

PRG ABOVE THIS LINE FOR DIVISION USE ONLY *1422*

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



30-025-40650
 Alaska State #1
 Made Energy

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]

- [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 _____

Request for Add. Data & Summary Info.

2013 MAR -11 P 1:32
 RECEIVED OGD

- [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 Deana Weaver Production Clerk 2.28.13
 Print or Type Name Signature Title Date
 dweaver@mec.com
 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No

II. OPERATOR: Mack Energy Corporation

ADDRESS: P.O. Box 960 Artesia, NM 88211-0960

CONTACT PARTY: Deana Weaver PHONE: (575)748-1288

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____ Yes X No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

X. Attach appropriate logging and test data on the well. (if well logs have been filed with the Division, they need not be resubmitted).

XI. Attach a chemical analysis of freshwater from two or more freshwater wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Deana Weaver TITLE: Production Clerk

SIGNATURE: Deana Weaver DATE: 2.28.13

* if the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

VII. DATA SHEET: PROPOSED OPERATIONS

1. Proposed average and maximum daily rate and volume of fluids to be injected;
Respectively, 2000 BWPD and 4000 BWPD
2. The system is closed or open;
Closed
3. Proposed average and maximum injection pressure;
0-1940#
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than re-injected produced water;
We will be re-injecting produced water
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water;

N/A

VIII. GEOLOGICAL DATA

1. Lithologic Detail; Carbonate: Dolomite
2. Geological Name; **Wolfcamp**
3. Thickness; **365'**
4. Depth; **8,458-8,823'**

IX. PROPOSED STIMULATION PROGRAM

1. To be treated with 10000 gallons 15% acid

X. LOGS AND TEST DATA

1. Well data will be filed with the OCD.

XI. ANALYSIS OF FRESHWATER WELLS

1. Will be forwarded, when complete.

Additional Information

Waters Injected: Bone Spring, San Andres

XII. AFFIRMATIVE STATEMENT

RE: Alaska SWD #1

We have examined the available geologic and engineering data and find no evidence of open faults or any other hydraulic connection between the disposal zone and any underground source of drinking water.

Mack Energy Corporation

Date: 2/28/13



Chris Moreno, Geologist

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: Plastic Coated

Type of Packer: Halliburton Trump Packer

Packer Setting Depth: 8408'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes No

If no, for what purpose was the well originally drilled? Oil Well

2. Name of the Injection Formation: Wolfcamp

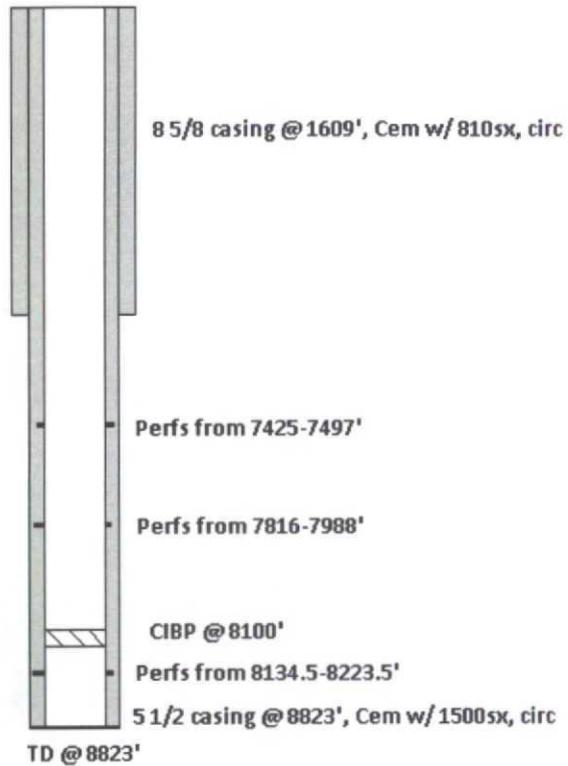
3. Name of Field or Pool (if applicable): SWD; Wolfcamp

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 7425-7497'squeezed w/100sx

Class H, 7816-7988' squeezed w/ 100sx Class H, and 8134.5-8223.5' squeezed w/ 100sx Class H

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Overlying- Bone Spring Underlying- None

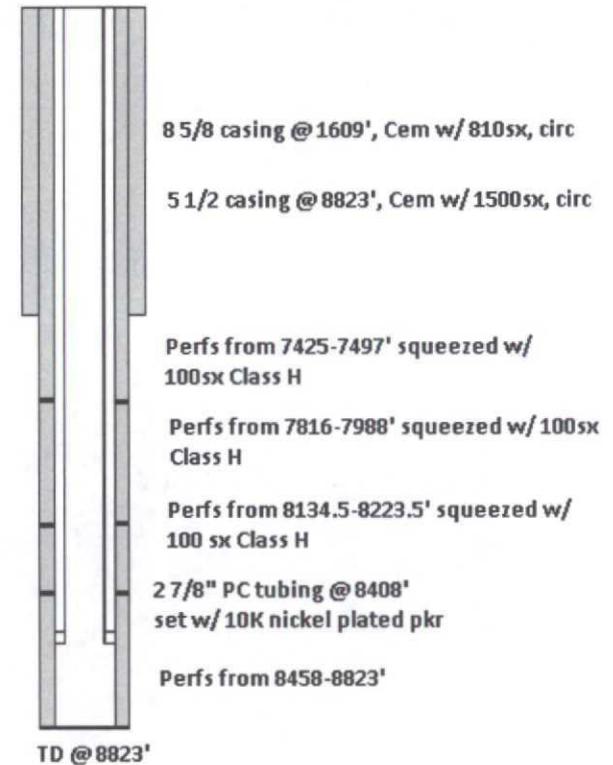
Before



Alaska SWD #1
30-025-40650
Sec. 35 T18S R36E
2310 FSL & 2310' FWL

Formation Tops:
Yates- 2941'
Seven Rivers-3297'
Grayburg-4436'
San Andres-4803'
Delaware- 5319'
Bone Springs- 6090'
Wolfcamp-8455'

After



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 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, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40650	Pool Code 96135	Pool Name SDW; Wolfcamp
Property Code 39299	Property Name ALASKA SWD	Well Number 1
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3758'

