

**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 151432

**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
		3. API Number 30-015-40445
4. Property Code 39320	5. Property Name NITRO 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
M	18	21S	24E	4	330	S	355	W	EDDY

**8. Pool Information**

WC-015 G-01 S212418M; YESO	97956
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3784
14. Multiple N	15. Proposed Depth 7181	16. Formation Yeso Formation	17. Contractor	18. Spud Date 8/1/2012
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**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	350	400	0
Int1	12.25	9.625	36	1600	600	0
Int2	8.75	7	26	2700	500	0
Prod	6.125	4.5	11.6	7181	475	2200

**Casing/Cement Program: Additional Comments**

Mack Energy Proposes to drill a 17 1/2 hole to 350', run 13 3/8 casing and cement. Drill a 12 1/4 hole to 1600', run 9 5/8 casing and cement. Drill a 8 3/4 hole to 2700', run 7" casing and cement. Drill a 6 1/8 hole to TD, run 4 1/2 liner from 7181-2200' and cement. Put well on production.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	300	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 NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Randy Dade	
	Title: District Supervisor	
	Approved Date: 7/9/2012	Expiration Date: 7/9/2014
	Email Address: jerrys@mec.com	
Date: 7/6/2012	Phone: 505-748-1288	Conditions of Approval Attached

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**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
August 1, 2011  
Permit 151432

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-40445	2. Pool Code 97956	3. Pool Name WC-015 G-01 S212418M; YESO
4. Property Code 39320	5. Property Name NITRO STATE COM	6. Well No. 001
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3784







**10. Surface Location**

UL - Lot M	Section 18	Township 21S	Range 24E	Lot Idn 4	Feet From 330	N/S Line S	Feet From 355	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

11. Bottom Hole Location Is Different From Surface									
UL - Lot D	Section 18	Township 21S	Range 24E	Lot Idn 5	Feet From 355	N/S Line N	Feet From 355	E/W Line W	County EDDY
12. Dedicated Acres 163.57		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**

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px; text-align: center; vertical-align: middle;"></td><td style="width: 25%;"></td><td style="width: 25%;"></td><td style="width: 25%;"></td></tr> <tr><td style="height: 40px;"></td><td></td><td></td><td></td></tr> <tr><td style="height: 40px;"></td><td></td><td></td><td></td></tr> <tr><td style="height: 40px; text-align: center; vertical-align: middle;"></td><td></td><td></td><td></td></tr> </table>																	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><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></p> <p>E-Signed By: Jerry Sherrell Title: Production Clerk Date: 7/6/2012</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><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></p> <p>Surveyed By: Ronald Eidson Date of Survey: 5/4/2012 Certificate Number: 3239</p>
																	
																	

## Permit Comments

**Operator:** MACK ENERGY CORP , 13837

**Well:** NITRO STATE COM #001

**API:** 30-015-40445

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.	7/6/2012
CSHAPARD	Land s/S	7/9/2012

# Permit Conditions of Approval

**Operator:** MACK ENERGY CORP , 13837

**Well:** NITRO STATE COM #001

**API:** 30-015-40445

OCD Reviewer	Condition
CSHAPARD	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