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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------|-----------------------|---------------------------------|------------------------------------------------|-------------------------------------------|----------------------------------------|---------------------------------------|----------------------------------------------|------------------------------------------|--------------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------|--------------------------------------------|--|--------------|--|--------------------------------------------------------|--|
| <b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br>Phone:(575) 393-6161 Fax:(575) 393-0720<br><b>District II</b><br>811 S. First St., Artesia, NM 88210<br>Phone:(575) 748-1283 Fax:(575) 748-9720<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br>Phone:(505) 334-6178 Fax:(505) 334-6170<br><b>District IV</b><br>1220 S. St Francis Dr., Santa Fe, NM 87505<br>Phone:(505) 476-3470 Fax:(505) 476-3462                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><b>Oil Conservation Division</b><br><b>1220 S. St Francis Dr.</b><br><b>Santa Fe, NM 87505</b> | Form C-103<br>August 1, 2011<br>Permit 341899<br>WELL API NUMBER<br>30-005-64366<br>5. Indicate Type of Lease<br>State<br>6. State Oil & Gas Lease No.<br>7. Lease Name or Unit Agreement Name<br>KLONDIKE STATE COM |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                                                      |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 1. Type of Well:<br>Oil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               | 8. Well Number<br>002H                                                                                                                                                                                               |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 2. Name of Operator<br>MACK ENERGY CORP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               | 9. OGRID Number<br>13837                                                                                                                                                                                             |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 3. Address of Operator<br>P.O. Box 960, 11344 Lovington Hwy, Artesia, NM 882110960                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                               | 10. Pool name or Wildcat                                                                                                                                                                                             |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 4. Well Location<br>Unit Letter <u>O</u> : <u>710</u> feet from the <u>S</u> line and feet <u>1650</u> from the <u>E</u> line<br>Section <u>23</u> Township <u>15S</u> Range <u>28E</u> NMPM _____ County <u>Chaves</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               |                                                                                                                                                                                                                      |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3575 GR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                               |                                                                                                                                                                                                                      |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               |                                                                                                                                                                                                                      |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data<br><table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Spud</u> <input checked="" type="checkbox"/></td> </tr> </table> |                                                                                                                                                                               |                                                                                                                                                                                                                      | NOTICE OF INTENTION TO:                   |                              | SUBSEQUENT REPORT OF: |                                 | PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> |  | Other: _____ |  | Other: <u>Spud</u> <input checked="" type="checkbox"/> |  |
| NOTICE OF INTENTION TO:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               | SUBSEQUENT REPORT OF:                                                                                                                                                                                                |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| PERFORM REMEDIAL WORK <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | PLUG AND ABANDON <input type="checkbox"/>                                                                                                                                     | REMEDIAL WORK <input type="checkbox"/>                                                                                                                                                                               | ALTER CASING <input type="checkbox"/>     |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| TEMPORARILY ABANDON <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | CHANGE OF PLANS <input type="checkbox"/>                                                                                                                                      | COMMENCE DRILLING OPNS. <input type="checkbox"/>                                                                                                                                                                     | PLUG AND ABANDON <input type="checkbox"/> |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| PULL OR ALTER CASING <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | MULTIPLE COMPL <input type="checkbox"/>                                                                                                                                       | CASING/CEMENT JOB <input type="checkbox"/>                                                                                                                                                                           |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| Other: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                               | Other: <u>Spud</u> <input checked="" type="checkbox"/>                                                                                                                                                               |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.<br><b>6/8/2023</b> Spudded well.<br>6/8/2023 Spud 17 1/2" hole @ 6:30pm.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                               |                                                                                                                                                                                                                      |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                               |                                                                                                                                                                                                                      |                                           |                              |                       |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| <table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>Regulatory Supervisor</u></td> <td>DATE</td> <td><u>6/12/2023</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Jerry Sherrell</u></td> <td>E-mail address</td> <td><u>jerrys@mec.com</u></td> <td>Telephone No.</td> <td><u>575-748-1288</u></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                               |                                                                                                                                                                                                                      | SIGNATURE                                 | <u>Electronically Signed</u> | TITLE                 | <u>Regulatory Supervisor</u>    | DATE                                           | <u>6/12/2023</u>                          | Type or print name                     | <u>Jerry Sherrell</u>                 | E-mail address                               | <u>jerrys@mec.com</u>                    | Telephone No.                                    | <u>575-748-1288</u>                       |                                               |                                         |                                            |  |              |  |                                                        |  |
| SIGNATURE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <u>Electronically Signed</u>                                                                                                                                                  | TITLE                                                                                                                                                                                                                | <u>Regulatory Supervisor</u>              | DATE                         | <u>6/12/2023</u>      |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
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| <b>For State Use Only:</b><br><table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td><u>Sarah K McGrath</u></td> <td>TITLE</td> <td><u>Petroleum Specialist - A</u></td> <td>DATE</td> <td><u>6/23/2023</u></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                               |                                                                                                                                                                                                                      | APPROVED BY:                              | <u>Sarah K McGrath</u>       | TITLE                 | <u>Petroleum Specialist - A</u> | DATE                                           | <u>6/23/2023</u>                          |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| APPROVED BY:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <u>Sarah K McGrath</u>                                                                                                                                                        | TITLE                                                                                                                                                                                                                | <u>Petroleum Specialist - A</u>           | DATE                         | <u>6/23/2023</u>      |                                 |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |