District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II 811 S. First St., Artesia, NM 88210

Phone:(575) 748-1283 Fax:(575) 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-101 August 1, 2011

Permit 148528

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

MACK E	Name and Address NERGY CORP	OGRID Number 13837	
	Box 960 , NM 88211	3. API Number 30-025-40600	
4. Property Code	5. Property Name	6. Wett No.	
38761	LEO STATE	005	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
С	18	188	35E	С	400	N	1650	W	LEA

8. Pool Information

WC-025 G-06 \$183518A:BONE SPRING	97930

Additional Well Information

9. Work Type New Well	10. Wet		11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3970	
14. Multiple	15. Proposed Depth		16. Formation	17. Contractor	18. Spud Date	
N	11	000	Bone Spring		5/25/2012	
Depth to Ground	water	12	Distance from nearest fresh water	r well	Distance to nearest surface	

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1600	825	0
Prod	7 875	5.5	17	11000	1575	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4" hole to 1600', run 8 5/8" casing and circ cement to surface. Drill a 7 7/8" hole to 11,000', run 5 1/2" and circ cement to surface. Put well on production.

Proposed Rlowout Prevention Program

	Troposcu Dionout T	C, chilon 1 rogram	
Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

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: 5/31/2012 Expiration Date: 5/31/2014		
Email Address: jerrys@mec.com			
Date: 5/21/2012 Phone: 505-748-1288			

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Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 148528

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code		ool Name
30-025-40600	97930		3518A;BONE SPRING
4. Property Code	5. Property Name		6. Well No.
38761	LEO STATE		005
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP		9. Elevation 3970

10. Surface Location

UL - L	ot Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	18	188	35E		400	N	1650	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S Line	e Feet From	E/W Line	County
0.000	cated Acres	13	13. Joint or Infill		14. Consolidation Cod		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: 5/21/2012

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: 5/8/2012 Certificate Number: 3239

Permit Comments

Operator: MACK ENERGY CORP , 13837 Well: LEO STATE #005

API: 30-025-40600

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.	5/10/2012
CHERRERA	OCD RECEIVED FORM C144 CLEZ. OCD PERMIT # P1-04894	5/31/2012