Surface Location

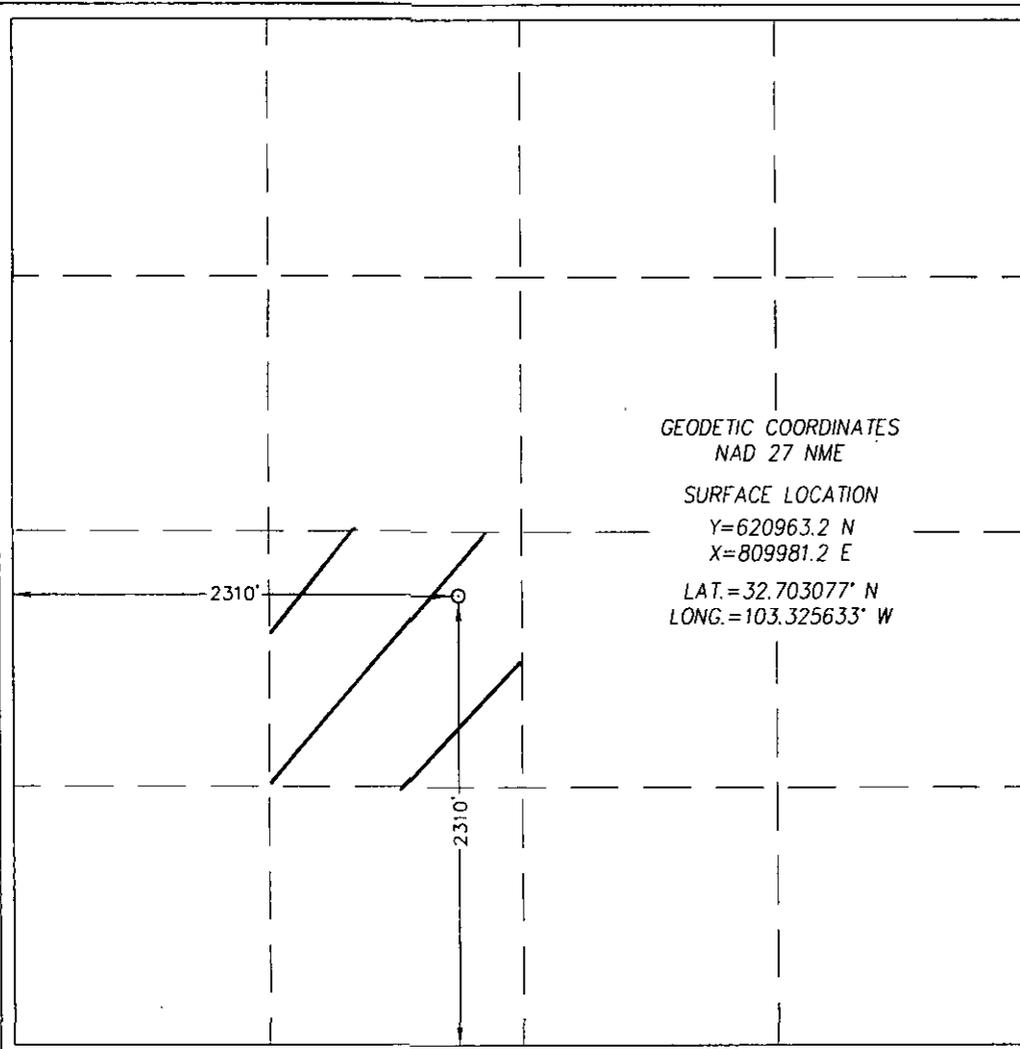
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	35	18-S	36-E		2310	SOUTH	2310	WEST	EDDY Lea

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Deana Weaver 2.28.13
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 10, 2012

Date of Survey
Signature & Seal of Professional Surveyor:

Certificate Number Gary G. Eidson 12641
Ronald J. Eidson 3239
AF PROFESSIONAL SURVEYOR W.O.: 12.11.0946

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87400
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OGD
FEB 07 2013

State of New Mexico
Energy, Minerals & Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-104
Revised Feb. 26, 2007

Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUIREMENTS FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator Name and Address Mack Energy Corporation P.O. Box 960 Artesia, NM 88210		2 OGRID Number 013837
4 API Number 30-0 25-40650		3 Reason for Filing Code/ Effective Date Add Perforations
5 Pool Name Arkansas Junction; Bone Spring	6 Pool Code 2340	
7 Property Code 39299	8 Property Name Alaska State	9 Well Number 1

H. Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	35	18S	36E		2310'	South	2310'	West	Lea

Bottom Hole Location

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

12 Lsc Code S	13 Producing Method Code Pumping	14 Gas Connection Date 11/9/2012	15 C-129 Permit Number	16 C-129 Effective Date	17 C-129 Expiration Date
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III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 O/G/W
278421	Holly Marketing & Refining Co LLC P.O. Box 1600 Artesia, NM 88211-1600	O
24650	Targa Midstream Services 1000 Louisiana Ste 4700 Houston, TX 77002	G

