ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



| THIS CHECKLIST | IS MANDA | TORY FOR ALL ADMINIST | RATIVE APPLICATION | NS FOR EXCEPTIONS | TO DIVISION RULES A | ND REGULATIONS |
|--|-------------------------------|---|--|--|---|--|
| | | WHICH REQUIRE PR | ROCESSING AT THE I | DIVISION LEVEL IN SA | NTA FE | |
| Application Acro | | | Of I I Bross | | Pi | II |
| [DHC-I [P(| Downhold C-Pool Co [WF) | | :TB-Lease Comn - Off-Leasé Stor :ion] [PMX-Pre sposal] [IPI-Inj | ningling] [PLC- age] [OLM-Off- ssure Maintenar ection Pressure | Pool/Lease Comm -Lease Measurem nce Expansion] Increase] | ingling] ent] |
| | | CATION - Check The | | | | |
| - | | NSL NSP | SD | | | |
| CI [B | | Only for [B] or [C] mmingling - Storage DHC CTB | - Measurement | PC OLS | OLM | The state of the s |
| * * * * * * * (C | '] <u>Inj</u> | ection - Disposal - Pr WFX PMX | | Enhanced Oil Re | | () and |
| [D |)] Otl | ner: Specify | with the | The second secon | | 19 |
| [2] NOTIFIC [A | | REQUIRED TO: - Working, Royalty | | | | |
| [B |] 🗆 | Offset Operators, L | easeholders or S | urface Owner | | 1 t |
| and they made |] 🗆 | Application is One | Which Requires | Published Legal 1 | Notice | 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 94 - 18 de 18 de [D 18 de 18 |] 🗆 | Notification and/or U.S. Bureau of Land Manager | Concurrent Appr nent - Commissioner of Pr | roval by BLM or a | SLO fice | |
| e jerie e E |] | For all of the above | , Proof of Notific | cation or Publicati | on is Attached, an | d/or, |
| [F |]- 🗀 | Waivers are Attach | ed | | · . | |
| | | ATE AND COMPL N INDICATED AB | | ATION REQUIF | RED TO PROCES | SS THE TYPE |
| approval is accurat | te and co | I: I hereby certify the mplete to the best of I information and not | my knowledge. | I also understand | that no action wil | |
| naka di gitakasa N | ote: State | ment must be completed | i by an individual wi | th managerial and/or | supervisory capacity | . |
| | | | | • | | |
| Print or Type Name | | Signature | | Title | | Date |
| | | • • | | e mail Addr | 000 | |

STATE OF NEW MEXICO . ENERGY, MINERALS AND NATURAL

OIL CONSERVATION DIVISION 2040 SOUTH PACHECO SANTA FE, NEW MEXICO 87505

FORM C- 108 Revised 4-1-98

RESOURCES DEPARTMENT

| • | 7/2/76 | APPLICATION | FUR AUI | HUKIZAI | TON TO IN | JECI | | |
|--------|---|---|---|---|------------------------------|---------------------------|--|------------------------------|
| 1. | PURPOSE: Application qualifies f | Secondary Recovery or administrative approval'? | X | Pressure Yes | Maintenance ————— | <u>X</u> No | Disposal | Storage |
| IL | OPERATOR: Mack I | Energy Corporation | , , | | | | | |
| | ADDRESS: P.O. Box | 960, Artesia, NM 88211-0 | 960 | | | | | |
| | CONTACTPARTY: | Jerry W. Sherrell | | | | | PHONE: (505) | 748-1288 |
| III. | | ete the data required on the ronal sheets may be attached | | | n for each wo | ell propose | d for injection. | Rock |
| IV. | Is this an expansion of If yes, give the Division | an existing project'? n order number authorizing | Yes | <u>X</u> | No | | new | |
| ٧. | | tifies all wells and leases wit oposed injection well. This c | | | | | with a one-half mile | radius circle |
| V1. | Such data shall include | data on all wells of public re e a description of each well's ged well illustrating all plugg | type, const | | | ation, dept | h, record of comple | tion, and a |
| VIL | Attach data on the pro | posed operation, including: | | | | بحد آ | MAE | s (\ " |
| | Whether the system Proposed average a Sources and an approproduced water; and If injection is for dischemical analysis wells, etc.). | nd maximum injection press copriate analysis of injection ad, sposal purposes into a zone in of the disposal zone formation | sure; fluid and c not product on water (m | compatibilit ive of oil or ay be meas | y with the re | thin one m | nile of the proposed xisting literature, str | well, attach a udies, nearby |
| *V11 | depth. Give the geolog total dissolved solids | ologic data on the injection zigic name, and depth to botton concentrations of 10,000 mg tely underlying the injection | m of all und /I or less) o | lerground s | ources of dri | nking wate | er (aquifers containi | ng waters with |
| IX. | Describe the proposed | stimulation program, if any. | | | | .5 | T- ACT | -AA |
| *X. | Attach appropriate log | ging and test data on the wel | ll. (if well lo | ogs have be | en filed with | the Divisi | on, mey need not b | e resubmitted). |
| *XI. / | Attach a chemical analy injection or disposal w | sis of freshwater from two o ell showing location of wells | r more fres | shwater we samples we | lls (if availal re taken. | ole and pro | ducing) within one | mile of any |
| XII. | Applicants for disposa data and find no evide sources of drinking wa | l wells must make an affirma nce of open faults or any oth nter. | ntive statem n er hydrol og | ent that the | y have exam on between t | ined availa he disposa | ble geologic and en I zone and any unde | igineering erground |
| XIII. | Applicants must comple | te the "Proof of Notice" sec | tion on the | reverse sid | e of this form | 1. | | |
| XIV. | Certification: I hereby ce and belief. | rtify that the information su | bmitted wi | th this appl | ication is tru | e and corr | ect to the best of m | y knowledge |
| | NAME: Mack C. Cha | | | | TITL | E: Preside | ent | |
| | SIGNATURE: | fall C, Cha | n | | | DATE: | 3/17/2005 | |
| * | if the information requi | (ired under Sections VI, VIII, d circumstances of the earlie | X, and XI | above has b | een previous | ly submitte | ed, it need not be re | submitted. |

OPERATOR:

INJECTION WELL DATA SHEET

Mack Energy Corporation

ff ft Ħ RANGE Method Determined: Circulated Method Determined: Circulated Method Determined: Circulated 33E Casing Size: 13 3/8 Casing Size: 5 1/2 TOWNSHIP Casing Size: 8 5/8 WELL CONSTRUCTION DATA Intermediate Casing feet to 6950 Production Casing Injection Interval 17S Surface Casing or _ or or SX. SX. SX. SECTION 31 Top of Cement: Surface Top of Cement: Surface Top of Cement: Surface Cemented with: 1200 Cemented with: 1800 Cemented with: 400 Total Depth: 7454 Hole Size: 17 1/2 Hole Size: 12 1/4 Hole Size: 77/8 UNIT LETTER 4973 Fee MA B #6 13 3/8" casing set 5 1/2" casing set CIBP @ 5080' w/ 8 5/8" casing set @ 2760' FOOTAGE LOCATION 35' cmt cap @ 319 WELLBORE SCHEMATIC @ 7459 WELL LOCATION: 2310 FSL & 990 FEL M WELL NAME & NUMBER: 4973-5008,5 5087-5200 Perfs from Perfs from

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

| Tuk | Tubing Size: | 2 7/8" | Lining Material: | Plastic Coated |
|----------|---|---|--|---|
| T_{YI} | Type of Packer: | Halliburto | Halliburton Trump Packer | |
| Pac | Packer Setting Depth: | 4873 | l | |
| O# | ner Type of Tubing/Ca | Other Type of Tubing/Casing Seal (if applicable):. | e): | |
| | | Add | Additional Data | |
| -: | Is this a new well drilled for injection? | rilled for injection? | Yes No | |
| | If no, for what purp | If no, for what purpose was the well originally drilled?_ | ally drilled? | Delaware |
| 2. | Name of the Injection Formation: | on Formation: | Delaware & Bone Spring | ie Spring |
| 3. | Name of Field or Pool (if applicable): | ool (if applicable): | Corbin Delaware & Bone Spring | & Bone Spring |
| 4. | Has the well ever be intervals and give pl | een perforated in any o lugging detail, i.e. sack | Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 4973-50 | Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 4973-5008.5, 5087-5200 |
| | | | | |
| 5. | Give the name and depths injection zone in this area: | depths of any oil or gas | Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Overlying GB-SA Underlying Abo | ring the proposed |
| | | | | |
| | | | | |
| | | | | |

VII. DATA SHEET: PROPOSED OPERATIONS

- 1. Proposed average and maximum daily rate and volume of fluids to be injected; Respectively, 2000 BWPD and 3000 BWPD
- 2. The system is closed or open;

Closed

3. Proposed average and maximum injection pressure;

100-360#

4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than re-injected produced water;

We will be re-injecting produced water

5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water;

N/A

VIII. GEOLOGICAL DATA

- 1. Lithologic Detail; Carbonate
- 2. Geological Name; Delaware & Bone Spring
- 3. Thickness; #6-1977', #7-148'
- 4. Depth; #6 4973-6950', #7 6319-6467'

IX. PROPOSED STIMULATION PROGRAM

1. To be treated with 1000 gallons 15% acid

X. LOGS AND TEST DATA

1. Well data has been filed with the OCD

XI. ANALYSIS OF FRESHWATER WELLS

1. N/A

After Conversion BH: 2310' FSL & 990' FEL 5 1/2" csg. set @ 7459' w/1800sx cmt. (Circ) Perfs @ 5087-5200' Perfs @ 4973-5008.5 Drill out CIBP @ 5080' Added perfs @ 5200-6950' 8 5/8" csg. set @ 2760' w/1200sx cmt. (Circ) 13 3/8" csg. set @ 319' w/400sx cmt. (Circ) Sec. 31-T17S-R33E Fee MAB#6 SH: 2310' FSL & 990' FEL **Before Conversion** Perfs @ 5087-5200' Perfs @ 4973-5008.5' ──**▼** 5 1/2" csg. set @ 7459' w/1800sx cmt. (Circ) 8 5/8" csg. set @ 2760' w/1200sx cmt. (Circ) CIBP @ 5080' w/35' cmt. cap 13 3/8" csg. set @ 319' w/400sx cmt. (Circ)

Set Pkr. @ 4873' Run 2 7/8" IPC Tubing

AREA OF REVIEW WELL DATA

| • | CATA) | STATE OF THE PARTY | 1000 M | | | | | | | | _ | | | ろう | <u>></u> | 7881 | 1303 | | | | | | |
|--|----------|--|--------------|----------------|---------------|------------|-----------------|-------------|------------|--------------|--------------|------------|----------------|-------------|--------------|--------------|----------|--------------|---------------|-------------|--------------|--------------|--|
| | PERFS | | | 6319.5-6467.5' | | | 8566-8722' | | | 4530-6132' | | | 8435-8692 | 5087-5200 | CIBP @ 5080' | 4973-5008.5 | | | plugged | | | 8419-8508 | |
| | TOC | circ | circ | circ | circ | circ | circ | circ | circ | 3667 | circ | circ | 1600. | circ | circ | circ | | circ | 2115 | circ | ,00 | 2500' | |
| XX | CMT | 200 | 1850 | 5280 | 250 | 950 | 1175 | 225 | 650 | 175 | 225 | 920 | 1195 | 400 | 1200 | 1800 | | 275 | 250 | 200 | 550 | 1195 | |
| SETTING | DEPTH | 315' | 2852' | 7406 | 297 | 2799' | 8869 | 296, | 2879' | 4894' | .292. | 2799, | 8930 | 319' | 2760' | 7459 | | 315 | 2915' | 295' | 2785' | 9001 | |
| TYPE & DATE HOLE CASING SIZE SETTING | & WEIGHT | 20", 133# | 13 3/8", 61# | 5 1/2", 17# | 13 3/8, 35.6# | 8 5/8, 24# | 5 1/2, 15.5&17# | 13 3/8, 48# | 8 5/8, 32# | 5 1/2, 17# | 13 3/8, 35.6 | 8 5/8, 24# | 5 1/2, 15.5&17 | 13 3/8, 48# | 8 5/8, 32# | 5 1/2, 17# | | 11 3/4, 28# | 8 5/8, 24&32# | 13 3/8, 48# | 8 5/8, 24# | 5 1/2, 17# | |
| HOLE | SIZE | .92 | 17 1/2" | 12 1/4" | 17 1/2 | 7 | 7 7/8 | 17 1/2 | 12 1/4 | 7 7/8 | 17 1/2 | 7 | 7 7/8 | 17 1/2 | 12 1/4 | 7 7/8 | 17 1/2 | 7 | 7 7/8 | 17 1/2 | - | 7 7/8 | |
| TYPE & DATE | DRILLED | | iio | 9/15/2004 | | io | 1/1/1961 | | IIO | 12/27/1959 | | ō | 5/10/1960 | | iio | 4/25/2004 | | iō | 6/12/1961 | | ō | 10/17/1959 | |
| 2 | (PBTD) | | 8442. | 7410' | | 8870. | (8826") | | 9020. | (6132') | | 8935. | (828) | | 7454 | (5045') | | .6088 | (0,) |) | 10015 | (8515') | |
| | LOCATION | 1650' FNL | 660' FEL | 31-17S-33E | 950' FNL | 990' FEL | 31-17S-33E | 1980' FNL | 1980' FEL | 31-17S-33E | 800' FNL | 2145 FEL | 31-17S-33E | 2310' FSL | 990' FEL | 31-17S-33E | 777' FNL | 330' FWL | 32-17S-33E | 710' FNL | 2130' FWL | 31/17S-33E | |
| | WELL# | Ý | 7 | 7 7 | | | က | | | 31 | | | 2 | 50% | しよう | 9 | | | 1 | | | 1 | |
| | LEASE | | Fee MA B | 30-025-36747 | | Fee MAB | 30-025-01336 | Corbin Abo | SWD | 30-025-01337 | | Fee MAB | 30-025-01338 | - | Fee MAB | 30-025-36633 | | Carper State | 30-025-01354 | | Federal MA A | 30-025-01339 | |

Carper State #1

SH: 777 FNL & 330 FWL BH: 777 FNL & 330 FWL Sec. 32-T17S-R33E

TOC Circ.

Spot 10sx cmt. to Surface

11 3/4" 28# csg. set @ 315' w/275sx cmt.

Spot 25sx cmt. 330-290'

Spot 25sx cmt. 1200-1160'

Spot 25sx cmt. 2010-1970'

Cut 8 5/8" csg. @ 2010' - Pull TOC @ 2115'

8 5/8" 24# & 32# csg. set @ 2915' w/250sx cmt.

Spot 25sx cmt. 2940-2860'

Spot 25sx cmt. 4200-4120'

Spot 25sx cmt. 5900-5820'

Spot 25sx cmt. 6950-6870'

Spot 25sx cmt. 8640-8560'

Spot 25sx cmt. 8809-8729'

XII. AFFIRMATIVE STATEMENT

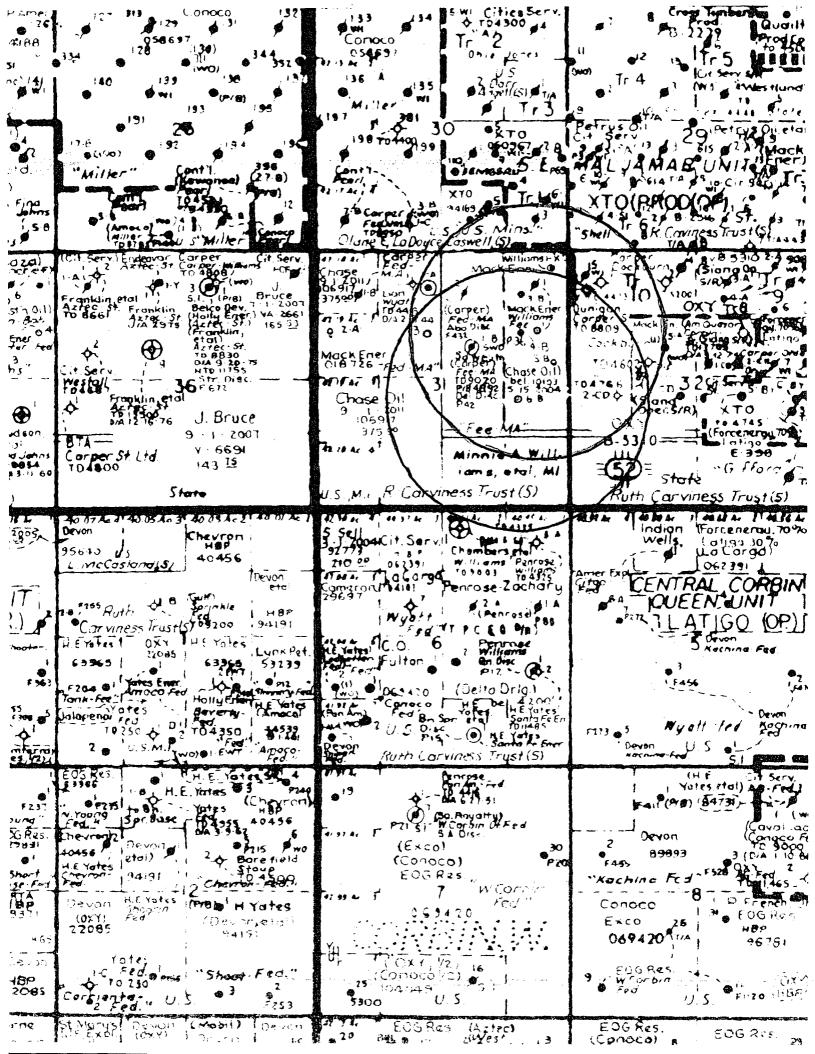
RE: Fee MA B #6 & 7

We have examined the available geologic and engineering data and find no evidence of open faults or any other hydraulic connection between the disposal zone and any underground source of drinking water.

Mack Energy Corporation

Date: 3-17-2005

Mack C Chase, President



WELL LOGS

| Α | PI number: | 30-025-366 | 333 | | | | | | | | | |
|--|-------------|----------------|---------------------------------------|--------------|--------------|--------------|-------------|-------------|--|--|--|--|
| | OGRID: | | Operator: | MACH EN | ERGY CORI | P | | | | | | |
| | | | Property: | FEE MAB | | | | # 6 | | | | |
| ··· | | | | | | | | | | | | |
| surface | ULSTR: | 1 | 31 | T | 17S | R | 33E | | | | | |
| | | 1 | 2310 | FSL | 990 | FEL | | | | | | |
| | | • | | <u> </u> | | | • | | | | | |
| BH Loc | ULSTR: | li l | 31 | T | 178 | R | 33E | | | | | |
| | | 1 | 2310 | | 990 | FEL | | ' | | | | |
| | | | · · · · · · · · · · · · · · · · · · · | ? | | | • | | | | | |
| Gr | ound Level: | 3986 | DF: | 3998 | KB: | 3999 | | | | | | |
| | Datum: | | · · . · · · · · · · · · · · · · · · | | TD: | 7454 | | | | | | |
| | | <u> </u> | | | | | | | | | | |
| | | | | • | Completio | on Date: (1) | 6/20/2004 | | | | | |
| | Land: | FEE | l | | Date Log | | ***Late*** | | | | | |
| | Land. | <u></u> | | | Date Logs | | | | | | | |
| Co | nfidential: | NO | | | l Caio Logo | Date out: | 371012001 | | | | | |
| CO | | | un for Chata 8 | Fac. 4 Vacus | les federal | Date out. | | | | | | |
| Confidential period: 90 Days for State & Fee, 1 Year for federal Date Due In: (1) is equal to Completion Date (1) + 20 days | | | | | | | | | | | | |
| | | : (1) is equal | | | days | | | | | | | |
| TD 1 D 0 | Logs | | Depth in | | Three Dete | otou Litha D | | | | | | |
| TD LD C | WGH | | 200 | | | | ensity | | | | | |
| | | | 2763 | /453 | Azimuthal L | aterolog | | | | | | |
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| | | 000 700 | ^ | | | | | | | | | |
| r—— | | OCD TOP | 5 | | | | | | | | | |
| D | | ļ | n 0 . | | | | | | | | | |
| Rustler | | | Bone Sprir | | | | | | | | | |
| Tansill | | | | 1st Sd | | | | | | | | |
| Yates | | 2770 | | 2nd Carb | | | | | | | | |
| 7 rvrs | | 3166 | | 2nd Sd | | | | | | | | |
| | | 3578 | | 3rd Carb | | | | | | | | |
| | | 3665 | | 3rd Sd | | | | | | | | |
| Queen | | 3866 | | | | | | | | | | |
| Penrose | | | Wolfcamp | | | | | | | | | |
| Grayburg | | 4317 | Strawn | | | | | | | | | |
| San And | res | | Atoka | | | | | | | | | |
| Glorieta | | | Morrow | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | Austin | | | | | | | | | |
| Delaware | | 4942 | Chester | | | | | | | | | |
| Delaware | | | Miss Lime | | | | | | | | | |
| Delaware | | 4942 | · | | | | | | | | | |
| Bell Can | | | | | | | | | | | | |
| Cherry C | anyon | | | | | | | | | | | |
| Brushy C | Canyon | L | | | | | | | | | | |

