

DATE IN 2/4/09	SUSPENSE	ENGINEER W. Jones	LOGGED IN 2/4/09	TYPE SWD	APP NO. PKAA 09035490 77
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ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2009 FEB 4 PM 1 22 1220 South St. Francis Drive, Santa Fe, NM 87505



30-
Rendtail Serv
#1
MACK Energy Corp.
13837

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☒ Offset Operators, Leaseholders or Surface Owner
- [C] ☒ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jerry W. Sherrell
Print or Type Name

Jerry W. Sherrell
Signature

Production Clerk
Title

2/2/09
Date

jerrys@mackenergycorp.com
e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X _____ Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No

II. OPERATOR: Mack Energy Corporation

ADDRESS: P.O. Box 960 Artesia, NM 88211-0960

CONTACT PARTY: Jerry W. Sherrell

PHONE: (505)748-1288

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____ Yes X _____ No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (if well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of freshwater from two or more freshwater wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Jerry W. Sherrell

TITLE: Production Clerk

SIGNATURE: Jerry W. Sherrell

DATE: _____

* if the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted.
Please show the date and circumstances of the earlier submittal: _____

INJECTION WELL DATA SHEET

OPERATOR: Mack Energy Corporation

WELL NAME & NUMBER: Round Tank SWD #1

WELL LOCATION: 1980 FSL & 1980 FWL

UNIT LETTER K SECTION 19 TOWNSHIP 15S RANGE 29E

FOOTAGE LOCATION

WELL CONSTRUCTION DATA
Surface Casing

WELLBORE SCHEMATIC

Hole Size: 17 1/2 Casing Size: 13 3/8 @ 450'
Cemented with: 450sx sx. or ft
Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: 12 1/4 Casing Size: 8 5/8 @ 1800
Cemented with: 800sx sx. or ft
Top of Cement: Surface Method Determined: Circulated

Production Casing

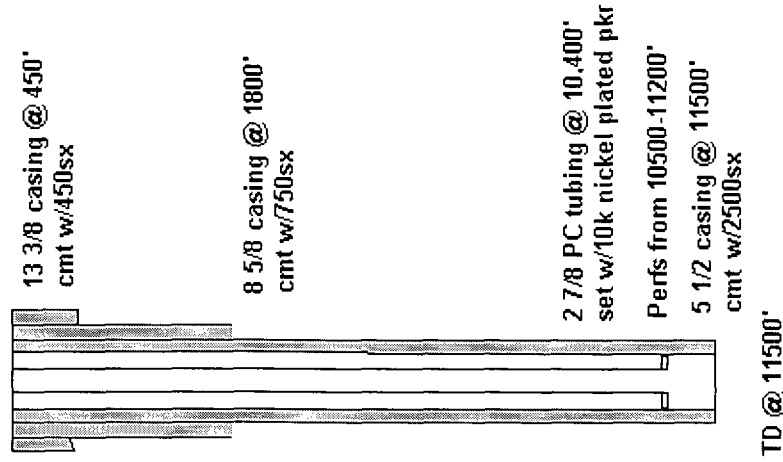
Hole Size: 7 7/8 Casing Size: 5 1/2 @ 11,500'
Cemented with: 2500sx sx. or ft
Top of Cement: Surface Method Determined: Circulated

Total Depth: 11,500'

Injection Interval

10,500 feet to 11,200' Perforated

(Perforated or Open Hole; indicate which)



INJECTION WELL DATA SHEETTubing Size: 2 7/8" Lining Material: Plastic CoatedType of Packer: Arrow Set 10K Nickel Plated PackerPacker Setting Depth: 10,400'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? ☒ Yes ☐ No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Devonian3. Name of Field or Pool (if applicable): SWD;Devonian