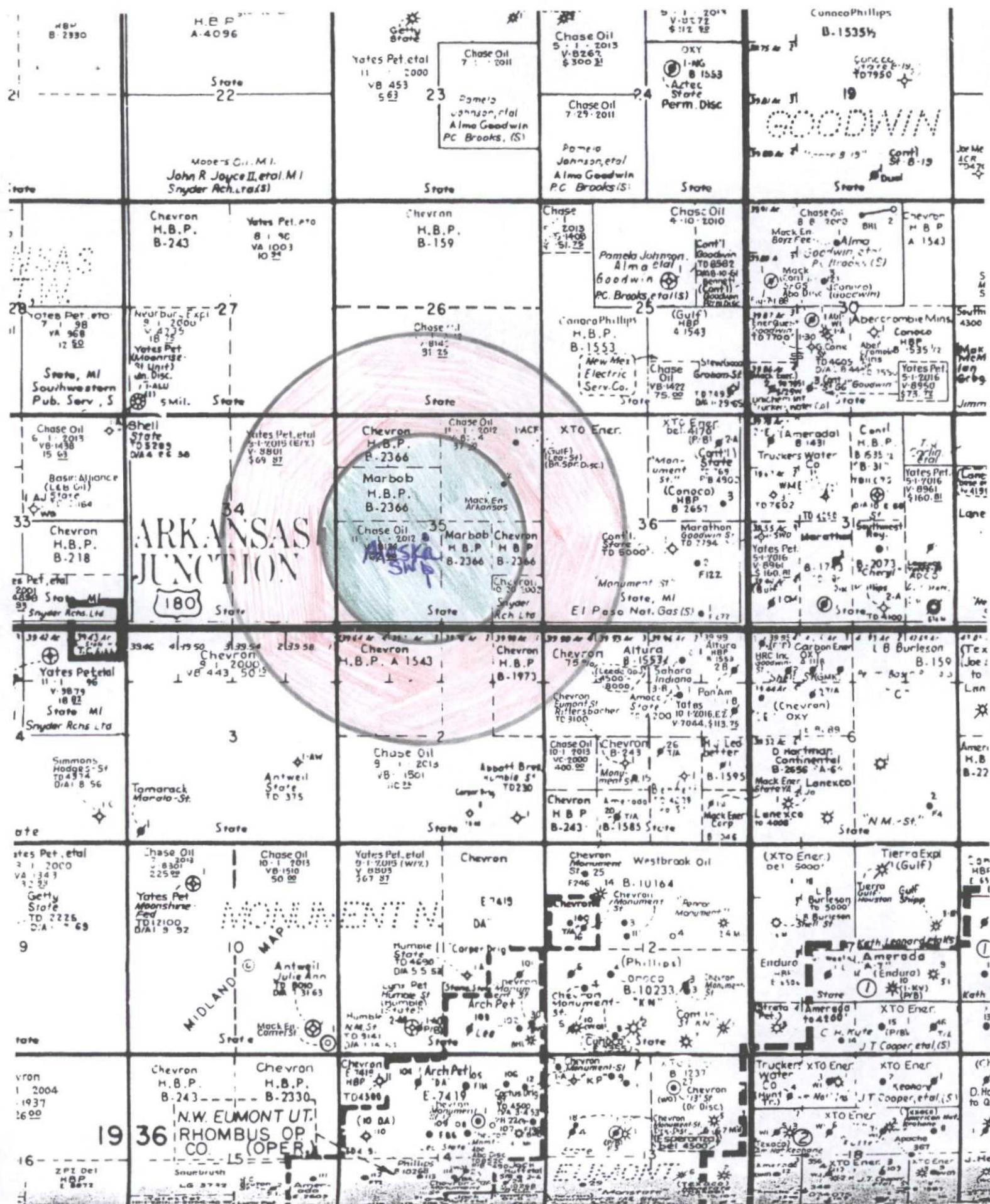
IV. Well Completion Data

21 Spud Date	22 Ready Date	23 TD	24 PBTD	25 Perforations	26 DHC, MC
1/4/2013	1/15/2013	8823'	8100'	7425-7497'	
27 Hole Size		28 Casing & Tubing Size		29 Sacks Cement	
12 1/4		8 5/8", J-55		810sx	
7 7/8		5 1/2", L-80		1500sx	
		2 7/8", L-80 (tubing)		8002'	

V. Well Test Data

31 Date New Oil	32 Gas Delivery Date	33 Test Date	34 Test Length	35 Tbg. Pressure	36 Csg. Pressure
1/19/2013	1/19/2013	1/29/2013	24 hours		
37 Choke Size	38 Oil	39 Water	40 Gas	41 Test Method	
	6	94	9	Pumping	
42 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief			OIL CONSERVATION DIVISION		
Signature: <i>Deana Weaver</i>			Approved by: <i>[Signature]</i>		
Printed name: Deana Weaver			Title: Petroleum Engineer		
Title: Production Clerk			Approval Date: MAR 01 2013		
E-mail Address: dweaver@mec.com					
Date: 2.5.13		Phone: 575-748-1288			

MAR 04 2013



MODE'S CIV. M.I.
John R. Joyce II, et al. M.I.
Snyder Achs. Ltd (S)

ARKANSAS JUNCTION
180

1936
N.W. EUMONT UTI.
RHOMBUS OP.
CO. (OPER.)

CunacoPhillips
B-1535h
GOODWIN
State

21
H.B.P. A-4096
State 22
Yates Pet. et al. 11-2000
VB 563 453

23
Chase Oil 7-2011
Pamela Johnson, et al.
Alma Goodwin
PC Brooks, (S)

24
Chase Oil 7-29-2011
Pamela Johnson, et al.
Alma Goodwin
PC Brooks (S)

27
Chevron H.B.P. B-243
Yates Pet. et al. 8-1-90
VA 1003 10 21

26
Chevron H.B.P. B-159
Chase Oil 31-25

25
Chase Oil 4-10-2010
Cont'l Goodwin
Alma et al.
PC Brooks, et al (S)

28
Chase Oil 8-2003
Mack En 802 Fee
Alma Goodwin et al.
PC Brooks (S)

33
Chevron H.B.P. B-218
Yates Pet. et al. 11-2000
VA 968 12 50

35
Chevron H.B.P. B-2366
Marbob H.B.P. B-2366
Chase Oil 11-2012

36
XTO Ener. cont'l 4170
Monument St. 690
(Conoco) 3
HBP 8 2657

30
Chase Oil 8-2003
Mack En 802 Fee
Alma Goodwin et al.
PC Brooks (S)

34
Chevron H.B.P. A-1543
Yates Pet. et al. 11-2000
VA 443 50 13

35
Chevron H.B.P. B-1973
Chase Oil 10-1-2013
VC 2000 400.00

36
Chevron H.B.P. B-243
Monument St. 15
B-1595

31
Marathon Goodwin St. TD 794
Yates Pet. 5-1-2016
VA 160.00

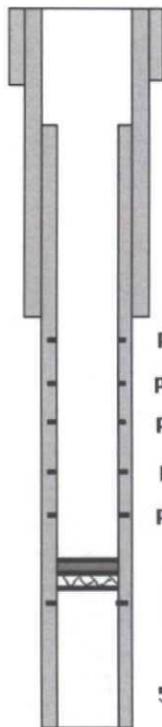
36
Chevron H.B.P. B-243
Chevron H.B.P. B-2330
N.W. EUMONT UTI.
RHOMBUS OP.
CO. (OPER.)

36
Chevron H.B.P. B-243
Chevron H.B.P. B-2330
Chevron H.B.P. B-2330

36
Chevron H.B.P. B-243
Chevron H.B.P. B-2330
Chevron H.B.P. B-2330

37
Chevron H.B.P. B-243
Chevron H.B.P. B-2330
Chevron H.B.P. B-2330

37
Chevron H.B.P. B-243
Chevron H.B.P. B-2330
Chevron H.B.P. B-2330



13 3/8" casing @ 459', Cem w/ 600sx, circ

9 5/8" casing @ 4500', Cem w/ 3000sx, circ

Perfs 4817-4932'

Perfs 5092-5104'

Perfs 5192-5268'

Perfs from 6067-6152'

Perfs from 6285-6320'

Perfs from 6562-6568'

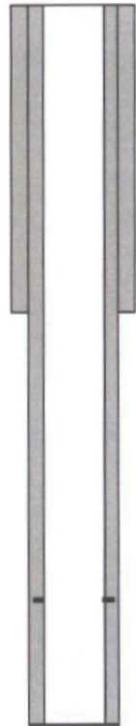
CIBP @ 6501' w/ 35' cmt cap

5 1/2" casing @ 6698', Cem w/ 800sx, TOC @ 800'

TD @ 11,400'

Arkansas State #1
30-025-28999
Sec. 35 T18S R36E
660' FNL & 660' FWI

Arkansas State #2
30-025-39078
Sec. 35 T18S R36E
1650' FNL 990' FEI



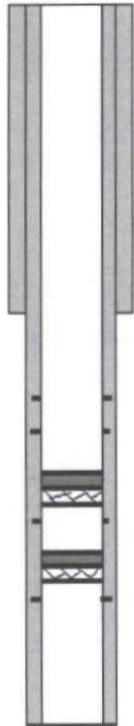
8 5/8" casing @ 1520', Cem w/ 615sx, circ

Perfs from 6302-6344'

5 1/2" casing @ 6506', Cem w/ 1150sx, circ

TD @ 6515'

Arkansas State #3
30-025-40563
Sec. 35 T18S R36E
2120' FNL & 330' FEL



8 5/8" casing @ 1610', Cem w/ 900sx, Circ

Perfs from 6492-6511'

Perfs from 6693-6714'

Perfs from 7670-7694'

CIBP @ 7550' w/ 35' cmt cap

Perfs from 7849.5-7921.5'

CIBP @ 7825' w/ 35' cmt cap

5 1/2" casing @ 8580', Cem w/1525sx, Circ

TD @ 8,580'



Catalyst Oilfield Services
 11999 E Hwy 158
 Gardendale, TX 79758
 (432) 563-0727
 Fax: (432) 224-1038

Water Analysis Report

Customer:	Mack Energy Corporation	Sample #:	11555
Area:	Artesia	Analysis ID #:	13403
Lease:	Maddox		
Location:	FW 3		0
Sample Point:	Water Truck		

