

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8181 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
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 177415

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

1. Operator Name and Address MACK ENERGY CORP PO Box 960 Artesia, NM 88211		2. OGRID Number 13837
		3. API Number 30-025-41500
4. Property Code 310134	5. Property Name STATE BD 36	6. Well No. 003

**7. Surface Location**

UL - Lot J	Section 36	Township 22S	Range 37E	Lot Idn	Feet From 2250	N/S Line S	Feet From 1590	E/W Line E	County Lea
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**8. Proposed Bottom Hole Location**

UL - Lot J	Section 36	Township 22S	Range 37E	Lot Idn J	Feet From 2285	N/S Line S	Feet From 1675	E/W Line E	County Lea
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**9. Pool Information**

BRUNSON;ELLENBURGER, SOUTH	8000
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3303
16. Multiple N	17. Proposed Depth 7800	18. Formation Ellenburger	19. Contractor	20. Spud Date 12/15/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	32	1150	600	0
Prod	7.875	5.5	17	7800	1125	0

**Casing/Cement Program: Additional Comments**

Mack Energy proposes to drill a 12 1/4" hole to 1150', run 8 5/8" casing and cement to surface. Drill a 7 7/8" hole to 7800', run 5 1/2" casing and cement to surface. Put well on production.
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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

<p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/>, if applicable.</p> <p>Signature:</p> <p>Printed Name: Electronically filed by Jerry Sherrell</p> <p>Title: Production Clerk</p> <p>Email Address: jerrys@mec.com</p> <p>Date: 11/19/2013</p>	<p><b>OIL CONSERVATION DIVISION</b></p> <p>Approved By: Paul Kautz</p> <p>Title: Geologist</p> <p>Approved Date: 11/21/2013</p> <p>Expiration Date: 11/21/2015</p> <p>Conditions of Approval Attached</p>
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**Santa Fe, NM 87505**

Form C-102  
August 1, 2011  
Permit 177415

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-41500	2. Pool Code 8000	3. Pool Name BRUNSON;ELLENBURGER, SOUTH
4. Property Code 310134	5. Property Name STATE BD 36	6. Well No. 003
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3303

**10. Surface Location**

UL - Lot J	Section 36	Township 22S	Range 37E	Lot Idn	Feet From 2250	N/S Line S	Feet From 1590	E/W Line E	County Lea
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**11. Bottom Hole Location If Different From Surface**

UL - Lot J	Section 36	Township 22S	Range 37E	Lot Idn	Feet From 2285	N/S Line S	Feet From 1675	E/W Line E	County Lea
12. Dedicated Acres 40.00			13. 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**

<div style="border: 1px solid black; width: 100px; height: 100px; margin: 0 auto; position: relative;"> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); width: 20px; height: 20px; background-color: gray; border: 1px solid black;"></div> </div>	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By: Jerry Sherrell Title: Production Clerk Date: 11/19/2013</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Filimon Jaramillo Date of Survey: 10/24/2013 Certificate Number: 12797</p>
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Form APD Comments  
  
 Permit 177415

**PERMIT COMMENTS**

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211		API Number: 30-025-41500
		Well: STATE BD 36 #003
Created By	Comment	Comment Date
JWSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	11/19/2013
pkautz	Land p/S	11/21/2013

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Form APD Conditions

Permit 177415

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211	API Number: 30-025-41500
	Well: STATE BD 36 #003

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	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
pkautz	Surface casing must be set 25' below the top of the Rustler Anhydrite in order to seal off protectable water.