<u>District I</u> 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 321729

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE							
Operator Name and Address						2. OGRID Number	
MACK ENERGY CORP						13837	
P.O. Box 960						3. API Number	
Artesia, NM 882110960						30-015-4978	80
4. Property Code	5. Property Name					6. Well No.	
333090	Anchorage State					001	
7. Surface Location							
1.0				N1/O 1 :		E 04/ 1 :	

D 32 16S 27E 180 Ν 330 W Eddy

8. Proposed Bottom Hole Location

	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	D	32	16S	27E	D	330	N	330	W	Eddy

O Deal Information

9. Pool information	
WC 16S27E32;SAN ANDRES	98371

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
7.	**	13. Gable/Rotary	* "	
New Well	OIL		State	3436
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	2665	San Andres		12/1/2022
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

			ropocou ouc;	, and coment regram		
Type	Hole Size	Casing Size	Casing Weight/ft Setting Depth		Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	400	200	0
Prod	8.75	7	26	2665	385	0

Casing/Cement Program: Additional Comments

Mack Energy Corporation proposed to drill 12 1/4" hole to 400', run 9 5/8" csg/cmt. Drill 8 3/4" hole to 2665', run 7" csg/cmt, put well on production

22. Proposed Blowout Prevention Program								
Туре	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 ☑ and/or 19.15.14.9 (B) NMAC ☑, if applicable.				OIL CONSERVATION	ON DIVISION		
Signature:							
Printed Name:	Electronically filed by Jerry Sherr	ell	Approved By:	Katherine Pickford	Katherine Pickford		
Title:	Regulatory Supervisor		Title:	Geoscientist			
Email Address:	jerrys@mec.com	Approved Date:	7/28/2022	Expiration Date: 7/28/2024			
Date:	7/25/2022	Phone: 575-748-1288	Conditions of Approval Attached				

<u>District 1</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 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 ³ Pool N		Pool Name		
30-015-49780		52770	98371 Round Tank; San Andres WC 16S2		27E32;SAN ANDRES	
⁴ Property Code	1 0		operty Name		⁶ Well Number	
333090		ANCHORAGE STATE				1
⁷ OGRID No.		8 Operator Name			⁹ Elevation	
13837		MACK ENERGY CORPORATION			3436.2	

¹⁰ Surface Location

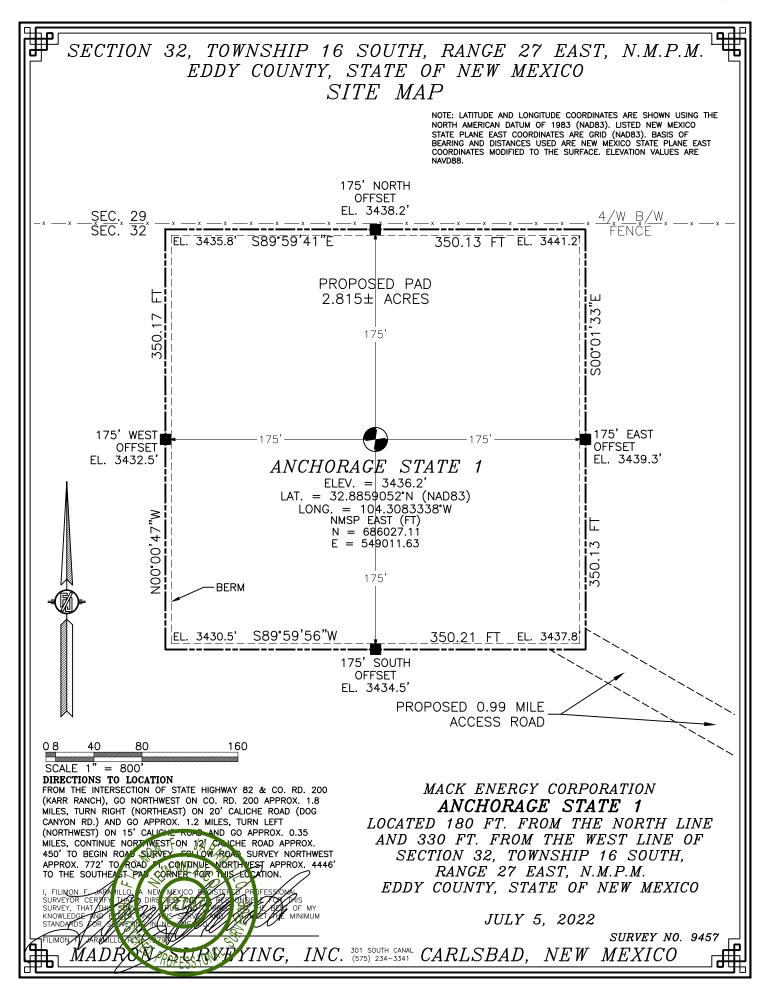
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	32	16 S	27 E		180	NORTH	330	WEST	EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County									
D	32	16 S	27 E		330	NORTH	330	WEST	EDDY

12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.