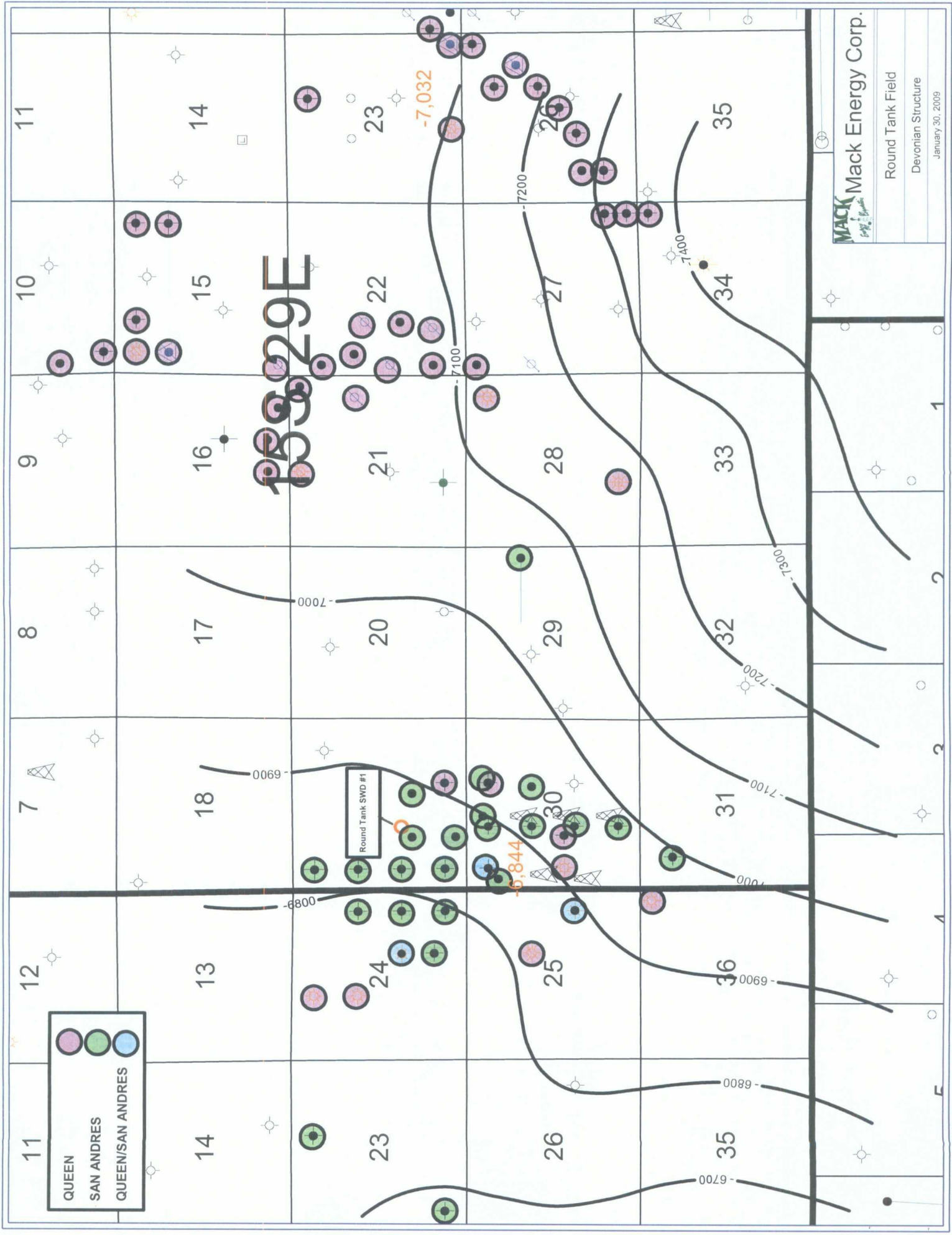
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Overlying-Woodford, Underlying-Montoya

AREA OF REVIEW WELL DATA

[illegible]

KING
E. WA
JACK
TD 17
OVAL



Round Tank Field

Lease Name	Well Number	API	Location	Prod Zone Name	Cum Liquid	Cum Gas	Cum Water
YATES FEDERAL COM	1	30005618550000	24F 15S 28E	QUEEN		346232	
FITZGERALD	4	30005101490000	24H 15S 28E	SAN ANDRES	1925		
MEHURIN	2	30005101500000	24I 15S 28E	SAN ANDRES	2018		
MEHURIN	3	30005003920000	24J 15S 28E	SAN ANDRES	2270		
MEHURIN	3	30005003920001	24J 15S 28E	QUEEN		615466	
MEHURIN	4	30005003930000	24O 15S 28E	SAN ANDRES	3747		
MEHURIN	1	30005003950000	24P 15S 28E	SAN ANDRES	2965		
FEDERAL	1	30005003960000	25I 15S 28E	SAN ANDRES	2747		
BRUNNER FEDERAL	1	30005003960001	25I 15S 28E	QUEEN		240546	
FITZGERALD	3	30005101480000	19E 15S 29E	SAN ANDRES	1628		
SEAHAWKS FEDERAL	1	30005640160000	19J 15S 29E	SAN ANDRES	2371		10430
FITZGERALD	2	30005004520000	19L 15S 29E	SAN ANDRES	3985		
FITZGERALD	1	30005004510000	19M 15S 29E	SAN ANDRES	5959		
ESKIMO STATE	1	30005640270000	19N 15S 29E	SAN ANDRES	3617		11679
MARK FEDERAL	1	30005606180000	19O 15S 29E	QUEEN	3249	11	129
CHRISTINE FED	3	30005604820000	30B 15S 29E	QUEEN	14432		
FEDERAL	2	30005004660000	30B 15S 29E	SAN ANDRES	5157		
MULLIS B STATE	1	30005004620000	30C 15S 29E	SAN ANDRES	4626		
MULLIS A STATE	1	30005004610000	30D 15S 29E	SAN ANDRES	4658		
MULLIS A STATE	1	30005004610001	30D 15S 29E	QUEEN		693886	
MULLIS C STATE	1	30005004630000	30F 15S 29E	SAN ANDRES	4437		
FEDERAL	1	30005004650000	30G 15S 29E	SAN ANDRES	3989		
JW STATE	1	30005600900000	30K 15S 29E	QUEEN	8256	20	788
STATE A	1	30005004670000	30K 15S 29E	SAN ANDRES	4754		
JW STATE	2	30005601050000	30L 15S 29E	QUEEN		1531438	
STATE A	2	30005004680000	30N 15S 29E	SAN ANDRES	2994		
CHRISTINE FED	1	30005602550000	31D 15S 29E	SAN ANDRES	2121		120

Round Tank SWD #1
1980 FSL & 1980 FWL, Sec. 19 T15S R29E
Formation Tops

Quaternary	Surface	Wolfcamp	6925'
Yates	770'	Cisco	7875'
Queen	1500'	Strawn	8925'
Grayburg	1900'	Atoka	9375'
San Andres	2200'	Chester	10025'
Glorieta	3700'	Woodford	10450'
Tubb	4960'	Devonian	10500'
Abo	5650'	Montoya	11200'

VII. DATA SHEET: PROPOSED OPERATIONS

1. Proposed average and maximum daily rate and volume of fluids to be injected;
4000 BWPD
2. The system is closed or open;
Closed
3. Proposed average and maximum injection pressure;
0-2100#
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than re-injected produced water;
We will be re-injecting produced water
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water;
N/A

VIII. GEOLOGICAL DATA

Devonian

1. Lithologic Detail; **Limestone & Dolomite**
2. Geological Name; **SWD;Devonian**
3. Thickness; **750'**
4. Depth; **10,500-11,250'**

IX. PROPOSED STIMULATION PROGRAM

1. To be treated with 10,000 gallons 15% acid

X. LOGS AND TEST DATA

1. Well data will be filed with OCD.

XI. ANALYSIS OF FRESHWATER WELLS

1. N/A.

Additional Information

Waters Injected: San Andres

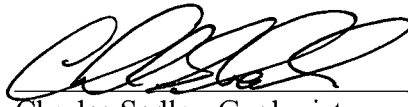
XII. AFFIRMATIVE STATEMENT

RE: Round Tank SWD #1

We have examined the available geologic and engineering data and find no evidence of open faults or any other hydraulic connection between the disposal zone and any underground source of drinking water.

Mack Energy Corporation

Date: 2/2/09



Charles Sadler, Geologist

Leasehold/Working Interest Owners:

Lobos Energy Partners LLC
3817 NW Expressway, Ste. 950
Oklahoma City, OK 73112

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

Harvey E. Yates Company
P.O. Box 1933
Roswell, NM 88201

Yates Energy Corporation
1010 Sunwest Centre
Roswell, NM 88201

Jalapeno Corporation
P.O. Box 1608
Albuquerque, NM 87103

Armstrong Energy Corporation
P.O. Box 1973
Roswell, NM 88202

Slash Exploration, L.P.
PO Box 1973
Roswell, NM 88202

Surface:

Bogle Farms Ltd, Co., LLC(Grazing Lessee)
P.O. Box 460
Dexter, NM 88230

New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148

Legal Notice

Mack Energy Corporation, Post Office Box 960, Artesia, NM 88211-0960, has filed an Application with the New Mexico Oil Conservation Division seeking authorization to inject produced water into the Round Tank SWD #1 1980 FSL & 1980 FWL of Section 19, T15S R29E, NMPM, Chaves County, New Mexico. The water will be injected into the Devonian formation at a disposal depth of 10,500-11,200'. Water will be injected at a maximum surface pressure of 2100 pounds and a maximum injection rate of 4000 BWPD. Any interested party with questions or comments may contact Jerry W. Sherrell at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960 or call (575) 748-1288. Objections to this application or requests for hearing must be filed with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, within fifteen days of the date of the publication of this notice.

Published Wednesday February 4th 2009
Roswell Daily Record

Jones, William V., EMNRD

From: Jerry Sherrell [jerrys@mackenergycorp.com]
Sent: Tuesday, February 17, 2009 7:47 AM
To: Jones, William V., EMNRD
Subject: Round Tank SWD #1
Attachments: Armstrong approval letter.pdf; Round Tank Affidavit.pdf

Good Morning Will,

I have attached the affidavit from the Roswell Daily Record and also the letter from Armstrong Energy for this proposed well. If you have any questions let me know.

Thanks,

Jerry W. Sherrell
Mack Energy Corporation
Office 575-748-1288
Cell 575-703-8383
jerrys@mackenergycorp.com

This inbound email has been scanned by the MessageLabs Email Security System.

AFFIDAVIT OF PUBLICATION
STATE OF NEW MEXICO

I, Janice Bounds
Legals Clerk

Of the Roswell Daily Record, a daily newspaper published at Roswell, New Mexico do solemnly swear that the clipping hereto attached was published in the regular and entire issue of said paper and not in a supplement thereof for a period of:

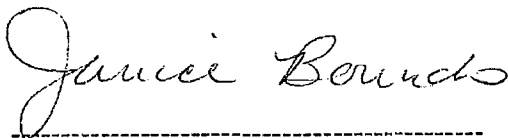
one time

beginning with the issue dated

February 4th 2009

and ending with the issue dated

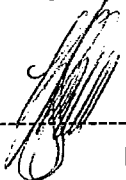
February 4th 2009



Clerk

Sworn and subscribed to before me

this 9th day of February, 2009


Notary Public

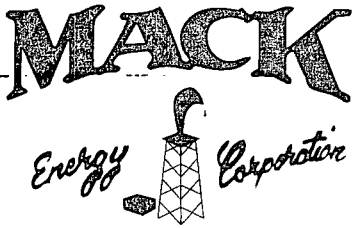
My Commission expires
June 13, 2010

(SEAL)

Publish February 4, 2009

Legal Notice

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Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 2, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8925
RETURN RECEIPT REQUESTED

Armstrong Energy Corporation
P.O. Box 1973
Roswell, NM 88202

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Devonian SWD well. Produced water will be injected at a proposed depth of 10,500-11,200'. The Round Tank SWD #1, located 1980 FSL & 1980 FWL, Sec. 19, T15S R29E, Chaves County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\



RECEIVED

500 North Main Street, Suite 200 FEB 13 2009
P.O. Box 1973
Roswell, New Mexico 88202-1973
(575) 625-2222
Fax (575) 622-2512

February 11, 2009

Mack Energy Corporation
PO Box 960
Artesia, New Mexico 88211-0960

Attention: Jerry W. Sherrell, Production Clerk

Re: Round Tank SWD #1
Chaves County, New Mexico

Dear Jerry:


We are in receipt of your letter dated February 2 regarding the proposed disposal well to be located in the NE/4SW/4 Sec. 19, T15S, R29E, NMPM.

We have reviewed the information provided and do not intend to object to this location.

We would appreciate receiving notice of approval by the NMOCD as well as notice when you have commenced drilling this well.

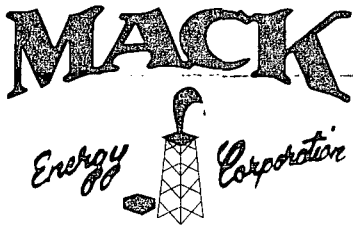
Sincerely,

ARMSTRONG ENERGY CORPORATION

By: 
Robert G. Armstrong, President

RGA/jb

cc: Ron Lanning



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 2, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8932
RETURN RECEIPT REQUESTED

Bogle Farms Ltd, Co., LLC
P.O. Box 460
Dexter, NM 88230

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Devonian SWD well. Produced water will be injected at a proposed depth of 10,500-11,200'. The Round Tank SWD #1, located 1980 FSL & 1980 FWL, Sec. 19, T15S R29E, Chaves County.

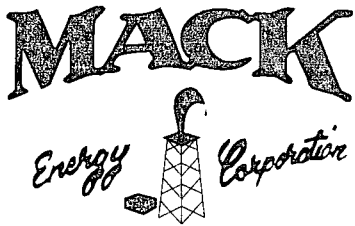
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 2, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8864
RETURN RECEIPT REQUESTED

Harvey E. Yates Company
P.O. Box 1933
Roswell, NM 88201

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Devonian SWD well. Produced water will be injected at a proposed depth of 10,500-11,200'. The Round Tank SWD #1, located 1980 FSL & 1980 FWL, Sec. 19, T15S R29E, Chaves County.

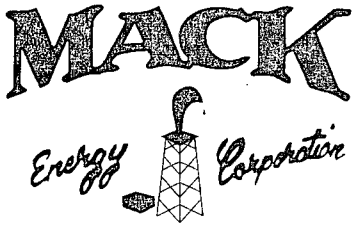
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 2, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8871
RETURN RECEIPT REQUESTED

Jalapeno Corporation
P.O. Box 1608
Albuquerque, NM 87103

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Devonian SWD well. Produced water will be injected at a proposed depth of 10,500-11,200'. The Round Tank SWD #1, located 1980 FSL & 1980 FWL, Sec. 19, T15S R29E, Chaves County.

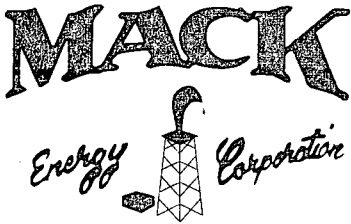
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Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 2, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8888
RETURN RECEIPT REQUESTED

Slash Exploration, L.P.
PO Box 1973
Roswell, NM 88202

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Devonian SWD well. Produced water will be injected at a proposed depth of 10,500-11,200'. The Round Tank SWD #1, located 1980 FSL & 1980 FWL, Sec. 19, T15S R29E, Chaves County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 2, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8895
RETURN RECEIPT REQUESTED

New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Devonian SWD well. Produced water will be injected at a proposed depth of 10,500-11,200'. The Round Tank SWD #1, located 1980 FSL & 1980 FWL, Sec. 19, T15S R29E, Chaves County.

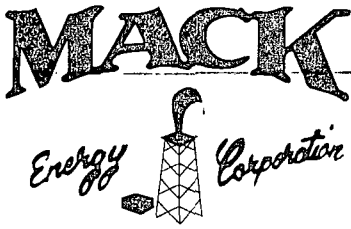
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Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 2, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8901
RETURN RECEIPT REQUESTED

Yates Energy Corporation
1010 Sunwest Centre
Roswell, NM 88201

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Devonian SWD well. Produced water will be injected at a proposed depth of 10,500-11,200'. The Round Tank SWD #1, located 1980 FSL & 1980 FWL, Sec. 19, T15S R29E, Chaves County.

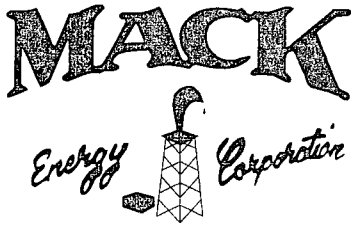
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Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS\



Post Office Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 2, 2009

VIA CERTIFIED MAIL 7008 1140 0004 0380 8918
RETURN RECEIPT REQUESTED

Yates Petroleum
105 S. 4th Street
Artesia, NM 88210

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Devonian SWD well. Produced water will be injected at a proposed depth of 10,500-11,200'. The Round Tank SWD #1, located 1980 FSL & 1980 FWL, Sec. 19, T15S R29E, Chaves County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to drill this water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

Jerry W. Sherrell
Production Clerk

JWS\

37. SUMMARY OF POROUS ZONES- (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Round Tank; San Andres	2,953.5	3,230'	

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS DEPTH	TRUE VERT. DEPTH
Yates	776	
Seven Rivers	1,010	
Queen	1,500	
Grayburg	1,894	
San Andres	2,196	

Jones, William V., EMNRD

From: Jerry Sherrell [jerrys@mackenergycorp.com]
Sent: Monday, March 09, 2009 10:42 AM
To: Jones, William V., EMNRD
Cc: Reeves, Jacqueta, EMNRD; Jim Krogman; Kevin Garrett
Subject: FW: API for Roundtank SWD #1

Will,
1) Attached is the API number for this well.
2) Cement will be circulated to surface. We did not specify where the DV tool will be set, due to the fact we could have a possible wash out. The drilling dept. would like to see the logs and possible lost circulation zones dictate where the DV tool(s) are set.
3) There are no fresh water wells within a mile of this location.

Thanks,

Jerry W. Sherrell
Mack Energy Corporation
Office 575-748-1288
Cell 575-703-8383
jerrys@mackenergycorp.com

From: Reeves, Jacqueta, EMNRD [mailto:Jacqueta.Reeves@state.nm.us]
Sent: Monday, March 09, 2009 10:22 AM
To: Jerry Sherrell
Subject: API for Roundtank SWD #1

Jerry here is the API. 30-005-64095.

Jacqui Reeves
OCD District II Geologist
1301 W. Grand Ave
Artesia, NM 88210

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This inbound email has been scanned by the MessageLabs Email Security System.

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, March 09, 2009 9:56 AM
To: 'Jerry Sherrell'
Cc: Ezeanyim, Richard, EMNRD; Reeves, Jacqueta, EMNRD; Warnell, Terry G, EMNRD; Bonham, Sherry, EMNRD
Subject: Disposal Application from Mack: Roundtank SWD #1 Unit K, Sec 19, T15S R29E Chaves County Devonian Disposal

Hello Jerry:

Your application looks fine – couple of points.