Sampling Date:	1/31/2013	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	2/12/2013	Chloride:	213.2	6.01	Sodium:	97.4	4.24
Analyst:	Catalyst	Bicarbonate:	131.8	2.16	Magnesium:	0.0	0.0
TDS (mg/l or g/m3):	559	Carbonate:			Calcium:	77.9	3.89
Density (g/cm3):	1.003	Sulfate:	20.0	0.42	Potassium:	14.5	0.37
Hydrogen Sulfide:	0				Strontium:	4.2	0.1
Carbon Dioxide:	0				Barium:	0.0	0.0
Comments:		pH at time of sampling:		7	Iron:	0.0	0.0
		pH at time of analysis:			Manganese:	0.000	0.0
		pH used in Calculation:		7	Conductivity (micro-ohms/cm):		3110
		Temperature @ lab conditions (F):		75	Resistivity (ohm meter):		3.2154

Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄	
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	-0.47	0.00	-2.25	0.00	-2.32	0.00	-1.79	0.00	0.00	0.00
100	-0.33	0.00	-2.24	0.00	-2.25	0.00	-1.76	0.00	0.00	0.00
120	-0.18	0.00	-2.22	0.00	-2.15	0.00	-1.73	0.00	0.00	0.00
140	-0.01	0.00	-2.20	0.00	-2.03	0.00	-1.68	0.00	0.00	0.00
160	0.15	2.80	-2.16	0.00	-1.89	0.00	-1.62	0.00	0.00	0.00
180	0.33	6.31	-2.12	0.00	-1.74	0.00	-1.57	0.00	0.00	0.00
200	0.51	9.81	-2.08	0.00	-1.58	0.00	-1.50	0.00	0.00	0.00
220	0.70	13.66	-2.04	0.00	-1.41	0.00	-1.44	0.00	0.00	0.00



Catalyst Oilfield Services
 11999 E Hwy 158
 Gardendale, TX 79758
 (432) 563-0727
 Fax: (432) 224-1038

Water Analysis Report

Customer: Mack Energy Corporation Sample #: 11556
 Area: Artesia Analysis ID #: 13404
 Lease: Maddox
 Location: FW 1 0
 Sample Point: Water Tank

Sampling Date:	1/31/2013	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	2/12/2013	Chloride:	155.0	4.37	Sodium:	63.5	2.76
Analyst:	Catalyst	Bicarbonate:	131.8	2.16	Magnesium:	0.0	0.0
TDS (mg/l or g/m3):	462.3	Carbonate:			Calcium:	75.8	3.78
Density (g/cm3):	1.003	Sulfate:	20.0	0.42	Potassium:	12.0	0.31
Hydrogen Sulfide:	0				Strontium:	4.2	0.1
Carbon Dioxide:	0				Barium:	0.0	0.0
Comments:		pH at time of sampling:		7	Iron:	0.0	0.0
		pH at time of analysis:			Manganese:	0.000	0.0
		pH used in Calculation:		7			
		Temperature @ lab conditions (F):		75	Conductivity (micro-ohms/cm):		694
					Resistivity (ohm meter):		14.4092

Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄	
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	-0.46	0.00	-2.23	0.00	-2.30	0.00	-1.77	0.00	0.00	0.00
100	-0.32	0.00	-2.23	0.00	-2.23	0.00	-1.74	0.00	0.00	0.00
120	-0.17	0.00	-2.21	0.00	-2.13	0.00	-1.70	0.00	0.00	0.00
140	-0.01	0.00	-2.18	0.00	-2.02	0.00	-1.65	0.00	0.00	0.00
160	0.16	3.15	-2.15	0.00	-1.88	0.00	-1.60	0.00	0.00	0.00
180	0.34	6.66	-2.11	0.00	-1.73	0.00	-1.54	0.00	0.00	0.00
200	0.52	10.16	-2.07	0.00	-1.56	0.00	-1.48	0.00	0.00	0.00
220	0.71	13.66	-2.02	0.00	-1.39	0.00	-1.41	0.00	0.00	0.00



Catalyst Oilfield Services
 11999 E Hwy 158
 Gardendale, TX 79758
 (432) 563-0727
 Fax: (432) 224-1038

Water Analysis Report

Customer: Mack Energy Corporation Sample #: 11557
 Area: Artesia Analysis ID #: 13405
 Lease: Maddox
 Location: FW 2 0
 Sample Point: Water Tank

Sampling Date:	1/31/2013	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	2/12/2013	Chloride:	344.2	9.71	Sodium:	133.0	5.79
Analyst:	Catalyst	Bicarbonate:	151.2	2.48	Magnesium:	10.6	0.88
TDS (mg/l or g/m3):	1226.7	Carbonate:			Calcium:	239.3	11.94
Density (g/cm3):	1.004	Sulfate:	330.0	6.87	Potassium:	13.0	0.33
Hydrogen Sulfide:	0				Strontium:	5.4	0.12
Carbon Dioxide:	0				Barium:	0.0	0.0
Comments:		pH at time of sampling:		7	Iron:	0.0	0.0
		pH at time of analysis:			Manganese:	0.000	0.0
		pH used in Calculation:		7	Conductivity (micro-ohms/cm):		1782
		Temperature @ lab conditions (F):		75	Resistivity (ohm meter):		5.6117

Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl

Temp	Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄	
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	-0.09	0.00	-0.82	0.00	-0.89	0.00	-0.77	0.00	0.00	0.00
100	0.04	1.05	-0.82	0.00	-0.82	0.00	-0.75	0.00	0.00	0.00
120	0.18	4.20	-0.81	0.00	-0.73	0.00	-0.72	0.00	0.00	0.00
140	0.33	7.70	-0.78	0.00	-0.62	0.00	-0.68	0.00	0.00	0.00
160	0.49	11.20	-0.76	0.00	-0.48	0.00	-0.64	0.00	0.00	0.00
180	0.66	15.05	-0.72	0.00	-0.34	0.00	-0.59	0.00	0.00	0.00
200	0.83	18.90	-0.68	0.00	-0.18	0.00	-0.53	0.00	0.00	0.00
220	1.00	22.76	-0.64	0.00	-0.01	0.00	-0.47	0.00	0.00	0.00

Legal Notice

Mack Energy Corporation, Post Office Box 960, Artesia, NM 88211-0960, has filed an Application with the New Mexico Oil Conservation Division seeking authorization to inject produced water into the Alaska SWD #1 2310 FSL & 2310 FWL of Section 35, T18S R36E, NMPM, Lea County, New Mexico. The water will be injected into the Wolfcamp formation at a disposal depth of 8458-8823'. Water will be injected at a maximum surface pressure of 1940 pounds and a maximum injection rate of 4000 BWPD. Any interested party with questions or comments may contact Deana Weaver at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960 or call (575) 748-1288. Objections to this application or requests for hearing must be filed with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, within fifteen days of the date of the publication of this notice.

Affidavit of Publication

State of New Mexico,
County of Lea.

I, JUDY HANNA
PUBLISHER

of the Hobbs News-Sun, a
newspaper published at Hobbs, New
Mexico, do solemnly swear that the
clipping attached hereto was
published in the regular and entire
issue of said newspaper, and not a
supplement thereof for a period

of 1 issue(s).