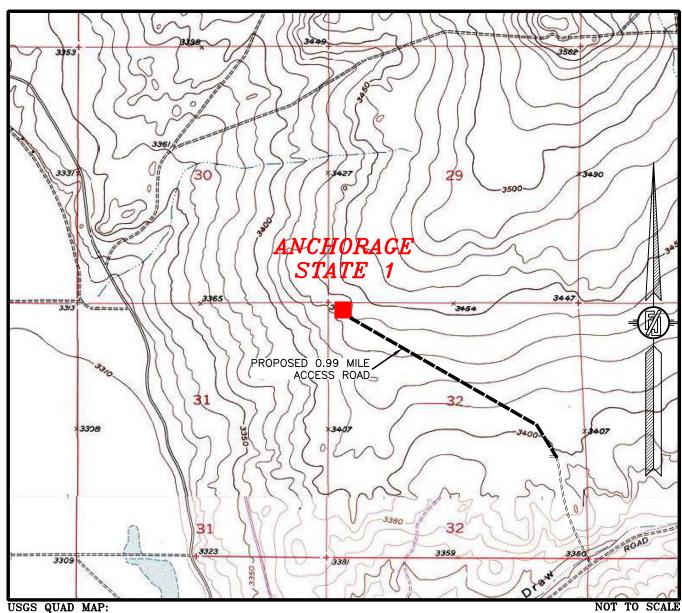
40

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.

	↓ S89*58'32"E	2616.26 []	S89·57'37"E	0617.15 FT		¹⁷ OPERATOR CERTIFICATION
	SURFACE	2010.20 FI	N/4 CORNER SEC. 32			I hereby certify that the information contained herein is true and complete
-	330' LOCATION		LAT. = 32.8863954'N	NE CORNER SEC. 32 LAT. = 32.8863879°N		to the best of my knowledge and belief, and that this organization either
	воттом оф	HOLF	LONG. = 104.3008882*W	LONG. = 104.2923646°W		owns a working interest or unleased mineral interest in the land including
	8 330' FNL,	330' FWL	NMSP EAST (FT)	NMSP EAST (FT)		the proposed bottom hole location or has a right to drill this well at this
ㅂ	_		N = 686206.08 E = 551297.14	N = 686204.27 E = 553913.64	S02.	location pursuant to a contract with an owner of such a mineral or working
23			I	E = 000010.01	2.38,	interest, or to a voluntary pooling agreement or a compulsory pooling order
59.	NW CORNER SEC. 32 LAT. = 32.8864004*N	ANCHORAGE STATE ELEV. = 3436.2'	1			heretofore entered by the division.
26	LONG. = 104.3094090°W	LAT. = 32.8859052	N (NAD83)		4."E	
`.×	NMSP EAST (FT)	LONG. = 104.30833	38'W — ~ — — — — -		26	Delilah Flores 7/25/2022
,23	N = 686207.20 E = 548681.53	NMSP EAST (FT) N = 686027.11	1		664	Signature Date
N00.03	2 10001.00	E = 549011.63		1	.65	Delilah Flores
8		BOTTOM OF HOLE LAT. = 32.8854877'N		-	17	Printed Name
		LONG. = 104.3083327*W		1		dolilah@maa.aam
	W/4 CORNER SEC. 32	NMSP EAST (FT)	i	E/4 CORNER SEC. 3		delilah@mec.com
	LAT. = 32.8790930*N LONG. = 104.3094024*W	N = 685875.20 E = 549012.00]	LAT. = 32.8790733*1 LONG. = 104.2919687*V		E-mail Address
	NMSP EAST (FT) N = 683548.64			NMSP EAST (FT		10CLIDATEVOD CEDTIFICATION
	E = 548684.15			N = 683543.1 E = 554036.2		18SURVEYOR CERTIFICATION
]		L = 35+030.2	'	I hereby certify that the well location shown on this plat
ᇤ		 		į	OS	was plotted from field notes of actual surveys made by
58					S02.39,12,E	me or under my supervision, and that the same is true
660.				į	12	and correct to the best of my belief.
2		İ	i			JULY 5, 2022
Μ,,6					2664	Date of Survey
1,2,1					4.0	M. M.F.
0.00	SW CORNER SEC. 32	S /4 CODI	VER SEC. 32	CE CODNED CEC	CV	
2	LAT. = 32.8717819°N		2.8717758°N	SE CORNER SEC. LAT. = 32.871760)4.N I	
	LONG. = 104.3093960°W	LONG. = 1	04.3006380°W	LONG. = 104.291570		
	NMSP EAST (FT) N = 680888.72		EAST (FT)	NMSP EAST		Signature and Seal of Professional Surveyor:
	E = 548686.72		880887.19 551375.59	N = 680882 E = 55415		Certificate Number: A LARAMILLO, LS 12797
		2689.54 FT		"W 2784.61 FT		PROFISE VALVE NO. 9457



SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



USGS QUAD MAP: ARTESIA NE

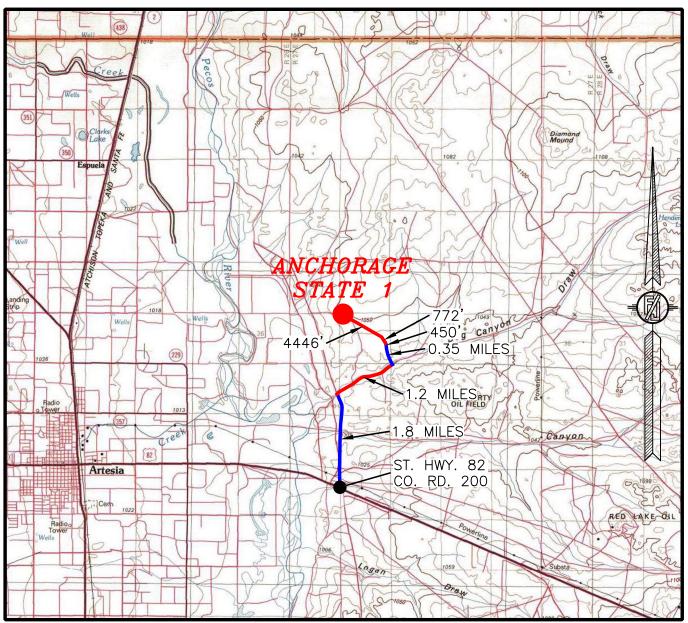
MACK ENERGY CORPORATION ANCHORAGE STATE 1

LOCATED 180 FT. FROM THE NORTH LINE AND 330 FT. FROM THE WEST LINE OF SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

JULY 5, 2022

SURVEY NO. 9457

SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF STATE HIGHWAY 82 & CO. RD. 200
(KARR RANCH), GO NORTHWEST ON CO. RD. 200 APPROX. 1.8 MILES,
TURN RIGHT (NORTHEAST) ON 20' CALICHE ROAD (DOG CANYON RD.)
AND GO APPROX. 1.2 MILES, TURN LEFT (NORTHWEST) ON 15'
CALICHE ROAD AND GO APPROX. 0.35 MILES, CONTINUE NORTHWEST
ON 12' CALICHE ROAD APPROX. 450' TO BEGIN ROAD SURVEY.
FOLLOW ROAD SURVEY NORTHWEST APPROX. 772' TO ROAD PI, CONTINUE NORTHWEST APPROX. 4446' TO THE SOUTHEAST PAD CORNER FOR THIS LOCATION.

MACK ENERGY CORPORATION ANCHORAGE STATE 1

LOCATED 180 FT. FROM THE NORTH LINE AND 330 FT. FROM THE WEST LINE OF SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

JULY 5, 2022

SURVEY NO. 9457

SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH DEC. 2019

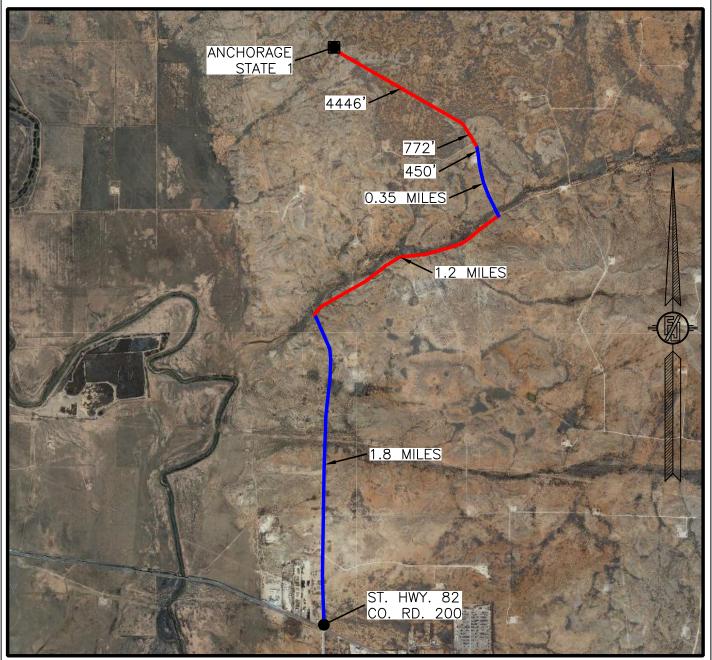
MACK ENERGY CORPORATION
ANCHORAGE STATE 1

LOCATED 180 FT. FROM THE NORTH LINE AND 330 FT. FROM THE WEST LINE OF SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

JULY 5, 2022

SURVEY NO. 9457

SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH DEC. 2019

MACK ENERGY CORPORATION ANCHORAGE STATE 1

LOCATED 180 FT. FROM THE NORTH LINE AND 330 FT. FROM THE WEST LINE OF SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

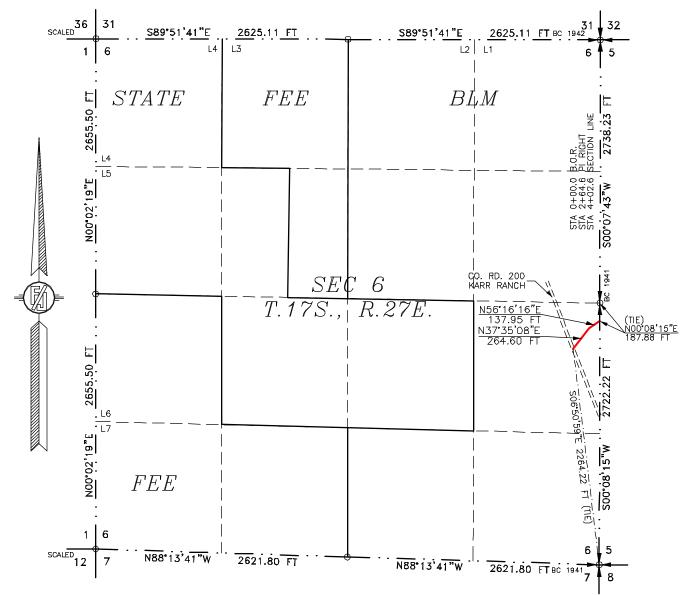
JULY 5, 2022

SURVEY NO. 9457

EXISTING CALICHE ROAD FOR ACCESS TO ANCHORAGE STATE 1

MACK ENERGY CORPORATION

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 6, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 5, 2022



SEE NEXT SHEET (2-6) FOR DESCRIPTION



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 1-6

MADRON SURVEYING, INC. (575)

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN MENERS WIEDER THIS CERTIFICATE IS EXECUTED AT CARLSBAD,
NEW MEXICO, THEN MEXICO, INC.

