

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 183357

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
4. Property Code 39176		3. API Number 30-025-41748
5. Property Name BLACK JACK STATE		6. Well No. 003

7. Surface Location

UL - Lot	P	Section	18	Township	18S	Range	35E	Lot Idn		Feet From	990	N/S Line	S	Feet From	330	E/W Line	E	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	P	Section	18	Township	18S	Range	35E	Lot Idn	P	Feet From	990	N/S Line	S	Feet From	330	E/W Line	E	County	Lea
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9. Pool Information

WC-025 G-06 S183518A;BONE SPRING	97930
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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 3954
16. Multiple N	17. Proposed Depth 10000	18. Formation Bone Spring	19. Contractor	20. Spud Date 3/27/2014
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	1775	675	0
Prod	7.875	5.5	17	10000	1310	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill 12 1/4" hole to 1700', run 8 5/8" casing to surface. Drill a 7 7/8 to 10,000', run 5 1/2" and circ cement to surface. Put well on production.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

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 checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> , if applicable. Signature: Printed Name: Electronically filed by Jerry Sherrell Title: Production Clerk Email Address: jerrys@mec.com Date: 3/24/2014	<p style="text-align: center;">OIL CONSERVATION DIVISION</p> Approved By: Paul Kautz Title: Geologist Approved Date: 3/24/2014 Expiration Date: 3/24/2016 Conditions of Approval Attached
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Form C-102
August 1, 2011
Permit 183357

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41748	2. Pool Code 97930	3. Pool Name WC-025 G-06 S183518A;BONE SPRING
4. Property Code 39176	5. Property Name BLACK JACK STATE	6. Well No. 003
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3954

10. Surface Location

UL - Lot P	Section 18	Township 18S	Range 35E	Lot Idn	Feet From 990	N/S Line S	Feet From 330	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
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

<table border="1" style="width: 100%; height: 150px; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; text-align: center;">■</td></tr> </table>																■	<p style="text-align: center;">OPERATOR CERTIFICATION</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: 3/24/2014</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</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: 3/10/2014 Certificate Number: 12797</p>
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Form APD Comments

 Permit 183357

PERMIT COMMENTS

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211		API Number: 30-025-41748
		Well: BLACK JACK STATE #003
Created By	Comment	Comment Date
DWEAVER	H2S Concentrarations of wells in this area from surface to TD are low enough that a contingency plan is not required.	3/20/2014
pkautz	Land s/S	3/24/2014

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Form APD Conditions

Permit 183357

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211	API Number: 30-025-41748
	Well: BLACK JACK STATE #003

OCD Reviewer	Condition
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
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pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface --
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water