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

<u>District III</u> 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 156554

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

MACK E	Name and Address NERGY CORP	2. OGRID Number 13837	
PO Box 960 Artesia, NM 88211		3. API Number 30-015-40817	
4. Property Code	5. Property Name	6. Well No.	
39522	DERRICK FEE	001	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	4	238	27E	H	1675	N	700	E	EDDY

8. Proposed Bottom Hole Location

				Troposed	Dottom II	ore Decurre			200
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	4	23S	27E	Н	1675	N	700	E	Eddy

9. Pool Information

CASS DRAW; WOLFCAMP, NORTH (O) 97022

Additional Well Information

		Additional Well Inform	nation		
11. Work Type New Well	12. Weil Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3125	
16. Multiple N	17. Proposed Depth 10500	18. Formation Wolfcamp	19. Contractor	20. Spud Date 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	17.5	13.375	48	400	450	0
Int1	12.25	8.625	32	2000	1000	0
Prod	7.875	5.5	17	10500	1300	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 17 1/2" hole to 400', run 13 3/8" casing and cement. Drill a 12 1/4" hole to 2,000', run 8 5/8" casing and cement. Drill a 7 7/8" hole to 10,500', run 5 1/2" casing and cement. Put well on production.

22. Proposed Blowout Prevention Program

Γ	Туре	Working Pressure	Test Pressure	Manufacturer
	DoubleRam	3000	3000	

best of my knowledge and belief.	given above is true and complete to the	OIL CONSERVATION DIVISION				
I further certify I have complied wit 19.15.14.9 (B) NMAC ⊠, if applica	h 19.15.14.9 (A) NMAC 🛮 and/or ble.	Approved By: Randy Dade				
Signature:	0.00					
Printed Name: Electronically file	ed by Jerry Sherrell	Title: District Supervisor				
Title: Production Clerk		Approved Date: 10/23/2012	Expiration Date: 10/23/2014			
Email Address: jerrys@mec.com	n					
Date: 10/18/2012	Phone: 505-748-1288	Conditions of Approval Attac	hed			

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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 156554

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	CONTRACTOR CONTRACTOR	. Pool Name
30-015-40817	97022		/OLFCAMP, NORTH (O)
4. Property Code	5. Proper		6. Well No.
39522	DERRIO		001
7. OGRID No.	8. Operat	or Name	9. Elevation
13837	MACK ENE	RGY CORP	3125

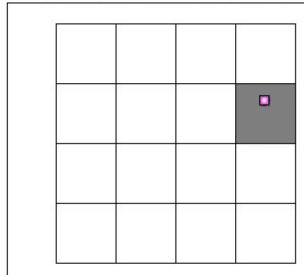
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Н	4	238	27E		1675	N	700	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S Line	Feet From	E/W Line	County
0.000	cated Acres	13. 1	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 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: 10/18/2012

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: 6/8/2012 Certificate Number: 3239

Permit Comments

Operator: MACK ENERGY CORP , 13837 Well: DERRICK FEE #001

API: 30-015-40817

Created By	Comment	Comment Date
DWEAVER	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	10/17/2012
CSHAPARD	Land f/P	10/23/2012

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837 Well: DERRICK FEE #001

API: 30-015-40817

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