

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

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address MACK ENERGY CORP PO Box 960 Artesia, NM 88211		2. OGRID Number 13837
4. Property Code 36371		3. API Number 30-025-38302
5. Property Name BALTO STATE COM		6. Well No. 001

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	11	13S	32E	E	1980	N	660	W	LEA

**8. Pool Information**

BAUM,MORROW, NORTH (GAS)	71685
--------------------------	-------

**Additional Well Information**

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4317
14. Multiple N	15. Proposed Depth 12500	16. Formation Morrow	17. Contractor	18. Spud Date 2/20/2007
Depth to Ground water 150		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 3000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	450	450	0
Int1	12.25	9.625	40	4040	1500	0
Prod	7.875	5.5	17	12500	2300	0

**Casing/Cement Program: Additional Comments**

Mack Energy proposes to drill a 17 1/2 hole to 450', run 13 3/8 casing and cement. Drill a 12 1/4 hole to 4040', run 9 5/8 casing and cement. Drill a 7 7/8 hole to 12,500', run 5 1/2 casing and cement. Note; On production string a fluid caliper will be run and will figure cement with 25% excess, attempt to circulate.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	

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

I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Jerry Sherrell

Title: Production Clerk

Email Address: jerrys@mackenergycorp.com

Date: 2/19/2007

Phone: 505-748-1288

**OIL CONSERVATION DIVISION**

Approved By: Paul Kautz

Title: Geologist

Approved Date: 3/8/2007

Expiration Date: 3/8/2008

Conditions of Approval Attached

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-102  
 Permit 46960

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-38302	2. Pool Code 71685	3. Pool Name BAUM,MORROW, NORTH (GAS)
4. Property Code 36371	5. Property Name BALTO STATE COM	6. Well No. 001
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 4317

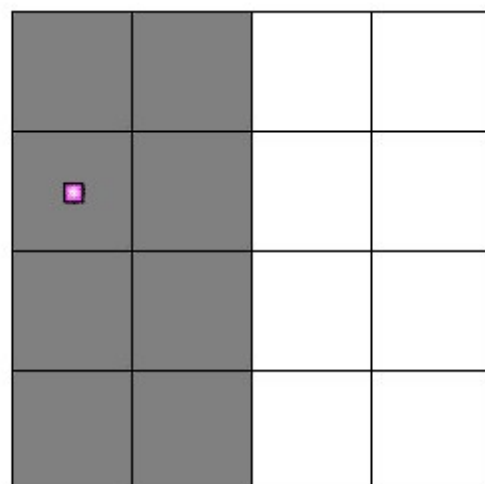
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	11	13S	32E		1980	N	660	W	LEA

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00		13. Joint or Infill		14. Consolidation Code		15. Order No.			

**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 contained 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(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

E-Signed By: Jerry Sherrell  
 Title: Production Clerk  
 Date: 2/19/2007

**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: Ronald Eidson  
 Date of Survey: 7/20/2006  
 Certificate Number: 3239

## Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: BALTO STATE COM #001

API: 30-025-38302

Created By	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.	2/19/2007

# Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837

Well: BALTO STATE COM #001

API: 30-025-38302

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	see change to blowout prevention