Beginning with the issue dated
February 03, 2013
and ending with the issue dated
February 03, 2013

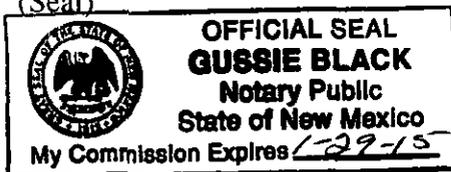

PUBLISHER

Sworn and subscribed to before me
this 4th day of
February, 2013



Notary Public

My commission expires
January 29, 2015
(Seal)



This newspaper is duly qualified to
publish legal notices or
advertisements within the meaning of
Section 3, Chapter 167, Laws of
1937 and payment of fees for said
publication has been made.

LEGAL	LEGAL
Legal Notice February 3, 2013	
Mack Energy Corporation, Post Office Box 960, Artesia, NM 88211-0960, has filed an Application with the New Mexico Oil Conservation Division seeking authorization to inject produced water into the Alaska SWD #1 2310 FSL & 2310 FWL of Section 35, T18S R36E, NMPM, Lea County, New Mexico. The water will be injected into the Wolfcamp formation at a disposal depth of 8458-8823'. Water will be injected at a maximum surface pressure of 1940 pounds and a maximum injection rate of 4000 BWP. Any interested party with questions or comments may contact Deanna Weaver at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960 or call (575) 748-1288. Objections to this application or requests for hearing must be filed with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico, 87505, within fifteen days of the date of the publication of this notice. #27875	

67100900 00108322
ATTN: SHAWN
MACK ENERGY CORPORATION
PO BOX 960
ARTESIA,, NM 88211-0960



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3840
RETURN RECEIPT REQUESTED

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

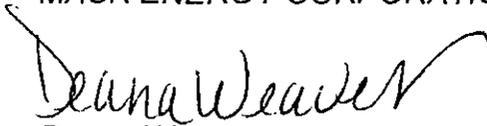
Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert this well into a water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION


Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3857
RETURN RECEIPT REQUESTED

ABO Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in black ink that reads "Deana Weaver".

Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3864
RETURN RECEIPT REQUESTED

Myco Industries, Inc.
105 S. 4th Street
Artesia, NM 88210

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Deana Weaver".

Deana Weaver
Production Clerk

DWA

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3871
RETURN RECEIPT REQUESTED

Oxy Y-1
P.O. Box 27570
Houston, TX 77227-7570

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3888
RETURN RECEIPT REQUESTED

Chevron USA Inc.
1400 Smith Street
Houston, TX 77002

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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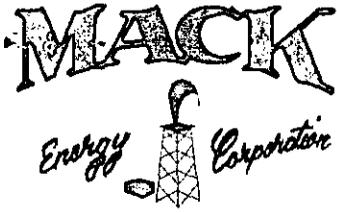
Sincerely,

MACK ENERGY CORPORATION


Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3895
RETURN RECEIPT REQUESTED

Conoco, Inc.
P.O. Box 2197
Houston, TX 77252

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Deana Weaver".

Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3901
RETURN RECEIPT REQUESTED

V.A. Isaacs, JR., LLC
5 Inverness Drive East
Englewood, CO 80112

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Deana Weaver".

Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3918
RETURN RECEIPT REQUESTED

S&S Energy, Inc
6106 Post Oak Court
Spring, TX 77379

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

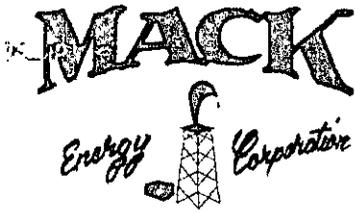
MACK ENERGY CORPORATION

A handwritten signature in black ink that reads "Deana Weaver".

Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3925
RETURN RECEIPT REQUESTED

Trousil & Associates, Inc.
777 29th St., Suite 201
Boulder, CO 80303

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Deana Weaver".

Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3932
RETURN RECEIPT REQUESTED

Grace Lam
5787 South Kenton Street
Englewood, CO 80111

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Deana Weaver".

Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3949
RETURN RECEIPT REQUESTED

Golden State Energy Corporation
359 Franklin Street
San Mateo, CA 94402

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION


Deana Weaver
Production Clerk

DW

Attachments



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

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3956
RETURN RECEIPT REQUESTED

Hands LLC
2319 Imperial Clayton Lake
Sugarland, TX 77478

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION


Deana Weaver
Production Clerk

DW

Attachments

Injection Permit Checklist: Received 3/4/13 First Email Date: 3/25/13 Final Reply Date: 4/3/13 Final Notice Date: 06/03/2013

Issued Permit: Type: WFX / PMX (SWD) Number: 1422 Permit Date 06/04/13 (Legacy Permit: NA)

Wells 1 Well Name(s): Alaska State

API Num: 30-0 25-40650 Spud Date: 8/31/13 New/Old: N (UIC CI II Primacy March 7, 1982)

Footages 2310 FSL / 2310 FWL Lot - Unit K Sec 35 Tsp 18S Rge 36E County Lea

General Location/Pool Area: Arkansas Junction / ~11 miles west of Hobbs - or

Operator: Mack Energy Contact: Deana Weaver 06/03/2013

OGRID: 13837 RULE 5.9 (Inactive Wells) 3 wells / up to 3500 Total Wells 408 (Fincl Assur) Yes Compl. Order? No IS 5.9 OK? OK

Well File Reviewed X Current Status: Uneconomical producer Bone Spring Perm Gas in area

Planned Rehab Work to Well: 3 sets of Perfs to be squeezed 7425-7497 7816-7988 8134.5-8223.5

Well Diagrams: Before Conversion X After Conversion X Are Elogs in Imaging?:

Well Details:	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Stage Tool	Cement Sxjor Cf	Cement Top and Determination Method
Planned ___ or Existing ___ Cond	—	—	—	—	—
Planned ___ or Existing <u>✓</u> Surface	<u>12'4 / 8 7/8</u>	<u>0 to 1609</u>	—	<u>810</u>	<u>Surface</u>
Planned ___ or Existing ___ Intern	—	—	—	—	—
Planned ___ or Existing <u>✓</u> LongSt	<u>7 7/8 / 5 1/2</u>	<u>0 to 8823</u>	—	<u>1500</u>	<u>Circulate to s of</u>
Planned ___ or Existing ___ Liner	—	—	—	—	—
Planned <u>✓</u> or Existing <u>✓</u> <u>QH / PERF</u>	<u>5 1/2</u>	<u>8458 to 8823</u>	—	—	—

Depths/Formations:	Depths (ft)	Formation	Tops?	Construction / Ops Details:
Above Top of Inject Formation	<u>+23</u>	<u>Delaware Sd</u>	<u>5319</u>	Drilled TD <u>8823</u> PBDT <u>—</u>
Above Top of Inject Formation	<u>+3</u>	<u>Bone Spring</u>	<u>6090</u>	Tubing Size <u>2 7/8</u>
Proposed Interval TOP:	<u>8458</u>	<u>Wolfcamp</u>	<u>8455</u>	Open Hole ___ or Perfs <u>✓</u>
Proposed Interval BOTTOM:	<u>8823</u>	<u>Wolfcamp</u>	—	Proposed Packer Depth <u>8408</u>
Below Bottom of Inject Formation	<u>-7</u>	<u>Cisco</u>	<u>8830</u>	Max Packer Depth <u>8358</u> (100 ft limit)
Below Bottom of Inject Formation	—	—	—	Proposed Max. PSI <u>1946</u> <u>1692 - calc.</u>
				Calc. FPP <u>—</u> (0.65 psi per ft)

Hydrologic - Geologic Information for AOR

Capitan Reef? (in N / thru N) Potash? N Noticed? N WIPP? N Noticed? N Salado Top — Bot — Cliff House? N/A

Fresh Water: Max Depth: 3600 3450 Base of galena Wells? Analysis? Hydrologic Affirm Statement Yes

Disposal Fluid: Formation Source(s) Bone Springs / San Andres On Lease Only from Operator X or Commercial —

Disposal Interval: Protectable Waters? N H/C Potential: Log ✓ / Mudlog — / DST — / Tested — / Depleted — Other —

NOTICE: Newspaper Date Feb 3 2013 Mineral Owner State Surface Owner State N. Date 4/3/13

RULE 26.7(A) Identified Tracts? Y Affected Persons: Yates / Mco Petro / Myco / Oxy / Chevron N. Date 02/28/2013

AOR: 1/2 M-Radius Maps? Y Well List? Y Producing in Interval? NO Formerly Produced in Interval? NO

Penetrating Wells: No. Active Wells 3 Num Repairs? 0 on which well(s)?

Permit Conditions: CBL after squeezing perfs

Issues:

Issues:

Injection Permit Checklist: Received 3/4/13 First Email Date: 3/25/13 Final Reply Date: _____ Final Notice Date: _____

Issued Permit: Type: WFX/PMX/SWD Number: _____ Permit Date: _____ (Legacy Permit: _____)

Wells 1 Well Name(s): ALASKA STATE #1

API Num: 30-0 25-40650 Spud Date: 8/31/12 New/Old: N (UIC CI II Primacy March 7, 1982)

Footages 2310 FSL/FWL Lot Unit K Sec 35 Tsp 18S Rge 36E County LEA

General Location or Pool Area: _____ at LIMIT?

Operator: Mack Energy CORP. Contact Deana Weaver

OGRID: 013837 RULE 5.9 Compliance (Wells) 5/412 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed Current Status: B/S Producer 8434-824 7816-7988

Planned Work to Well: 59Z / Drill out PVC / Perf / DISPOSE

Diagrams: Before Conversion After Conversion Are Elogs in Imaging?: will be added

Well Details:	Sizes Hole.....Pipe	Setting Depths	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned ___ or Existing ___ Surface	<u>12 1/4 - 8 5/8</u>	<u>1609'</u>		<u>810 SX</u>	<u>CIRC</u>
Planned ___ or Existing ___ Interm					
Planned ___ or Existing ___ LongSt	<u>7 7/8 - 5 1/2</u>	<u>8823'</u>		<u>1500 SX</u>	<u>CIRC</u>
Planned ___ or Existing ___ Liner					
Planned ___ or Existing ___ OpenHole					

Depths/Formations:	Depths, Ft.	Formation	Tops?
Above			
Above	<u>8455</u>	<u>WC</u>	<input checked="" type="checkbox"/>
Proposed Interval TOP:	<u>8458</u>	<u>WC</u>	
Proposed Interval BOTTOM:	<u>8823</u>	<u>WC</u>	
Below			
Below			

Capitan Reef? (in= thru) Potash? Noticed? NO SWPPP? Noticed? NO Salado Top 1694' Bot 2902' Oil House?

Fresh Water: MaxDepth: _____ FW Formation _____ Wells? yes Analysis? Affirmative Statement

Disposal Fluid: Formation Source(s) BS / SA On Lease Only from Operator or Commercial _____

Disposal Interval: Protectable Waters? NO H/C Potential Log Mudlog DST Tested Depleted Other _____

Notice: Newspaper Date 2/3/13 Mineral Owner SLO Surface Owner SLO N. Date _____

RULE 26.7(A) Identified Tracts? _____ Affected Persons: VASAK-195 YPC/ADP/RXC/XY-1/Chem/Comm N. Date 2/28/13

AOR: Maps? Well List? Producing in Interval? NO Formerly Produced in Interval? NO

Penetrating.....No. Active Wells 3 Num Repairs? 0 on which well(s)? _____

Penetrating.....No. P&Aed Wells 0 Num Repairs? 0 on which well(s)? _____ Diagrams?

Permit Conditions: _____
 Issues: _____
 Issues: _____
 Issues: _____

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, March 25, 2013 6:40 PM
To: Deana Weaver (dweaver@mec.com)
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G. (twarnell@slo.state.nm.us); Kautz, Paul, EMNRD
Subject: Disposal application from Mack Energy Corp: Alaska State Well No. 1 30-025-40650
Wolfcamp perms from 8458 to 8823 feet
Attachments: NoticeExample_MapView_EddyNM_NASH_53_SWD.pdf

Hello Deana,
Just reviewed this application – thank you for sending.

As far as Rule 5.9, it appears Mack Energy Corp has 5 inactive wells at this time – which is still OK for us to release SWD permits, but at the limit.

Have a few, hopefully easy requests,

- a. Would you ask your geologist to estimate the depth to the top of the Cisco in this area?
- b. You seem to be abandoning a producing well in order to use it for SWD. Would you send a production plot of the Bone Spring production in this well and mark on the plot the perforation depths producing at each time interval?
- c. Some language as to whether the well is uneconomic or not would help us to know whether waste is occurring due to this conversion.
- d. You noticed a lot of folks, but I didn't see a proof of notice to the State Land Office (surface and mineral owner) – would you please send?
- e. Also please identify the separately owned tracts of land (at Wolfcamp depths) within the ½ mile AOR and list the owners of each of these tracts. I am attaching an example of one (optional) way to show this.

Thank You in advance,

William V. Jones, P.E.
505-476-3448W 505-476-3462F
Engineering Bureau, Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Goetze, Phillip, EMNRD

From: Deana Weaver <dweaver@mec.com>
Sent: Wednesday, April 03, 2013 9:50 AM
To: Jones, William V., EMNRD
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G.; Kautz, Paul, EMNRD; Jerry Sherrell
Subject: RE: Disposal application from Mack Energy Corp: Alaska State Well No. 1 30-025-40650 Wolfcamp perms from 8458 to 8823 feet
Attachments: 04032013Alaska SWD #1025520.pdf

Will

Please see information below and attached. Let me know if you need else.

Thank you
Deana Weaver
Mack Energy Corporation

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]
Sent: Monday, March 25, 2013 6:40 PM
To: Deana Weaver
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G.; Kautz, Paul, EMNRD
Subject: Disposal application from Mack Energy Corp: Alaska State Well No. 1 30-025-40650 Wolfcamp perms from 8458 to 8823 feet

Hello Deana,
Just reviewed this application – thank you for sending.

As far as Rule 5.9, it appears Mack Energy Corp has 5 inactive wells at this time – which is still OK for us to release SWD permits, but at the limit.

