

1. Operator Name and Address MACK ENERGY CORP PO BOX 960 ARTESIA , NM 88211		2. OGRID Number 13837
		3. API Number 30-05-64127
4. Property Code 38201	5. Property Name K2 STATE	6. Well No. 001

UL - Lot A	Section 36	Township 09S	Range 29E	Lot Idn A	Feet From 180	N/S Line N	Feet From 330	E/W Line E	County CHAVES
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MANY GATES;WOLFCAMP	44680
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4024
14. Multiple N	15. Proposed Depth 7500	16. Formation Wolfcamp	17. Contractor	18. Spud Date 6/25/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mills thick Clay <input type="checkbox"/> Pit Volume: 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"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	800	800	0
Int1	12.25	8.625	32	2600	1300	0
Prod	7.875	5.5	17	7500	1085	0

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

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 115156

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-05-64127	2. Pool Code 44680	3. Pool Name MANY GATES;WOLFCAMP
4. Property Code 38201	5. Property Name K2 STATE	6. Well No. 001
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 4024

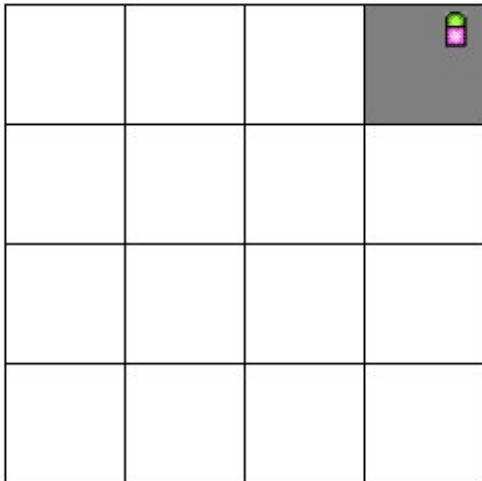
10. Surface Location

UL - Lot A	Section 36	Township 09S	Range 29E	Lot Idn	Feet From 180	N/S Line N	Feet From 330	E/W Line E	County CHAVES
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11. Bottom Hole Location If Different From Surface

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UL - Lot A	Section 36	Township 09S	Range 29E	Lot Idn A	Feet From 330	N/S Line N	Feet From 330	E/W Line E	County CHAVES
12. Dedicated Acres 40.00		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>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.</i>	
	E-Signed By: Jerry Sherrell Title: Production Clerk Date: 6/8/2010	
	SURVEYOR CERTIFICATION	
<i>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.</i>		
Surveyed By: Ronald Eidson Date of Survey: 5/20/2010 Certificate Number: 3239		

Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: K2 STATE #001

API: 30-05-64127

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.	6/8/2010

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837

Well: K2 STATE #001

API: 30-05-64127

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string