

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 154454

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 30-05-64157
4. Property Code 39430	5. Property Name LEAR 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	10	14S	29E	M	355	S	355	W	CHAVES

8. Pool Information

WC; LONE WOLF; SAN ANDRES, SOUTH	97662
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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 3769
14. Multiple N	15. Proposed Depth 7309	16. Formation San Andres	17. Contractor	18. Spud Date 9/15/2012
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	325	400	0
Int1	12.25	8.625	32	2275	1125	0
Prod	7.875	5.5	17	7309	1150	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 17 1/2 hole to 325', run 13 3/8 casing and cement to surface. Drill a 12 1/4 hole to 2275', run 8 5/8 casing and cement to surface. Drill a 7 7/8 horizontal hole to a MD of 7309', run 5 1/2 casing and cement to surface.

Proposed Blowout Prevention Program

Type	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 NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Jerry Sherrell Title: Production Clerk Email Address: jerrys@mec.com Date: 9/5/2012 Phone: 505-748-1288	OIL CONSERVATION DIVISION	
	Approved By: Randy Dade	
	Title: District Supervisor	
	Approved Date: 9/9/2012	Expiration Date: 9/9/2014
	Conditions of Approval Attached	

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Energy, Minerals and Natural Resources
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Santa Fe, NM 87505

Form C-102
August 1, 2011
Permit 154454

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-05-64157	2. Pool Code 97662	3. Pool Name WC; LONE WOLF; SAN ANDRES, SOUTH
4. Property Code 39430	5. Property Name LEAR STATE COM	6. Well No. 001
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3769

10. Surface Location

UL - Lot M	Section 10	Township 14S	Range 29E	Lot Idn	Feet From 355	N/S Line S	Feet From 355	E/W Line W	County CHAVES
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11. Bottom Hole Location If Different From Surface

11. Bottom Hole Location If Different From Surface									
UL - Lot P	Section 10	Township 14S	Range 29E	Lot Idn P	Feet From 355	N/S Line S	Feet From 355	E/W Line E	County CHAVES
12. Dedicated Acres 160.00		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

	<p align="center">OPERATOR CERTIFICATION</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: 9/5/2012</p>		
	<p align="center">SURVEYOR CERTIFICATION</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: 8/13/2012 Certificate Number: 3239</p>		

Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: LEAR STATE COM #001

API: 30-05-64157

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.	9/5/2012
CSHAPARD	Land s/S	9/7/2012

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837

Well: LEAR STATE COM #001

API: 30-05-64157

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