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

State of New Mexico

Form C-101 Permit 50777

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

.m.i.m.i.m.i.m.i.m.i.m.i.m.i.m.i.m.i.m.	THE DESIGNATION OF THE BUILDING THE PROPERTY OF THE BUILDING							
1.	Operator Name and Address	2. OGRID Number						
M	13837							
	3. API Number							
	Artesia , NM 88211							
4. Property Code	5. Property Name	6. Well No.						
36449	BR STATE	001						

7. Surface Location

8	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	A	4	17S	36E	1	900	N	900	E	LEA

8. Pool Information

LOVINGTON:ABO. SOUTHWEST	96972

Additional Well Information

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9. Work Type New Well	20000000	il Type IL			12. Lease Type State	13. Ground Level Elevation 3888
14. Montriple N	15. Prop	osed Depth	16. Formation Abo Format		17. Contractor	18. Spud Date 4/15/2007
Depth to Ground 65	i water		Distance from neares	t fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syst	em 🛮	mils thick	Clay Pit Volume:		ing Method: h Water Brine 1	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	350	350	0
Int1	12.25	8.625	32	3150	1400	0
Prod	7.875	5.5	17	9400	1300	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 17 1/2 hole to 300', run 13 3/8 casing and cement. Drill a 12 1/4 hole using the Lea County Alternative, to 3150' run 8 5/8 casing and cement. Drill a 7 7/8 hole to TD, run 5 1/2 casing and cement.

Proposed Blowout Prevention Program

Í	Туре	Working Pressure	Test Pressure	Manufacturer
	DoubleRam	2000	2000	

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	OIL CONSERVATION DIVISION
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Paul Kautz
Printed Name: Electronically filed by Jerry Sherrell	Title: Geologist
Title: Production Clerk	Approved Date: 4/12/2007 Expiration Date: 4/12/2008
Email Address: jerrys@mackenergycorp.com	
Date: 4/9/2007 Phone: 505-748-1288	Conditions of Approval Attached

District I

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

<u>District II</u>

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

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

Form C-102 Permit 50777

Energy, Minerals and Natural Resources Oil Conservation Division

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

***	ELL LOCATION AND ACI	CEAGE DEDICATION FE	71		
1. API Number	2. Pool Code	3. Poo	l Name		
30-025-38375	96972	LOVINGTON;ABO, SOUTHWEST			
4. Property Code	5. Property Name		6. Well No.		
36449	BR ST	ATE	001		
7. OGRID No.	8. Operato	or Name	9. Elevation		
13837	MACK ENE	RGY CORP	3888		

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County		
A	4	17S	36E		900	И	900	E	LEA		

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot 1	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
300000000000000000000000000000000000000	ated Acres	13.	Joint or Infill		14	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

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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: 4/9/2007

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: Gary Eidson Date of Survey: 3/19/2007 Certificate Number: 12641

Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: BR STATE #001 API: 30-025-38375

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.	4/9/2007

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837 Well: BR STATE #001 API: 30-025-38375

OCD Reviewer	Condition
pkautz	In Lea County the minimum setting depth for surface casing is 350 feet.