

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

SUNDRY NOTICES AND REPORTS ON WELLS (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. 30-015-32404
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. V-4971
3. Address of Operator P.O. Box 960 Artesia, NM 88210		7. Lease Name or Unit Agreement Name Southern Cross 28 State Com
4. Well Location Unit Letter P 660 feet from the South line and 660 feet from the East line Section 28 Township 18S Range 24E NMPM County Eddy		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR etc.) 3068' GR		9. OGRID Number 013837
		10. Pool Name or Wildcat Penasco Draw; Permo Penn

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: ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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 proposes to Plug and Abandoned as follows:

1. Notify OCD 24 hours prior to starting plugging operations.
2. Set CIBP @ 6240' w/35' cement cap.
3. Set 25sx plug from 5056-5312'(cover Wolfcamp).
4. Perf @ 3922'. Set 35sx plug from 3822-3922'(cover Abo). WOC and tag.
5. Perf @ 1910'. Set 35sx plug from 1810-1910'(cover Glorieta). WOC and tag.
6. Perf @ 1280'. Set 35sx plug from 1180-1280'(cover surface casing shoe). WOC and tag.
7. Perf @ 539'. Set 35sx plug from 439-539'(cover San Andres). WOC and tag.
8. Perf @ 65'. TIH and circ. cement from 65-0'.
8. Install Dry Hole Marker.

RECEIVED

JUL 07 2011

NMOCD ARTESIA

Notify OCD 24 hrs. prior
to any work done.

Spud Date:

9/29/2003

Rig Release Date:

10/17/2003

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 7/6/11

Type or print name Jerry W. Sherrell

E-mail address: jerrys@mackenergycorp.com PHONE: (575)748-1288

For State Use Only

APPROVED BY:

[Signature]

TITLE

DATE

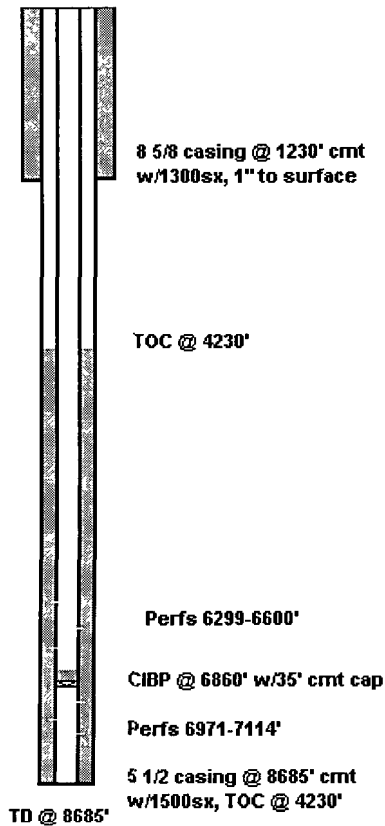
7/11/2011

SEE ATTACHED
CONDITIONS OF
APPROVAL

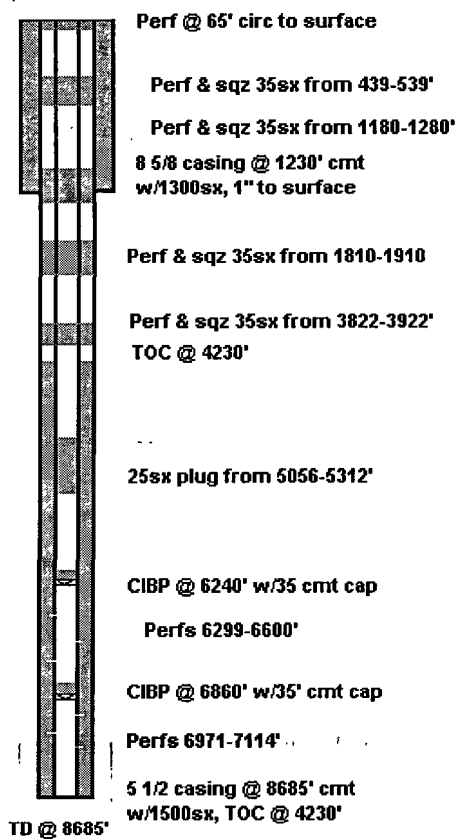
Approval Granted providing work
is complete by 10/11/2011

Mack Energy Corporation
Southern Cross 28 State Com #1 30-015-32404

Before



After



NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
1301 W. GRAND AVENUE
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Mack Energy Corp

Well Name & Number: Southern Cross 28 St. Com. #1

API #: 30-015-32404

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
4. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
5. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
6. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.

DG

Date: 7/11/2011