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 8822D Phone (575) 234–3341

SURVEY NO. 9457

EXISTING CALICHE ROAD FOR ACCESS TO ANCHORAGE STATE 1

MACK ENERGY CORPORATION CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 6, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 5, 2022

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 6, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NE/4 SE/4 OF SAID SECTION 6, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., WHENCE THE SOUTHEAST CORNER OF SAID SECTION 6, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS SO6*50'59"E, A DISTANCE OF 2264.22 FEET;

THENCE N37"35'08"E A DISTANCE OF 264.60 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N56"16'16"E A DISTANCE OF 137.95 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE EAST QUARTER CORNER OF SAID SECTION 6, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS NOO"08'15"E, A DISTANCE OF 187.88 FEET;

SAID STRIP OF LAND BEING 402.55 FEET OR 24.40 RODS IN LENGTH, CONTAINING 0.277 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NE/4 SE/4 402.55 L.F. 24.40 RODS 0.277 ACRES

SURVEYOR CERTIFICATE

GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-6

MADRON SURVEYING, INC. (575)

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN MILES WIEDED TITHES CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MIKER HEEN MET OF TULY 2022

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

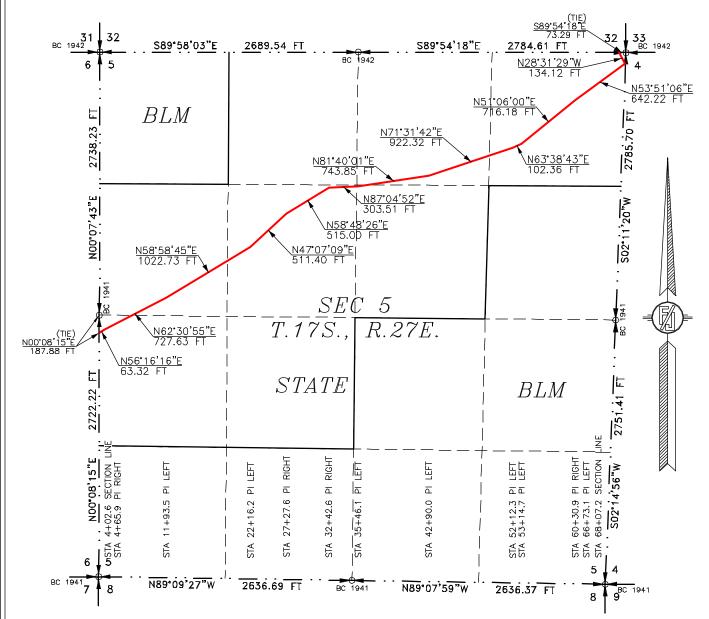
SURVEY NO. 9457

NEW MEXICO

EXISTING CALICHE ROAD FOR ACCESS TO ANCHORAGE STATE 1

MACK ENERGY CORPORATION

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 5, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 5, 2022



SEE NEXT SHEET (4-6) FOR DESCRIPTION



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVĖY.

SHEET: 3-6

MADRON SURVEYING, INC. 301 SC. (575)

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN NEW MEXICO.

CERTIFICATE IS EXECUTED AT CARLSBAD, NEW M 2022 كمارك MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

SURVEY NO. 9457

NEW MEXICO

EXISTING CALICHE ROAD FOR ACCESS TO ANCHORAGE STATE 1

MACK ENERGY CORPORATION

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 5, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 5, 2022

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING STATE OF NEW MEXICO LAND IN SECTION 5, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NW/4 SW/4 OF SAID SECTION 5, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., WHENCE THE WEST QUARTER CORNER OF SAID SECTION 5, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS NOO'08'15"E, A DISTANCE OF 187.88 FEET;

THENCE N56'16'16'E A DISTANCE OF 63.32 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N62'30'55"E A DISTANCE OF 727.63 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N58'58'45"E A DISTANCE OF 1022.73 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N47'07'09"E A DISTANCE OF 511.40 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N58'48'26"E A DISTANCE OF 515.00 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N87'04'52"E A DISTANCE OF 303.51 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N81'40'01"E A DISTANCE OF 743.85 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N71"31'42"E A DISTANCE OF 922.32 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N63"38'43"E A DISTANCE OF 102.36 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N51"06'00"E A DISTANCE OF 716.18 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N53"51'06"E A DISTANCE OF 642.22 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N28"31'29"W A DISTANCE OF 134.12 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTHEAST CORNER OF SAID SECTION 5, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS S89"54'18"E, A DISTANCE OF 73.29 FEET;

SAID STRIP OF LAND BEING 6404.65 FEET OR 388.16 RODS IN LENGTH, CONTAINING 4.411 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 SW/4	387.17 L.F.	23.47 RODS	0.267 ACRES
SW/4 NW/4	1147.84 L <i>.</i> F.	69.57 RODS	0.791 ACRES
SE/4 NW/4	1594.94 L <i>.</i> F.	96.66 RODS	1.098 ACRES
SW/4 NE/4	110.01 L.F.	6.67 RODS	0.076 ACRES
NW/4 NE/4	1313.92 L.F.	79.63 RODS	0.905 ACRES
NE/4 NE/4	1850.77 L.F.	112.17 RODS	1.275 ACRES

SURVEYOR CERTIFICATE

GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 4-6

HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797,

IN HIT TO WIEDE OF THE CERTIFICATE IS EXECUTED AT CARLSBAD.

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234–3341

SURVEY NO. 9457

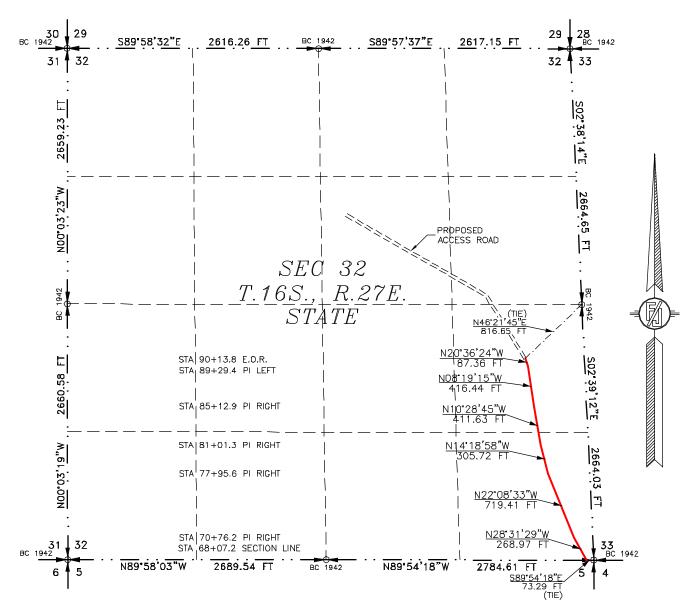
MADRON SURVEYING, INC. (575) 23 (574) ACCEPTANT SURVEYING MEXICO

NEW M

EXISTING CALICHE ROAD FOR ACCESS TO ANCHORAGE STATE 1

MACK ENERGY CORPORATION

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 5, 2022



SEE NEXT SHEET (6-6) FOR DESCRIPTION



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 5-6

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE, SE NEW MEXICO.

IN MITTERS WIFE OF THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MIXES, THEN THE LOAN OF TULL 2022

MADRON SURVEYING, INC.

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

SURVEY NO. 9457

EXISTING CALICHE ROAD FOR ACCESS TO ANCHORAGE STATE 1

MACK ENERGY CORPORATION

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 5, 2022

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING STATE OF NEW MEXICO LAND IN SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE SE/4 SE/4 OF SAID SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M., WHENCE THE SOUTHEAST CORNER OF SAID SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS S89'54'18"E, A DISTANCE OF 73.29 FEET;

THENCE N28'31'29"W A DISTANCE OF 268.97 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N22'08'33"W A DISTANCE OF 719.41 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N14'18'58"W A DISTANCE OF 305.72 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N10'28'45"W A DISTANCE OF 411.63 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N08'19'15"W A DISTANCE OF 416.44 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N20'36'24"W A DISTANCE OF 87.36 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE EAST QUARTER CORNER OF SAID SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS N46'21'45"E, A DISTANCE OF 816.65 FEET;

SAID STRIP OF LAND BEING 2209.53 FEET OR 133.91 RODS IN LENGTH, CONTAINING 1.522 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SURVEYOR CERTIFICATE

GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 6-6

NEW MEXICO HEN WELLOW OF THE 2022 MADRO 301 St CARLSE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY,

THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND

NEW MEXICO.

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

CERTIFICATE IS EXECUTED AT CARLSBAD,

SURVEY NO. 9457

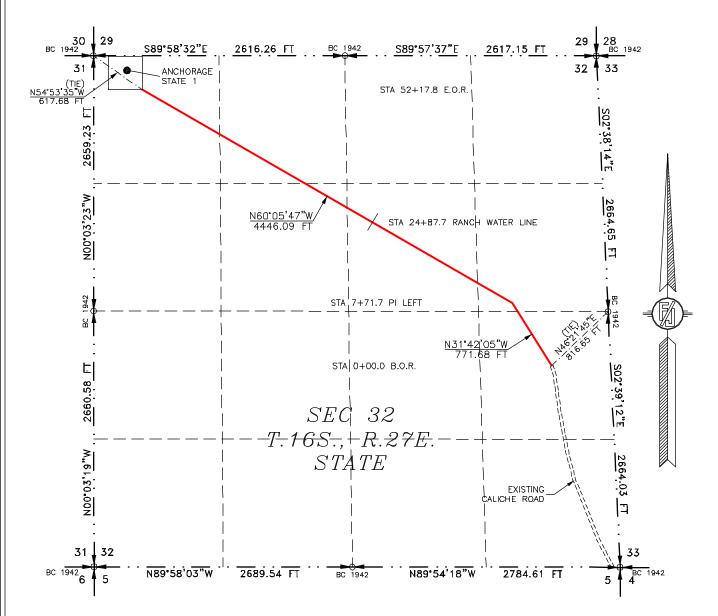
MADRON SURVEYING. INC. 301 SOUTH SOLD SAD. NEW MEXICO

SURVEYING IN

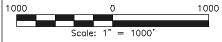
PROPOSED ACCESS ROAD FOR ANCHORAGE STATE 1

MACK ENERGY CORPORATION

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 5, 2022



SEE NEXT SHEET (2-2) FOR DESCRIPTION



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVÉY.

SHEET: 1-2

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND NEW MEXICO. SURVEYING IN

CERTIFICATE IS EXECUTED AT CARLSBAD, NEW M MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

SURVEY NO. 9457

MADRON SURVEYING, INC. (575)

PROPOSED ACCESS ROAD FOR ANCHORAGE STATE 1

MACK ENERGY CORPORATION

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO JULY 5, 2022

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING STATE OF NEW MEXICO LAND IN SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NE/4 SE/4 OF SAID SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M., WHENCE THE EAST QUARTER CORNER OF SAID SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS N46'21'45"E, A DISTANCE OF 816.65 FEET;

THENCE N31*42'05"W A DISTANCE OF 771.68 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N60*05'47"W A DISTANCE OF 4446.09 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTHWEST CORNER OF SAID SECTION 32, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS N54*53'35"W, A DISTANCE OF 617.68 FEET;

SAID STRIP OF LAND BEING 5217.77 FEET OR 316.23 RODS IN LENGTH, CONTAINING 3.594 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NE/4 SE/4	663.54 L.F.	40.21 RODS	0.457 ACRES
SE/4 NW/4	526.51 L.F.	31.91 RODS	0.363 ACRES
SW/4 NE/4	1565.66 L.F.	94.89 RODS	1.078 ACRES
SE/4 NW/4	504.05 L.F.	30.55 RODS	0.347 ACRES
NE/4 NW/4	1024.45 L.F.	62.09 RODS	0.706 ACRES
NW/4 NW/4	933.56 L.F.	56.58 RODS	0.643 ACRES

SURVEYOR CERTIFICATE

GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN MITTERS WIFEED TAHIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MIXION HEN MEY DAY OF VILLY 2022

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

SURVEY NO. 9457

MADRON SURVEYING, INC. (575) 23 C SAD ALGORIAN SBAD, NEW MEXICO

<u>District I</u> 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

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 APD Conditions

Permit 321729

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
MACK ENERGY CORP [13837]	30-015-49780
P.O. Box 960	Well:
Artesia, NM 882110960	Anchorage State #001

OCD	Condition
Reviewer	
kpickford	Notify OCD 24 hours prior to casing & cement
kpickford	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
kpickford	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
kpickford	Cement is required to circulate on both surface and production strings of casing
kpickford	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system

Mack Energy

Eddy County, NM Sec 32-T16S-R27E Anchorage State #1

Wellbore #1

Plan: Plan #1

Standard Planning Report

22 July, 2022



Microsoft

Planning Report



Database: Company: EDM 5000.15 Single User Db

Mack Energy Project: Eddy County, NM Sec 32-T16S-R27E Site: Well: Anchorage State #1 Wellbore:

Wellbore #1 Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Sec 32-T16S-R27E 3436.2+18 @ 3454.2usft 3436.2+18 @ 3454.2usft

Minimum Curvature

Design: Project

Eddy County, NM

Map System: Geo Datum:

Map Zone:

Well

US State Plane 1983 North American Datum 1983 New Mexico Eastern Zone

System Datum:

Mean Sea Level

Sec 32-T16S-R27E Site

Site Position: From:

Мар

+N/-S

+E/-W

Anchorage State #1

Northing: Easting:

686,027.11 usft 549,011.63 usft

Latitude: Longitude: **Grid Convergence:**

32° 53' 9.259 N 104° 18' 30.002 W

0.01

Position Uncertainty:

0.0 usft Slot Radius: 13-3/16 "

32° 53' 9.259 N

Position Uncertainty

Well Position

0.0 usft 0.0 usft

0.0 usft

Northing: Easting:

686,027.11 usft 549,011.63 usft

Latitude: Longitude:

104° 18' 30.002 W 3,436.2 usft

Wellhead Elevation: **Ground Level:**

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
			(°)	(°)	(nT)
	IGRF2015	07/22/22	6.80	60.48	47,724.32804128

Design Plan #1 **Audit Notes:** Version: Phase: PLAN Tie On Depth: 0.0 Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.0 179.86 0.0 0.0

Plan Survey Tool Program

Date 07/22/22

Depth From (usft)

Depth To (usft)

Survey (Wellbore)

Tool Name

Remarks

0.0

2,664.1

Plan #1 (Wellbore #1)

MWD

MWD - Standard

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.00	0.00	0.00	0.00	
915.5	13.50	179.86	911.7	-48.7	0.1	3.25	3.25	0.00	179.86	
1,148.6	13.50	179.86	1,138.3	-103.2	0.3	0.00	0.00	0.00	0.00	
1,564.1	0.00	0.00	1,550.0	-151.9	0.4	3.25	-3.25	0.00	180.00	
2,664.1	0.00	0.00	2,650.0	-151.9	0.4	0.00	0.00	0.00	0.00	BHL Anchorage State

Microsoft

Planning Report



Database: EDM 5000.15 Single User Db Company: Mack Energy

Company: Mack Energy
Project: Eddy County, NM
Site: Sec 32-T16S-R27E
Well: Anchorage State #1
Wellbore: Wellbore #1
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Sec 32-T16S-R27E 3436.2+18 @ 3454.2usft 3436.2+18 @ 3454.2usft

Grid

Minimum Curvature

inned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP BLD 3.2									
600.0	3.25	179.86	599.9	-2.8	0.0	2.8	3.25	3.25	0.00
700.0	6.50	179.86	699.6	-11.3	0.0	11.3	3.25	3.25	0.00
800.0	9.75	179.86	798.6	-25.5	0.1	25.5	3.25	3.25	0.00
900.0	13.00	179.86	896.6	-45.2	0.1	45.2	3.25	3.25	0.00
915.5	13.50	179.86	911.7	-48.7	0.1	48.7	3.25	3.25	0.00
EOB HLD 13		179.00	911.7	-40.7	0.1	40.7	3.23	3.23	0.00
1,000.0	13.50	179.86	993.8	-68.5	0.2	68.5	0.00	0.00	0.00
1,100.0	13.50	179.86	1,091.1	-91.8	0.2	91.8	0.00	0.00	0.00
1,148.6	13.50	179.86	1,138.3	-103.2	0.2	103.2	0.00	0.00	0.00
DROP 3.25°/		170.00	1,100.0	100.2	0.0	100.2	0.00	0.00	0.00
1,200.0	11.83	179.86	1,188.5	-114.4	0.3	114.4	3.25	-3.25	0.00
1,300.0	8.58	179.86	1,286.9	-132.2	0.3	132.2	3.25	-3.25	0.00
,			,						
1,400.0	5.33	179.86	1,386.1	-144.3	0.4	144.3	3.25	-3.25	0.00
1,500.0	2.08	179.86	1,485.9	-150.7	0.4	150.7	3.25	-3.25	0.00
1,564.1	0.00	0.00	1,550.0	-151.9	0.4	151.9	3.25	-3.25	0.00
EOD HLD 0° 1,600.0	Inc. 0.00	0.00	1,585.9	-151.9	0.4	151.9	0.00	0.00	0.00
ŕ			,						
1,700.0	0.00	0.00	1,685.9	-151.9	0.4	151.9	0.00	0.00	0.00
1,800.0	0.00	0.00	1,785.9	-151.9	0.4	151.9	0.00	0.00	0.00
1,900.0	0.00	0.00	1,885.9	-151.9	0.4	151.9	0.00	0.00	0.00
2,000.0	0.00	0.00	1,985.9	-151.9	0.4	151.9	0.00	0.00	0.00
2,100.0	0.00	0.00	2,085.9	-151.9	0.4	151.9	0.00	0.00	0.00
2,200.0	0.00	0.00	2,185.9	-151.9	0.4	151.9	0.00	0.00	0.00
2,300.0	0.00	0.00	2,285.9	-151.9	0.4	151.9	0.00	0.00	0.00
2,400.0	0.00	0.00	2,385.9	-151.9	0.4	151.9	0.00	0.00	0.00
2,500.0	0.00	0.00	2,485.9	-151.9	0.4	151.9	0.00	0.00	0.00
			,						
2,600.0	0.00	0.00	2,585.9	-151.9	0.4	151.9	0.00	0.00	0.00
2,664.1	0.00	0.00	2,650.0	-151.9	0.4	151.9	0.00	0.00	0.00
TD at 2664.1									

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
BHL Anchorage State 1 - plan hits target cent - Point	0.00 er	0.01	2,650.0	-151.9	0.4	685,875.20	549,012.00	32° 53′ 7.756 N	104° 18' 29.998 W

Microsoft

Planning Report



Database: EDM 5000.15 Single User Db

Plan #1

Company: Mack Energy
Project: Eddy County, NM
Site: Sec 32-T16S-R27E
Well: Anchorage State #1
Wellbore: Wellbore #1

Design:

Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Sec 32-T16S-R27E 3436.2+18 @ 3454.2usft 3436.2+18 @ 3454.2usft

Grid

Minimum Curvature

Plan Annotations					
N	leasured	Vertical	Local Coor	dinates	
	Depth	Depth	+N/-S	+E/-W	
	(usft)	(usft)	(usft)	(usft)	Comment
	500.0	500.0	0.0	0.0	KOP BLD 3.25°/100'
	915.5	911.7	-48.7	0.1	EOB HLD 13.5° Inc.
	1,148.6	1,138.3	-103.2	0.3	DROP 3.25°/100'
	1,564.1	1,550.0	-151.9	0.4	EOD HLD 0° Inc.
	2,664.1	2,650.0	-151.9	0.4	TD at 2664.1

CD: 7/28/2022 2: And Engly PM
Project: Eddy County, NM
Site: Sec 92-118S-R27E
Well: Anchorage State #1
Wellbore: Wellbore #1
Plan: Plan #1 (Anchorage State #1/Wellbore #1)

Cachican P V Ground Elevation:: 3436.2 cddy County, NM Ground Elevation:: 3436.2 cddy County, NM Ground Elevation: 3436.2+18 @ 3454.2 usft chorage State #1 Rig Name:

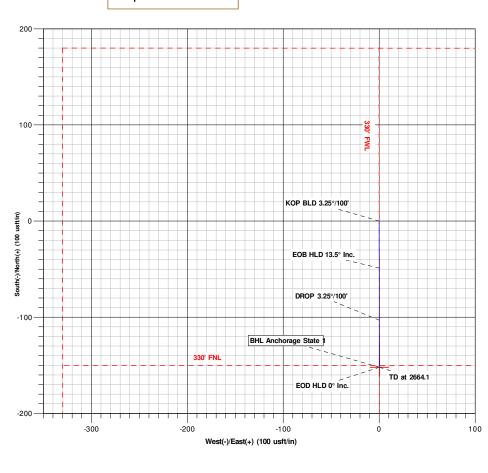


Azimuths to Grid North True North: -0.01° Magnetic North: 6.78°

WELL DETAILS: Anchorage State #1

Magnetic Field Strength: 47724.3nT Dip Angle: 60.48° Date: 07/22/2022 Model: IGRF2015





State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator: Mack Er	ergy Corpo	oration	OGRID: <u>0</u>	13837		Date:	07_/_	25 / 2022
II. Type: ⊠ Original □	Amendment	t due to □ 19.15.27.	9.D(6)(a) NMA	C □ 19.15.27.9.D((6)(b) N	MAC 🗆 (Other.	
If Other, please describe	:							
III. Well(s): Provide the be recompleted from a si					wells pr	oposed to	be dril	led or proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D		cipated MCF/D	Anticipated Produced Water BBL/D	
Anchorage State 1		Sec. 32 T16S R27E	180 FNL 330 FW	L 100	100		1000	
V. Anticipated Schedul proposed to be recomple Well Name					1	et of wells Initial I Back I	Flow	sed to be drilled or First Production Date
Anchorage State 1		12/1/2022	1/1/2023	2/1/2023		2/15/2023		2/15/2023
VII. Operation Equipm VII. Operational Pract Subsection A through F VIII. Best Managemen during active and planne	ices: Atta of 19.15.27.8 t Practices:	ch a complete descr NMAC.	iption of the ac	tions Operator wil	ll take to	o comply	with th	ne requirements of

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🛛 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering	Available Maximum Daily Capacity
			Start Date	of System Segment Tie-in

XI. Map. \square Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural	gas gathering system 🗆 v	vill □ will not have	capacity to gather	100% of the anticipated	natural gas
production volume from the well p	prior to the date of first pro	oduction.			

XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment, or portion,	of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new we	

A 1 .	O 1	, 1		1 4.	•	4 41 .	ased line pres	
 Attach (Incrator	'c nlan to	manage	nraduction	in rechange	to the incre	aced line nrec	CILTA

XIV. Confidentiality: U Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information	on provided in
Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific	fic information
for which confidentiality is asserted and the basis for such assertion.	

(g)

Section 3 - Certifications <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system: or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or Venting and Flaring Plan.

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: power generation on lease; (a) **(b)** power generation for grid; compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage;

fuel cell production; and

(h) other alternative beneficial uses approved by the division. (i)

reinjection for enhanced oil recovery;

Section 4 - Notices

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become (a) unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: Delilah Flores
Printed Name: Delilah Flores
Title: Regulatory Technician I
E-mail Address: delilah@mec.com
Date: 07/25/2022
Phone: 575-748-1288
575-746-1266
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. Separation Equipment:

Mack Energy Corporation(MEC) production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our completion project. MEC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the completion to optimize gas capture and send gas to sales or flare based on analytical composition. MEC operates facilities that are typically multi-well facilities. Production separation equipment is upgraded prior to new wells being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the new drill operations.

VII. Operational Practices:

- 1. Subsection (A) Venting and Flaring of Natural Gas. MEC understands the requirements of NMAC 19.15.27.8 which outlines that the venting and flaring of natural gas during drilling, completion or production operations that constitutes waste as defined in 19.15.2 are prohibited.
- 2. Subsection (B) Venting and Flaring during drilling operations. This gas capture plan isn't for a well being drilled.
- 3. Subsection (C) Venting and flaring during completion or recompletion. Flowlines will be routed for flowback fluids into a completion or storage tank and if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
- 4. Subsection (D) Venting and flaring during production operations o At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
 - Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.
 - MEC will not vent or flare except during the approved activities listed in NMAC 19.15.27.8 (D)
 14.
- 5. Subsection (E) Performance standards \circ All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - If a flare is utilized during production operations it will have a continuous pilot and is located more than 100 feet from any known well or storage tanks.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.

- 6. Subsection (F) Measurement or estimation of vented and flared natural gas o Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - When measurement isn't practicable, estimation of vented and flared natural gas will be completed as noted in 19.15.27.8 (F) 5-6.

VIII. Best Management Practices:

- 1. MEC has adequate storage and takeaway capacity for wells it chooses to complete as the flowlines at the sites are already in place and tied into a gathering system.
- 2. MEC will flare rather than vent vessel blowdown gas when technically feasible during active and/or planned maintenance to equipment on-site.
- 3. MEC combusts natural gas that would otherwise be vented or flared, when technically feasible.
- 4. MEC will shut in wells in the event of a takeaway disruption, emergency situation, or other operations where venting or flaring may occur due to equipment failures.
- 5. MEC has a gas gathering system in place(CTB-887)a with multiple purchaser's to limit venting or flaring, due to purchaser shut downs.