TYPE OF WELL
OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER Dry Hole

b. TYPE OF COMPLETION
NEW WELL ☐ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER

7. Unit Agreement Name

8. Firm or Lease Name
Duffield "16" St Com

9. Well No.
1

2. Name of Operator
Southland Royalty Company

3. Address of Operator
21 Desta Drive, Midland, Texas 79705

10. Field and Pool, or Wildcat
Diamond Mound (Atoka)

4. Location of Well
UNIT LETTER N LOCATED 990 FEET FROM THE South LINE AND 2180 FEET FROM THE West LINE OF SEC. 16 TWP. 16S RGE. 27E NMPM

11. County
Eddy

15. Date Spudded 9-3-85 16. Date T.D. Reached 9-25-85 17. Date Compl. (Ready to Prod.) Dry Hole 18. Elevations (DF, RAB, RT, GR, etc.) 3566.3' GR 19. Elev. Casinghead -

20. Total Depth 8800' 21. Plug Back T.D. - 22. If Multiple Compl., How Many - 23. Intervals Drilled By Rotary Tools 0-TD Cable Tools

24. Producing Interval(s), of this completion - Top, Bottom, Name
None

25. Was Directional Survey Made
Yes

26. Type Electric and Other Logs Run
DLL/Micro-SFL, CNL/LDT

27. Was Well Cored
No

28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	360'	17 1/2"	400 sx CL "C"	Circ.
8 5/8"	24#	1500'	12 1/4"	700 sx CL "C"	Circ.

29. LINER RECORD				30. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SIZE	DEPTH SET	PACKER SET
				N/A		

31. Perforation Record (Interval, size and number)
None

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL
AMOUNT AND KIND MATERIAL USED
Post TD-2
11-8-85
P+P

33. PRODUCTION
Date First Production Dry Hole Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in)

Date of Test Hours Tested Choke Size Production For Test Period
Oil - BBL Gas - MCF Water - BBL Gas - Oil Ratio

Flow Tubing Press. Casing Pressure Cased and 24-Hour Rate
Oil - BBL Gas - MCF Water - BBL Oil Gravity - API (Temp.)

34. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By

35. List of Attachments
C-103, C-104, C-102, Logs

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED Danell Roberts TITLE Operations Engineer DATE 10/16/85

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Commission not later than 26 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radioactivity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured by tape. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quadruplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn <u>7900</u>	T. Kirtland-Fruitland _____	T. Penn. "C" _____
T. Salt _____	T. Anoka <u>8260</u>	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss <u>8580</u>	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen <u>650</u>	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg <u>984</u>	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres <u>1400</u>	T. Simpson _____	T. Gallup _____	T. Ignacio Qtzite _____
T. Glorieta <u>2750</u>	T. McKee _____	T. Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinberry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb <u>4050</u>	T. Granite _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Delaware Sand _____	T. Entrada _____	T. _____
T. Abo <u>4830</u>	T. Bone Springs _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn. _____	T. <u>Morrow 8500</u>	T. Pennian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____	No. 4, from _____ to _____
No. 2, from _____ to _____	No. 5, from _____ to _____
No. 3, from _____ to _____	No. 6, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____	feet
No. 2, from _____ to _____	feet
No. 3, from _____ to _____	feet
No. 4, from _____ to _____	feet

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	1400	1400	Anhydrite & Sandstone				
1400	2750	1350	Dolomite				
2750	2900	150	Sandstone & Dolomite				
2900	4150	1250	Dolomite				
4150	4300	150	Sandstone & Dolomite				
4300	4850	550	Dolomite & Anhydrite				
4850	6150	1300	Shale & Dolomite				
6150	7050	900	Limestone				
7050	8800	1750	Limestone, Shale & Sandstone				

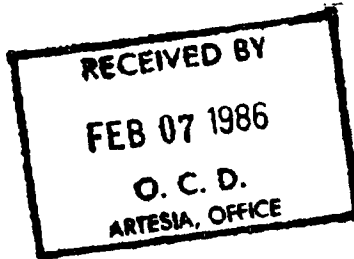
NEW MEXICO OIL CONSERVATION DIVISION
P.O. DRAWER DD
ARTESIA, NEW MEXICO 88210

DATE Nov. 6, 1985

Southland Royalty Co.

21 Desta Drive

Midland, TX 79705



Re: Plugging Reports

Gentlemen:

Form C-103 Report of Plugging for your Duffield 16 St. Com #1 N-16-16-27
Lease Well No. Ut. S-T-R

cannot be approved until an N.M.O.C.D. representative has made an inspection of the location and found it to be cleared to comply with Division Rules and Regulations. Please check each item in the space provided to indicate that the work has been done.

- (✓) 1. All pits have been filled and leveled.
- (✓) 2. Rat hole and cellar have been filled and leveled.
- (✓) 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete. It must show the quarter-quarter section or unit designation, section, township and range numbers which have been permanently stenciled or welded on the marker.
- (✓) 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- (✓) 5. The dead men and tie downs have been cut and removed.
- (✓) 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been leveled and cleared of all junk & equipment.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by filling in the blank form below and returning this letter to us so that our representative will not have to make more than one trip to the location.

OIL CONSERVATION DIVISION

Mike Williams

Oil & Gas Inspector

FILL IN BELOW AND RETURN

I certify that the above work has been done and the above mentioned lease is ready for your inspection and approval.

E. J. Schram
NAME

TITLE

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SAITAFEE	☒
FILE	☒
U.S.G.S.	
LAND OFFICE	
OPERATOR	☒

NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED BY
OCT 18 1985
O. C. D.
ARTESIA, OFFICE

Form C-101
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.
V-489

SUNDARY NOTICES AND REPORTS ON WELLS

1. ☐ OIL WELL ☐ GAS WELL ☒ OTHER: Plugged & Abandoned	7. Unit Agreement Name
2. Name of Operator Southland Royalty Company	8. Form of Lease Name Duffield "16" St Com
3. Address of Operator 21 Desta Drive, Midland, Texas 79705	9. Well No. 1
4. Location of Well UNIT LETTER <u>N</u> <u>990</u> FEET FROM THE <u>South</u> LINE AND <u>2180</u> FEET FROM THE <u>West</u> LINE, SECTION <u>16</u> TOWNSHIP <u>16S</u> RANGE <u>27E</u> NMPM.	10. Field and Pool, or Wildcat Diamond Mound (Atoka)
11. Elevation (Show whether DF, RT, CR, etc.) 3566.3' GR	12. County Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☒
PULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☐	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spotted 35 sxs cmt from 8400-8300', 35 sxs 6090-5990', 35 sxs 4900-4800', 35 sxs 2750-2650', 45 sxs 1550-1450'. WOC 4 hrs. Tag plug @ 1450'. Spotted 35 sxs 410-310'. Set 10 sx plug @ surface & installed dry hole marker. Rlsd rig @ 12:00 Noon 10-1-85. Plugged & abandoned 10-1-85.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED: Danell Roberts TITLE: Operations Engineer DATE: 10-16-85
APPROVED BY: Danell Moore TITLE: Geologist DATE: 3/27/86
CONDITIONS OF APPROVAL, IF ANY:

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street Artesia, NM 88210-1404
District III
1000 Rio Brazos Rd, Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960		OGRID Number
		013837
		API Number
		30-015-25072
Property Code	Property Name	Well No.
	Oryx State	1

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	16	16S	27E		990	South	2180	West	Eddy

Proposed Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1					Proposed Pool 2				
Unders. Duffield, Strawn GAS					Wolfcamp				

Work Type Code	Well Type Code	Cable/Rotary	Lease Type Code	Ground Level Elevation
E	G	R	S	3566
Multiple	Proposed Depth	Formation	Contractor	Spud Date
No	8300	Strawn		1/15/2005

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	48	360	400	Surface
12 1/4	8 5/8	24	1500	700	Surface
7 7/8	5 1/2	17	8300	1400	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Mack Energy Corporation proposes to Re-enter the formerly Duffield 16 State Com #1 now Oryx State #1 to a depth of 8300' log well and evaluate the Strawn, Cisco and Wolfcamp formation. Run 5 1/2 casing and cement, attempt to produce. Put well on production.

RECEIVED

JAN 07 2005

OFFICE OF ARTESIA

I hereby certify that the information given above is true and complete to the best of my knowledge and belief
Signature

Printed name:

Jerry W. Sherrell

Title:

Production Clerk

Date:

1/5/2005

Phone:

(505)748-1288

OIL CONSERVATION DIVISION

Approval by:

TIM W. GUM

Title:

DISTRICT II SUPERVISOR

Approval Date:

FEB 08 2005

Expiration Date:

FEB 08 2006

Conditions of Approval:

Attached ☐

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Darrell Roberts	
Name	Darrell Roberts
Position	Operations Engineer
Company	Southland Royalty Company
Date	8-6-85
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 knowledge and belief.	
Date Surveyed	Nov. 2, 1984
Registered Professional Engineer and/or Land Surveyor	
John W. Whit	