Have a few, hopefully easy requests,

- a. Would you ask your geologist to estimate the depth to the top of the Cisco in this area?
Estimated top of Cisco is 8830'.
- b. You seem to be abandoning a producing well in order to use it for SWD. Would you send a production plot of the Bone Spring production in this well and mark on the plot the perforation depths producing at each time interval?
See attached
- c. Some language as to whether the well is uneconomic or not would help us to know whether waste is occurring due to this conversion.
Attached is an Aries Economic run of the Alaska State #1. This run shows that the Alaska will no longer be Economic by 09/2013 due to low production volumes, rapid decline, and high water disposal costs.
Also by converting this well to an SWD it will allow MEC to more economically produce offsetting wells by lowering the water disposal cost.
- d. You noticed a lot of folks, but I didn't see a proof of notice to the State Land Office (surface and mineral owner) – would you please send?

See attached

- e. Also please identify the separately owned tracts of land (at Wolfcamp depths) within the ½ mile AOR and list the owners of each of these tracts. I am attaching an example of one (optional) way to show this.

See attached

Thank You in advance,

William V. Jones, P.E.

505-476-3448W 505-476-3462F

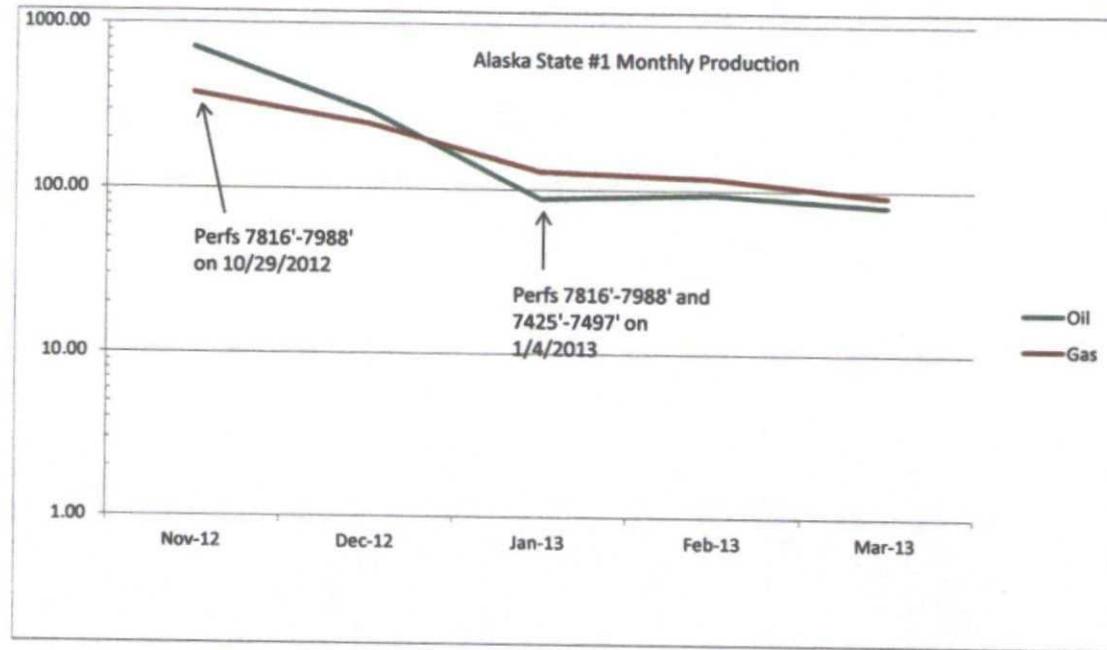
Engineering Bureau, Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Alaska State #1 Monthly Production

Prod Date	Oil Volume	Gas Volume
Nov-12	708.00	376.00
Dec-12	298.00	247.00
Jan-13	88.00	128.00
Feb-13	94.00	117.00
Mar-13	80.00	91.00



ALASKA STATE 1
 DATE : 03/28/2013
 MACK ENERGY CORPORATION
 TIME : 11:03:51
 ANKANSAS JUNCTION (BONE SPRING)
 DBS : CGA5083
 LEA, NM
 SETTINGS : SETDATA
 ASN=3427 PDP
 SCENARIO : CHASE
 API: 300254065000 CODE:

RESERVES AND ECONOMIC

S

AS OF DATE: 01/2013

MO-YEAR	NET OIL SALES MBBLS	GROSS OIL PRODUCTION MMCF	GROSS GAS PRODUCTION MMCF	NET GAS TOTAL NET SALES MMCF	NET OIL PRODUCTION MBBLS	NET GAS PRODUCTION MMCF	NET OIL PRICE \$/BBL	NET GAS PRICE
01-2013	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
02-2013	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
03-2013	0.087	0.087	0.066	0.060	0.045	0.045	89.690	
04-2013	0.082	0.082	0.062	0.057	0.043	0.043	89.690	
05-2013	0.078	0.078	0.059	0.054	0.041	0.041	89.690	
06-2013	0.074	0.074	0.057	0.051	0.039	0.039	89.690	
07-2013	0.071	0.071	0.054	0.049	0.038	0.038	89.690	
08-2013								
09-2013								
10-2013								
11-2013								
12-2013								
12-2014								
12-2015								
12-2016								
S TOT	0.392	0.392	0.298	0.271	0.206	0.206	89.690	
AFTER	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
TOTAL	0.392	0.392	0.298	0.271	0.206	0.206	89.690	

MO-YEAR INVESTMENT	AD VALOREM FUTURE NET TAX CASHFLOW	PRODUCTION CUMULATIVE TAX CASHFLOW	DIRECT OPER CUM. DISC. EXPENSE CASHFLOW	INTEREST PAID	CAPITAL REPAYMENT	EQUITY
	M\$	M\$	M\$	M\$	M\$	

Alaska #1 Aries Economics.txt

01-2013	0.000	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.000	0.000	0.000
02-2013	0.000	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.000	0.000	0.000
03-2013	0.000	0.469	4.037	0.000	0.000
0.000	1.129	1.129	1.107	0.000	0.000
04-2013	0.000	0.443	4.037	0.000	0.000
0.000	0.834	1.963	1.918	0.000	0.000
05-2013	0.000	0.419	4.037	0.000	0.000
0.000	0.578	2.541	2.476	0.000	0.000
06-2013	0.000	0.399	4.037	0.000	0.000
0.000	0.353	2.894	2.814	0.000	0.000
07-2013	0.000	0.381	4.037	0.000	0.000
0.000	0.154	3.048	2.959		
08-2013					
09-2013					
10-2013					
11-2013					
12-2013					
12-2014					
12-2015					
12-2016					
S TOT	0.000	2.111	20.187	0.000	0.000
0.000	3.048	3.048	2.959		
AFTER	0.000	0.000	0.000	0.000	0.000
0.000	0.000	3.048	2.959		
TOTAL	0.000	2.111	20.187	0.000	0.000
0.000	3.048	3.048	2.959		

