Submit I Copy To Appropriate District	State of New Mexico	Form C-103					
District I - (575) 393-6161	Energy, Minerals and Natural Resources	Revised July 18, 2013					
1625 N. French Dr., Hobbs, NM 88240		WELL API NO. 30-005-64165 5. Indicate Type of Lease STATE ✓ FEE 6. State Oil & Gas Lease No.					
<u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210	OIL CONSERVATION DIVISION						
District III - (505) 334-6178	1220 South St. Francis Dr.						
1000 Rio Brazos Rd., Aztec, NM 87410 District IV - (505) 476-3460	Santa Fe, NM 87505						
1220 S. St. Francis Dr., Santa Fe, NM	VO-9419						
87505							
SUNDRY NOT (DO NOT USE THIS FORM FOR PROP	7. Lease Name or Unit Agreement Name Galaxy State						
PROPOSALS.) 1. Type of Well: Oil Well	ICATION FOR PERMIT" (FORM C-101) FOR SUCH	8. Well Number #1					
2. Name of Operator		9. OGRID Number					
Mack Energy Corporation		013837					
3. Address of Operator		10. Pool name or Wildcat					
P.O. Box 960 Artesia,NM 88210		Wildcat;San Andres					
4. Well Location							
Unit Letter <u>O</u> :	330feet from theS line and	2310 feet from the <u>E</u> line					
Section 5	Township 14S Range 29E	NMPM County Chaves					
۵۰ د مینوند. ۱۹۹۵ کستین (۲۰۱۹ مینوند) (۲۰۱۹ مینوند)	11. Elevation (Show whether DR, RKB, RT, GR, etc.	באים ברבי ביים באיים איים איים איים באיים באיי					
	3670' GR						
	Appropriate Box to Indicate Nature of Notice						
		BSEQUENT REPORT OF:					
	=						
	pleted operations. (Clearly state all pertinent details, a	nd give pertinent dates including estimated date					
of starting any proposed w	vork). SEE RULE 19.15.7.14 NMAC. For Multiple C	ompletions: Attach wellbore diagram of					
	completion. 60'. Pressure test csg. Circ hole w/ MLF. Spot 45 sx 50-1400' (Queen)	-woctraj					
1. Set 5 ½" CIBP @ 24	60'. Pressure test csg. Circ hole w/ MLF. Spot 45 sx	cmt @ 2460-2050' (San Andres)					
2. Spot 25 sx cmt @ 15 3. Spot 25 sx cmt @ 83	50-1400' (Queen) 5 505' WOC & Tag (Victor D(Salt)	Nettry OCD 24 hrs . prior to					
	5-595'. WOC & Tag (Yates, B/Salt) t @ 545-400'. WOC & Tag (8 5/8" Shoe)	Notify OCD 224 mile.					
5. Spot 25 sx cmt @ 21							
	rify cmt to surface, weld on Dry Hole Marker.	NM OIL CONSERVATION ARTESIA DISTRICT					
		DEC 1 0 2018					
		RECEIVED					
pud Date:	Rig Release Date:						
KSee Attache	J COA'S Muit be	Plussed by 12-11-19					
hereby certify that the information	above is true and complete to the best of my knowled	ge and benef.					
· · · · · · · · · · · · · · · · · · ·		· · · · ·					
IGNATURE Inigail IV	loutgomeron TITLE Agent	DATE 12/06/2018					
	Mall abbumabaman	hassociates.com					
ype or print name Abiqai	Montgomery E-mail address	PHONE: <u>432-580-7</u> /(
or State Use Only							
PPROVED BY	TITLE Stall is	DATE 12-11-18					
conditions of Approval (if any):							
······································							
		CNTERED					
		ENTERED					
		ENTERED					

