

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 IV1220 S. St Francis Dr., Santa Fe, NM  
87505

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

Form C-101

Permit 1154

**APPLICATION FOR PERMIT TO DRILL**

Operator Name and Address <b>MACK ENERGY CORP PO Box 960 Artesia, NM 88211-0960</b>		OGRID Number <b>13837</b>
		API Number <b>30-015-33508</b>
Property Code <b>34091</b>	Property Name <b>WALRUS STATE</b>	Well No. <b>001</b>

**Surface Location**

UL or Lot <b>D</b>	Section <b>29</b>	Township <b>18S</b>	Range <b>23E</b>	Lot Idn <b>D</b>	Feet From <b>660</b>	N/S Line <b>N</b>	Feet From <b>660</b>	E/W Line <b>W</b>	County <b>Eddy</b>
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**Proposed Pools**

<b>HOPE PENN, SOUTH (GAS) (ABANDONED) 78600</b>
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Work Type <b>New Well</b>	Well Type <b>GAS</b>	Cable/Rotary	Lease Type <b>State</b>	Ground Level Elevation <b>4025</b>
Multiple <b>N</b>	Proposed Depth <b>8500</b>	Formation <b>Morrow</b>	Contractor	Spud Date <b>07/10/2004</b>

**Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1600	1200	0
Prod	7.875	4.5	17	8500	1700	0

**Casing/Cement Program: Additional Comments**

Mack Energy proposes to drill to 1600, run 8 5/8 casing and cement. Drill to 8500 test morrow zone, run 4 1/2 casing and cement. Put well on production. Note: On production string a fluid caliper will be run and will figure cement with 25% excess, attempt to circulate.
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**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	

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

Electronically Signed By: Jerry Sherrell

Title: Production Clerk

Date: 06/30/2004

Phone: 505-748-1288

### OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 07/16/2004

Expiration Date: 07/16/2005

Conditions of Approval:  
There are conditions. See Attached.

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-144  
March 12, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐  
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: **Mack Energy Corporation** Telephone: **(505)748-1288** e-mail address: **jerrys@mackenergycorp.com**  
Address: **P.O. Box 960, Artesia, NM 88211-0960**  
Facility or well name: **Walrus State #1** API #: \_\_\_\_\_ U/L or Qtr/Qtr **D** Sec **29** T **18S** R **23E**  
County: **Eddy** Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <b>12</b> mil Clay <input type="checkbox"/> Volume <b>2000</b> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not, _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points) <b>0 Points</b>
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points) <b>0 Points</b>
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points) <b>10 Points</b>
<b>Ranking Score (Total Points)</b> <b>10 Points</b>	

**If this is a pit closure:** (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐

Date: **7/1/04**

Printed Name/Title: **Jerry W. Sherrell/Production Clerk**

Signature

*Jerry W. Sherrell*

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: **7/9/04**

Printed Name/Title:

*Mike Bratcher/Compliance Officer*

Signature

*Mike Bratcher*

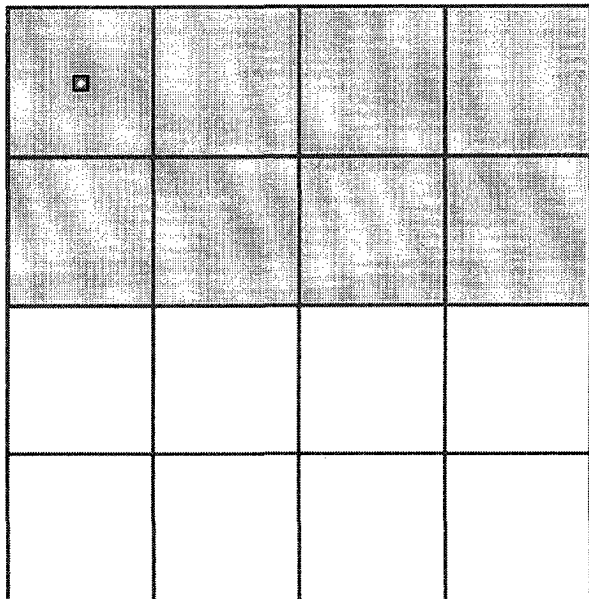
<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 1220 S. St Francis Dr., Santa Fe, NM 87505	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b> <b>Oil Conservation Division</b> <b>1220 S. St Francis Dr.</b> <b>Santa Fe, NM 87505</b>	Form C-102 Permit 1154
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### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-33508	Pool Name HOPE PENN, SOUTH (GAS) (ABANDONED)	Pool Code 78600
Property Code 34091	Property Name WALRUS STATE	Well No. 001
OGRID No. 13837	Operator Name MACK ENERGY CORP	Elevation 4025

### Surface And Bottom Hole Location

UL or Lot D	Section 29	Township 18S	Range 23E	Lot Idn D	Feet From 660	N/S Line N	Feet From 660	E/W Line W	County Eddy
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						



#### OPERATOR CERTIFICATION

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

Electronically Signed By: Jerry Sherrell

Title: Production Clerk

Date: 06/30/2004

#### 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.*

Surveyed By: Gary Eidson

Date of Survey: 06/30/2004

Certificate Number: 12641

## Permit Comments

**Operator: MACK ENERGY CORP , 13837**

**Well: WALRUS STATE #001**

User Name	Comment	Comment Date
JWSHERRELL	H2S concentrations of wells in this area from surface to TD, are low enough that a contingency plan is not required.	6/30/2004

# Permit Conditions Of Approval

## C-101, Permit 1154

**Operator: MACK ENERGY CORP , 13837**

**Well: WALRUS STATE #001**

OCD Reviewer	Condition
BARRANT	Operator to drill surface hole with only a fresh water mud or air.
BARRANT	Notify OCD time of spud and time to witness the cementing of surface and production casing.