

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

2013 MAY 28 P 2: 2'

| |
|---|
| WELL API NO. 30-025-40882 30-025-40796 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. V-8274 V-8262 |
| 7. Lease Name or Unit Agreement Name Oregon State & Nevada State |
| 8. Well Number 1 & 1 |
| 9. OGRID Number 013837 |
| 10. Pool Name or Wildcat Arkansas Junction; San Andres |
| 11. Elevation (Show whether DR, RKB, RT, GP etc.) Multiple |

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR, USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Mack Energy Corporation

3. Address of Operator
P.O. Box 960 Artesia, NM 88210

4. Well Location
 Unit Letter _____ feet from the _____ line and _____ feet from the _____ line
 Section 18 & 24 Township 18S Range 36E & 37E NMPM County Lea

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| | | | |
|--|---|--|--|
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIALWORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| OTHER: Surface Commingle/Off lease Storage <input checked="" type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mack Energy Corporation as operator respectfully requests administrative approval for Off Lease Storage/Surface Commingle of production. It is requested that the Arkansas Junction; San Andres from the Oregon State Lease and the Nevada State Lease be Commingled at the Nevada State #1 TB located in Sec. 24 T18S R36E.

The tank battery is located in the SE/4 NW/4, Sec. 24 T18S R36E. Proper allocation for production of oil will be measured using periodic well tests, gas will be metered separately at this TB prior to sales point. Mack Energy has made notification to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle. Interests in all pools on this leases are common.

A diagram of the TB facility will be attached. At this time we are requesting approval to Lease Commingle and Off Lease Storage of production from these leases.

Spud Date: Rig Release Date:

*CTB-675
 Recommend Approval
 7-1-13
 David K. Berron*

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

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 5/22/13

Type or print name Jerry W. Sherrell E-mail address: jerrys@mec.com PHONE: (575)748-1288

For State Use Only

APPROVED BY: [Signature] TITLE Director DATE 7/2/13
 Conditions of Approval (if any):