

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 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 256478

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

1. Operator Name and Address MACK ENERGY CORP P.O. Box 960 Artesia , NM 88211-0960		2. OGRID Number 13837
		3. API Number 30-025-45148
4. Property Code 322280	5. Property Name CHUG BUG STATE COM	6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	9	16S	33E	D	900	N	355	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	4	16S	33E	4	10	N	355	W	Lea

9. Pool Information

SANMAL;PENN, NORTH	54346
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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 4238
16. Multiple N	17. Proposed Depth 19931	18. Formation Cisco	19. Contractor	20. Spud Date 9/7/2018
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	17.5	13.375	54.5	2000	1310	0
Int1	12.25	9.625	40	10402	1930	0
Prod	8.5	5.5	20	19931	2185	9000

Casing/Cement Program: Additional Comments

24" hole drilled to 80', run 20" H-40 and ready mix to surface. DV Tool on 9 5/8" casing @ 1800'. Drill 8.75" Pilot hole to 11750' TVD and then plug back.
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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Shaffer Style 75

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:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Jerry Sherrell	Approved By: Paul F Kautz
Title: Production Clerk	Title: Geologist
Email Address: jerrys@mec.com	Approved Date: 8/27/2018 Expiration Date: 8/27/2020
Date: 8/27/2018 Phone: 575-748-1288	Conditions of Approval Attached

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 54346		³ Pool Name Sanmati Penn. North	
⁴ Property Code		⁵ Property Name CHUG BUG STATE COM			⁶ Well Number 1H
⁷ OGRID No. 13837		⁸ Operator Name MACK ENERGY CORPORATION			⁹ Elevation 4238.9

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	9	16 S	33 E		900	NORTH	355	WEST	LEA

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/ West line	County
4	4	16 S	33 E		10	NORTH	355	WEST	LEA

¹⁰ Dedicated Acres 288.81	¹¹ Joint or Infill	¹² Consolidation Code	¹³ Order No.
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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.

<p>NW CORNER SEC. 4 LAT. = 32.9660159N LONG. = 103.6769189W NMSP EAST (FT) N = 715799.74 E = 742657.69</p> <p>BOTTOM OF HOLE LAT. = 32.9659880N LONG. = 103.6757617W NMSP EAST (FT) N = 715791.80 E = 743012.67</p> <p>CHUG BUG STATE COM 1H ELEV. = 4238.9' LAT. = 32.9409948N (NAD83) LONG. = 103.6757404W NMSP EAST (FT) N = 706698.49 E = 743075.99</p> <p>W O CORNER SEC. 9 LAT. = 32.9362143N LONG. = 103.6768932W NMSP EAST (FT) N = 704956.99 E = 742733.16</p> <p>SW CORNER SEC. 9 LAT. = 32.9289537N LONG. = 103.6768858W NMSP EAST (FT) N = 702316.30 E = 742751.86</p>		<p>N 89°40'03"E 2644.30 FT N 89°40'03"E 2644.30 FT</p> <p>355</p> <p>1014</p> <p>13</p> <p>12</p> <p>11</p> <p>10</p> <p>9</p> <p>8</p> <p>7</p> <p>6</p> <p>5</p> <p>4</p> <p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p> <p>32</p> <p>33</p> <p>34</p> <p>35</p> <p>36</p> <p>37</p> <p>38</p> <p>39</p> <p>40</p> <p>41</p> <p>42</p> <p>43</p> <p>44</p> <p>45</p> <p>46</p> <p>47</p> <p>48</p> <p>49</p> <p>50</p> <p>51</p> <p>52</p> <p>53</p> <p>54</p> <p>55</p> <p>56</p> <p>57</p> <p>58</p> <p>59</p> <p>60</p> <p>61</p> <p>62</p> <p>63</p> <p>64</p> <p>65</p> <p>66</p> <p>67</p> <p>68</p> <p>69</p> <p>70</p> <p>71</p> <p>72</p> <p>73</p> <p>74</p> <p>75</p> <p>76</p> <p>77</p> <p>78</p> <p>79</p> <p>80</p> <p>81</p> <p>82</p> <p>83</p> <p>84</p> <p>85</p> <p>86</p> <p>87</p> <p>88</p> <p>89</p> <p>90</p> <p>91</p> <p>92</p> <p>93</p> <p>94</p> <p>95</p> <p>96</p> <p>97</p> <p>98</p> <p>99</p> <p>100</p>		<p>NE CORNER SEC. 4 LAT. = 32.9660085N LONG. = 103.6596800W NMSP EAST (FT) N = 715830.42 E = 747944.92</p> <p>E O CORNER SEC. 4 LAT. = 32.9507502N LONG. = 103.6596723W NMSP EAST (FT) N = 710278.96 E = 747982.81</p> <p>NE CORNER SEC. 9 LAT. = 32.9434943N LONG. = 103.6596710W NMSP EAST (FT) N = 707619.02 E = 748000.09</p> <p>E O CORNER SEC. 9 LAT. = 32.9289878N LONG. = 103.6596745W NMSP EAST (FT) N = 704999.31 E = 748017.27</p> <p>SE CORNER SEC. 9 LAT. = 32.9289878N LONG. = 103.6596745W NMSP EAST (FT) N = 702316.07 E = 748032.74</p>	
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NOTE:
LATITUDE AND LONGITUDE COORDINATES ARE SHOWN
USING THE NORTH AMERICAN DATUM OF 1983 (NAD83).
LISTED NEW MEXICO STATE PLANE EAST COORDINATES
ARE GRID (NAD83) BASED ON BEARING AND DISTANCES
USED ARE NEW MEXICO STATE PLANE EAST
COORDINATES MODIFIED TO THE SURFACE VERTICAL
DATUM NAVD83.

" OPERATOR CERTIFICATION

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 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.

Jerry W. Sherrell 8/23/2018
Signature Date

Jerry W. Sherrell
Printed Name

jerry@emec.com
Email Address

" SURVEYOR CERTIFICATION

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.

AUGUST 1, 2018
Date of Survey

FILIPINO F. JARAMILLO
Signature and Seal of Professional Surveyor

Certificate Number FILIPINO F. JARAMILLO, PLS 12797

SURVEY NO. 6439

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Form APD Comments

Permit 256478

PERMIT COMMENTS

Operator Name and Address: MACK ENERGY CORP [13837] P.O. Box 960 Artesia , NM 88211-0960		API Number: 30-025-45148
		Well: CHUG BUG STATE COM #001H

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.	8/23/2018
pkautz	Rejected at operators request	8/27/2018

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Form APD Conditions

Permit 256478

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MACK ENERGY CORP [13837] P.O. Box 960 Artesia , NM 88211-0960	API Number: 30-025-45148
	Well: CHUG BUG STATE COM #001H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	Stage Tool - 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.