τ

•

Mack Energ	y Corp			Description	0.D.	Grade	Weight	Depth	Hole	Cmt Sx	TOC
Author:	BCM & Associates, Inc					<u> </u>	<u>v</u>				-
Well Name	Galaxy State	Well No.	#1	Surface Csg	8 5/8"	J-55	32#	495'	12 1/4"	330	CIRC'I
Field		API #:	30-005-64165			· · · · ·					
County	Chaves	Prop #:	40074	Prod Csg	5 1/2"	L-80	17#	3038'	7 7/8"	600	CIRC'I
State	New Mexico	Zone:		· · · · · · · · · · · · · · · · · · ·							
Spud Date	10/26/2013		UL-O, Sec 5, T14S, R29E								
GL	3670'		330' FSL & 2310' FEL						•		
Π	7										
											ŗ

CIRC'D

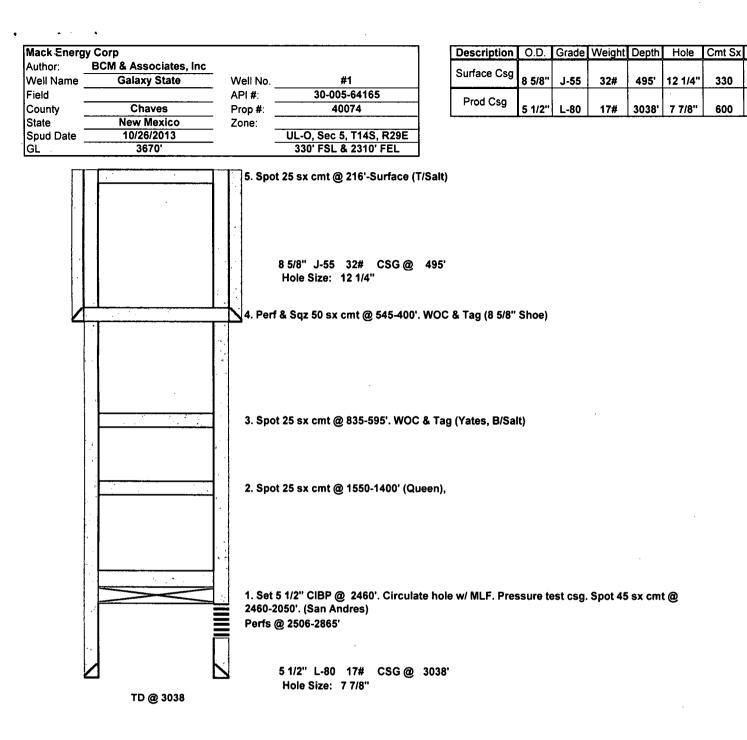
CIRC'D

8 5/8" J-55 32# CSG @ 495' Hole Size: 12 1/4"

Perfs @ 2506-2865'

5 1/2" L-80 17# CSG @ 3038' Hole Size: 7 7/8"

TD @ 3038



TOC

CIRC'D

CIRC'D

330

600

CONDITIONS FOR PLUGGING AND ABANDONMENT

District II / Artesia N.M.

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work.

- 1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs.
- 2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
- 3. Trucking companies being used to haul oilfield waste fluids to a disposal commercial or private shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
- 4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
- 5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
- 6. If the well is not plugged within 1
- 7. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
- 8. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
- 9. Produced water will not be used during any part of the plugging operation.
- 10. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
- 11. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
- 12. Class 'C' cement will be used above 7500 feet.
- 13. Class 'H' cement will be used below 7500 feet.
- 14. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
- 15. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing

- 16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
- 17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
- 18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).
- 19. No more than **3000' is allowed between cement plugs in cased hole and 2000' in open** hole.
- 20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
 - A) Fusselman
 - B) Devonian
 - C) Morrow
 - D) Wolfcamp
 - E) Bone Springs
 - F) Delaware
 - G) Any salt sections
 - H) Abo
 - I) Glorieta
 - J) Yates.
 - K) Potash--- (In the R-111-P Area (Potash Mine Area), a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
- 21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQUIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name2. Lease and Well Number3. API Number4. Unit Letter5. QuarterSection (feet from the North, South, East or West)6. Section, Township and Range7. Plugging Date8. County(SPECIAL CASES)------AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)