

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-40243 & 30-025-40249
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Mack Energy Corporation		6. State Oil & Gas Lease No. VB-1325
3. Address of Operator P.O. Box 960 Artesia, NM 88210		7. Lease Name or Unit Agreement Name Leo State
4. Well Location Unit Letter <u>A</u> feet from the _____ line and _____ feet from the _____ line Section <u>18</u> Township <u>18S</u> Range <u>35E</u> NMPM County <u>Lea</u>		8. Well Number <u>1 &amp; 2</u>
11. Elevation (Show whether DR, RKB, RT, GP etc.)		9. OGRID Number 013837
		10. Pool Name or Wildcat Vacuum;Blinebry/Vacuum:Abo Reef

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

OTHER: Surface Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIALWORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

Order No. PC-1237

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.

Mack Energy Corporation as operator respectfully requests administrative approval to surface commingle and measurement of production. It is requested that surface commingling of Vacuum;Abo Reef and Vacuum;Blinebry pools be approved for the following lease: Leo State(VB-1325) Sec. 18, T18S, R35E, covering Lots 1-4, NE/4 E/2W/2.

The tank battery is located in the NE/4 NE/4, Sec. 18 T18S R35E. Proper allocation for production will be measured using periodic well tests and increased production from second well when drilled. Mack Energy has made notification to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle. Interests in all pools on this lease are common.

Mack Energy currently has no producing wells on this lease and has proposed to drill the Leo State #1 in the Blinebry formation, evaluate and drill the Leo State #2 and produce in the Abo formation.

Reviewed by RC  
Recommend Approval

11/22/11

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

*Jerry W. Sherrell*

TITLE Production Clerk

DATE 10/26/11

Type or print name Jerry W. Sherrell

E-mail address: jerrys@mec.com

PHONE: (575)748-1288

For State Use Only

\* APPROVED BY:

*Don Early*

TITLE Director

DATE 11/22/11

Conditions of Approval (if any):