<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

Phone:(575) 393-6161 Fax:(575) 393-0720 <u>District II</u>

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

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 155589

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

MACK I	Name and Address ENERGY CORP	2. OGRID Number 13837
) Box 960 a, NM 88211	3. API Number 30-025-40807
4. Property Code	5. Property Name	6. Well No.
39301	KANSAS STATE	002

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	26	188	36E	I	1650	S	990	E	LEA

8. Proposed Bottom Hole Location

7		200							27
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County

9. Pool Information

ARKANSAS JUNCTION;BONE SPRING 2340

Additional Well Information

	-		. Idditional ** CH Intoli	- Intion	
11. Work Type 12. New Well		12. Well Type 13. Cable/Rotary OIL		14. Lease Type State	15. Ground Level Elevation 3773
16. Multiple	17. Prop	osed Depth	18. Formation	19. Contractor	20. Spud Date
N	8	900	Bone Spring		11/1/2012
Depth to Ground	water		Distance from nearest fresh water	r well	Distance to nearest surface water

21. 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	810	0
Prod	7.875	5.5	17	8900	1095	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4" hole to 1600', run 8 5/8" casing and cement. Drill a 7 7/8" hole to 8900', run 5 1/2" casing and cement. Put well on production.

22. Proposed Blowout Prevention Program

	Type	Working Pressure	Test Pressure	Manufacturer
1	DoubleRam	3000	3000	

 I hereby certify that the in best of my knowledge and bel 	formation given above is true and complete to the ief.	OIL CONSERVATION DIVISION			
I further certify I have com 19.15.14.9 (B) NMAC □, if	plied with 19.15.14.9 (A) NMAC and/or applicable.	Approved By: Paul Kautz			
Signature:		Track Student			
Printed Name: Electroni	cally filed by Jerry Sherrell	Title: Geologist			
Title: Production Clerk		Approved Date: 10/3/2012	Expiration Date: 10/3/2014		
Email Address: jerrys@	mec.com				
Date: 10/1/2012	Phone: 505-748-1288	Conditions of Approval Atta	ched		

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State of New Mexico

Energy, Minerals and Natural Resources

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

Permit 155589

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	ARKANSAS.	3. Pool Name
30-025-40807	2340		JUNCTION;BONE SPRING
4. Property Code	5. Proper		6. Well No.
39301	KANSAS		002
7. OGRID No.	8. Operat		9. Elevation
13837	MACK ENE		3773

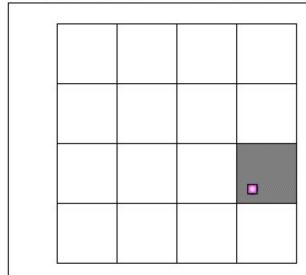
10. Surface Location

Š	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	I	26	188	36E		1650	S	990	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot I	dn	Feet From	N/S Line	e Feet From	E/W Line	County
Vientings.	cated Acres	13. 3	oint 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 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: 10/1/2012

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: Filimon Jaramillo Date of Survey: 9/20/2012 Certificate Number: 12797

Permit Comments

Operator: MACK ENERGY CORP , 13837 Well: KANSAS STATE #002

API: 30-025-40807

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.	10/1/2012
pkautz	Land s/S	10/1/2012
DMULL	OCD Hobbs has received form C-144CLEZ. OCD Permit Number P1-05266.	10/3/2012

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837 Well: KANSAS STATE #002

API: 30-025-40807

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