	P.W. %	OIL P.W., M\$	GAS	
GROSS WELLS		1.0	0.0	LIFE, YRS.
0.58	5.00	3.002		DISCOUNT %
GROSS ULT., MB & MMF		0.392	0.298	UNDISCOUNTED PAYOUT, YRS.
10.00	10.00	2.959		DISCOUNTED PAYOUT, YRS.
GROSS CUM., MB & MMF		0.000	0.000	UNDISCOUNTED NET/INVEST.
0.00	15.00	2.919		DISCOUNTED NET/INVEST.
GROSS RES., MB & MMF		0.392	0.298	RATE-OF-RETURN, PCT.
0.00	20.00	2.881		INITIAL W.I., PCT.
NET RES., MB & MMF		0.271	0.206	
0.00	25.00	2.845		
NET REVENUE, M\$		24.289	1.057	
0.00	30.00	2.812		
INITIAL PRICE, \$		89.690	5.134	
100.00	40.00	2.749		
INITIAL N.I., PCT.		69.062	69.062	
85.000	60.00	2.639		
	80.00	2.546		
	100.00	2.467		



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

April 03, 2013

VIA CERTIFIED MAIL 7012 1010 0002 5887 2976
RETURN RECEIPT REQUESTED

Commissioner of Public Lands
PO Box 1148
Santa Fe, NM 87504-1148

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert this well into a water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

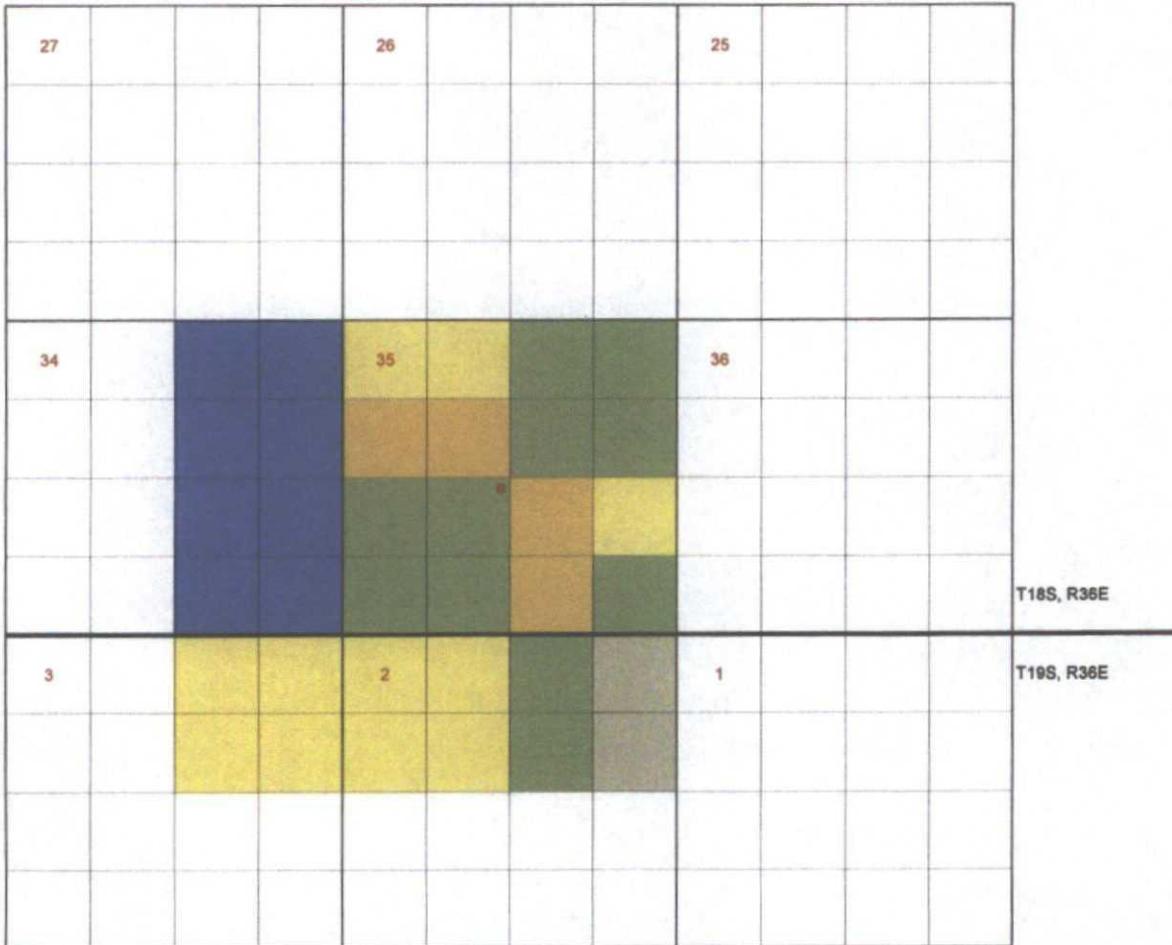
A handwritten signature in cursive script that reads "Deana Weaver".

Deana Weaver
Production Clerk

DW

Attachments

Disposal Application
Mack Energy Corporation
Alaska State No. 1 (30-025-40650)
Wolfcamp Perfs from 8458' to 8823'
T18S, R36E, Section 35
Lea County, New Mexico



●	Alaska State No. 1 (2310 FSL & 2310 FWL)
	Chase Oil Corporation Robert C. Chase Ventana Minerals, LLC DiaKan Minerals, LLC
	Yates Petroleum Corporation ABO Petroleum Corporation MYCO Industries, Inc. Oxy Y-1

	Chevron U.S.A. Inc.	
	Cenoco, Inc. V.A. Isaacs, Jr., LLC S&S Energy, Inc. Grace Lam	Trousil & Associates, Inc. Golden State Energy Corp.
	Hands, LLC	

Goetze, Phillip, EMNRD

From: Jones, William <wjones@slo.state.nm.us>
Sent: Tuesday, June 04, 2013 1:12 PM
To: Jerry Sherrell; jerrys@mackenergycorp.com
Cc: Jaramillo, Nick; Goetze, Phillip, EMNRD; Warnell, Terry G.; Martinez, Pete; Manning, Stephen; Holm, Anchor E.
Subject: SWD Application from Mack: Alaska State #1

Hey Jerry:
Your Land guys are probably already on top of this.
Would you forward this message (see below) to Ron Lanning or whomever your landman is at Mack?

Take Care,

Will Jones
State Land Office

From: Holm, Anchor
Sent: Tuesday, June 04, 2013 12:46 PM
To: Jones, William
Subject: RE: Anyone Have An Objection at SLO?

Will,

I have reviewed this Well. It is currently producing from the Bone Spring with perfs at 7425' to 7497'. It is on the 160 acre SLO Lease No. V08124-0000, and is the only producing well on that lease. This well was put on production on 11-6-2012 and is showing a significant decline (see spreadsheet printout)

If this well is converted to SWD for produced water, the Lease will be Expired as of the last day of oil and gas production. Mack will need to get a business lease in place with commercial (surface) for off-lease SWD. (See: the documents I have put in your In Box for details on current production decline etc.)

Anchor Holm

*GeoScientist/Petroleum Engineering Specialist
NM State Land Office
Oil, Gas and Minerals Division
P.O. Box 1148
310 Old Santa Fe Trail
Santa Fe, NM 87504-1148
Ph. 505-827-5759
aholm@slo.state.nm.us*

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