- 1) Please let me know the API number – we prefer to have it when writing the injection permit. Since this is not Federal acreage, the APD should not be delayed and the Artesia district office can process this application to drill and issue an API.
- 2) The proposed intermediate pipe at 1800 feet would only cover the Queen producing interval. The San Andres is producing from 2950 to 3230 in an offset well and the Glorieta top is at 3700 feet. Your application did not say where the DV tool would be on the 5-1/2 inch casing. Please install a DV tool at 3700 feet or otherwise ensure the San Andres corrosive intervals and productive intervals are covered with cement (or as directed by the Artesia district office). Let me know?
- 3) Let me know where the nearest fresh water wells are – windmills, etc. and send a water analysis if any well exists within 1 mile. I won't hold the application pending results from a lab, but let me know if this is on the way?

Thank You

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

Tracking:

Injection Permit Checklist (7/8/08)

Case SWD 163 R- WFX PMX IPI Permit Date 3/9/09 UIC Of (J.F.M.)# Wells 1 Well Name: ROUNDTANK SWD #1API Num: (30-) 005- Spud Date: 2009 New/Old: N (UIC primacy March 7, 1982)Footages 1980 FSL/1980 FWL Unit K Sec 19 Tsp 155 Rge 29E County CHavesOperator: Max Energy Corporation Contact Jerry W. SherrillOGRID: 13837 RULE 40 Compliance (Wells) 3/311 (Finan Assur) OKOperator Address: P.O. BOX 960, ARTESIA, NM, 88211-0960Current Status of Well: New DrillPlanned Work to Well: Drill/ing Planned Tubing Size/Depth: 27 1/2 @ 10,400'

		Sizes Hole.....Pipe	Setting Depths	Cement Sx or Cf	Cement Top and Determination Method
Existing	Surface	<u>17 1/2 13 3/8</u>	<u>450</u>	<u>450</u>	<u>CIRC</u>
Existing	Intermediate	<u>12 1/4 8 5/8</u>	<u>1800</u>	<u>800</u>	<u>CIRC (Covers Packer)</u>
Existing	Long String	<u>7 7/8 5 1/2</u>	<u>11,500</u>	<u>2500</u>	<u>CIRC</u>

DV Tool Liner Open Hole 11,500 Total Depth 11,500 PBDT Well File Reviewed None yetDiagrams: Before Conversion After Conversion ✓ Elogs in Imaging File: New well

Intervals:	Depths	Formation	Producing (Yes/No)
Above (Name and Top)			
Above (Name and Top)	<u>10,450</u>	<u>WOODFORD</u>	
Injection.....			
Interval TOP:	<u>10,500</u>	<u>Dev</u>	
Injection.....			
Interval BOTTOM:	<u>11,200</u>	<u>Dev</u>	
Below (Name and Top)	<u>11,200</u>	<u>Montezuma</u>	

THIS area 2100 PSI Max. WHIP Open Hole (Y/N) Deviated Hole?

Sensitive Areas: Capitan Reef Cliff House Salt Depths < 770'.... Rotash Area (R-111-P) Rotash Lessee Noticed? Fresh Water: Depths: Wells (Y/N) 7 Analysis Included (Y/N): Affirmative Statement ✓Salt Water: Injection Water Types: QN/SA Analysis? NOT SentInjection Interval.....Water Analysis: Hydrocarbon Potential Notice: Newspaper (Y/N) ✓ Surface Owner SLO. Mineral Owner(s) RULE 701B(2) Affected Parties: See List in applicationArea of Review: Adequate Map (Y/N) ✓ and Well List (Y/N) ✓Active Wells 0 Num Repairs Producing in Injection Interval in AOR ..P&A Wells 0 Num Repairs All Wellbore Diagrams Included?

Questions to be Answered:

Put DV to CIRC across SA.
Lower interval use DV Tool @ 3700
API

Required Work on This Well: Request Sent Reply: AOR Repairs Needed: Request Sent Reply: Request Sent Reply: