

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

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)		WELL API NO. 30-015-33305
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Mack Energy Corporation		6. State Oil & Gas Lease No. VO-4972
3. Address of Operator P.O. Box 960 Artesia, NM 88210		7. Lease Name or Unit Agreement Name Southern Cross 32 State
4. Well Location Unit Letter <u>H</u> <u>1980</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>32</u> Township <u>18S</u> Range <u>24E</u> NMPM County <u>Eddy</u>		8. Well Number 3
11. Elevation (Show whether DR, RKB, RT, GR etc) 3780' GR		9. OGRID Number 013837
		10. Pool Name or Wildcat <u>Yes WC; Gloria-Yeso (97909)</u>

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

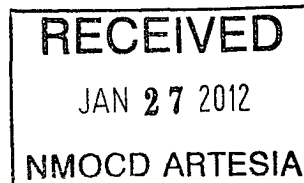
REMEDIALWORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Re-Completion ☒

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 re-completion.

11/28/2011 Set CIBP @ 3900' w/ 35' cmt cap. Perforate 2932-3133' w/ 15 holes.
12/7/2011 Acidized w/ 47bbls 15% NEFE.
12/9/2011 Set CIBP @ 2905' w/35' cmt cap.
12/12/2011 Perforate 2483.5-2789 w/ 42 holes. Acidized w/ 12 bbls 15% NEFE.
12/20/2011 Frac 2483.5-2789' w/ 40 bbls linear gel, 100,620# White Sand 16/30, 16,540# Resin Coated Sand 16/30.
1/10/2012 Set CIBP @ 2425' w/ 35' cmt cap. Perforate 1916-2286' w/ 29 holes.
1/12/2012 Acidized w/ 2500 gals 15% NEFE.
1/13/2012 RIH w/ 73 jts 2 3/8", L-80, 6.5# tubing, SN @ 2312', 2 x 1 1/2 x 16' pump. Dry Hole.



Spud Date:

4/15/2004

Rig Release Date:

5/12/2004

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

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 1/25/12

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

For State Use Only

APPROVED BY: [Signature] TITLE Dist. II Supervisor DATE 02/09/2012

Conditions of Approval (if any):

District I
1625 N French Dr., Hobbs, NM 88240
District H
1301 W Grand Avenue, Artesia, NM 88210
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State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144 CLEZ
July 21, 2008

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal/or closure, submit to the appropriate NMOCD District Office

Closed-Loop System Permit or Closure Plan Application

(that only above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☒ Permit ☐ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form, C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1
Operator Mack Energy Corporation OGRID #: 013837
Address P.O. Box 960 Artesia, NM 88210-0960
Facility or well name: Southern Cross 32 State #3
API Number: 30-015-33305 OCD Permit Number: _____
U/L or Qtr/Qtr H Section 32 Township 18S Range 24E County Eddy
Center of Proposed Design: Latitude _____ Longitude _____ NAD ☐ 1927 ☐ 1983
Surface Owner: ☐ Federal ☒ State ☐ Private ☐ Tribal Trust or Indian Allotment

2
☒ **Closed-loop System:** Subsection H of 19.15.17.11 NAIAC
Operation: ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) ☒ P&A
☒ Above Ground Steel Tanks or ☐ Haul-off Bins

3
Sign: Subsection C of 19.15.17.11 NMAC
☐ 12" x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
☐ Signed in compliance with 19.15.3.103 NMAC

RECEIVED

JAN 26 2012

NMOCD ARTESIA

4
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached
☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☒ Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____

5
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required
Disposal Facility Name: Controlled Recovery Inc Disposal Facility Permit Number: NM-01-0006
Disposal Facility Name: _____ Disposal Facility Permit Number: _____
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☒ No
Required for impacted areas which will not be used for future service and operations
☐ Soil Backfill and Cover Design Specifications -- based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

6
Operator Application Certification:
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief
Name (Print): Jerry W. Sherrell Title: Production Clerk
Signature: Jerry W. Sherrell Date: 1/25/12
e-mail address: jerrys@mec.com Telephone: 575-748-1288

⁷
OCD Approval: ☐ Permit Applies on (including closure plan) ☐ Closure Plan (only)

OCD Representative Signature: _____ **Approval Date:** _____

Title: _____ **OCD Permit Number:** _____

⁸
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ Closure Completion Date: _____

⁹
Closure Reports Regarding Waste Removal Closure for Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: Controlled Recovery Inc Disposal Facility Permit Number: NM-01-0006

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ NO

Required for impacted areas which will not be used for future service and operations:

- ☐ Site Reclamation (Photo Documentation)
- ☐ Soil Backfilling and Cover Installation
- ☐ Re-vegetation Application Rates and Seeding Technique

^{10m}
Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____