| Submit 3 Copies To Appropriate District | State of | New Mexic | 0 | | Fonn | | | | | |
|---|------------------------------|--------------------------------|--------------------------------------|-------------------------------------|--|----------------------|--|--|--|--|
| Office District I | Energy, Minerals | and Natural | Resources | WELL API NO. | | 4, 2004 | | | | |
| 1625 N. French Dr., Hobbs, NM 88240 District 11 | OT CONCERS | ATION D | MICION | | -025-36633 | | | | | |
| 1301 W. Grand Ave., Artesia, NM 88210 | OIL CONSERV 1220 South | | | 5. Indicate Type of Lease STATE FEE | | | | | | |
| District III 1000 Rio Brazos Rd., Aztec, NM 87410 | 1220 20 | , NM 8750 | | STATE 6. State Oil & G | | | | | | |
| District IV 1220 S. St. Francis Dr., Santa Fe, NM | J | , | | | | | | | | |
| 87505 SUNDRY NOTIO (DO NOT USE THIS FORM FOR PROPOS DIFFERENT RESERVOIR. USE "APPLICATION" | CES AND REPORTS OF | PEN OR PLUG | BACK TO A | | or Unit Agreement | Name | | | | |
| PROPOSALS,) | ATION FOR FERMIT (FOR | VI C-101) I OK | 30011 | 8. Well Number | | | | | | |
| 1. Type of Well: Oil Well Gas Well | Other | | | d. Won Manie | | | | | | |
| 2. Name of Operator | 9. OGRID Num | 6 iher | | | | | | | | |
| Z. Name of Operator Mack | | 013837 | | | | | | | | |
| 3. Address of Operator | 10. Pool name o | | | | | | | | | |
| 4. Well Location | 0, Artesia, NM 88211 | -0900 | | Cor | bin;Delaware | | | | | |
| | | g. a | | 000 | , 10 a a 4 | | | | | |
| Unit LetterI | 2310 feet from the | South | line and | feet fi | rom the <u>East</u> | line | | | | |
| Section 31 | Township | 17S Rang | ge33E | NMPM | County Lea | | | | | |
| | 11. Elevation (Show w | hether DR, R 3986' G | | c) | | | | | | |
| Pit or Below-grade Tank Application (For | pit or below-grade tank clos | | | ned) | | | | | | |
| Pit Location: ULSectTwp_ | | | | | nearest fresh water we | i | | | | |
| Distance from nearest surface water | Below-grade Tank Lo | cation UL | SectTv | vpRng | . 1 | | | | | |
| feet from theline and | feet from the | line | | | | | | | | |
| 12. Check A | ppropriate Box to Ir | dicate Nat | ure of Notice | . Report or Othe | er Data | | | | | |
| | ITENTION TO: | | | SEQUENT RE | | | | | | |
| PERFORM REMEDIAL WORK | | | REMEDIAL WO | | | NG 🗆 | | | | |
| TEMPORARILY ABANDON | CHANGE PLANS | | COMMENCE DI | RILLING OPNS. | PLUG AND | . 🗆 | | | | |
| PULL OR ALTER CASING | MULTIPLE | | CASING TEST | AND [7] | ABANDONMENT | · 니 | | | | |
| OTHER: | COMPLETION | | OTHER: | Comple | tion | _ 🛛 | | | | |
| | | | | | 49202123 | | | | | |
| 13. Describe proposed or composed was described any proposed was or recompletion. 06/10/2004 perforated from 508 | ork). SEE RULE 1103. | y state all pe For Multiple | rtinent details, a Completions: A | 44 - 1 | ate Micluding esting of proposed con the state of the sta | nated date ompletion | | | | |
| 06/11/2004 Acidized w/2000 gal 1 | | | | 3 | SS : 183 | 722 | | | | |
| 06/14/2004 Set CIBP @ 5080' w/. 06/15/2004 Acidized w/1500 gals | | ated from 4 | 973-5008.5 12 | holes. | NA SE | స్ట్రి | | | | |
| 06/17/2004 Frac w/53,500 gals 40 | # gel, 103,179# 16/30 s | and. | | | (F) | 6 | | | | |
| 06/18/2004 RIH w/161 joints 2 7/ | 8" tubing SN @ 5022' | , RIH w/2 1 | /2 x 2 x 24' pu | np. | 6.500+021 | | | | | |
| | | | | | 3180 | | | | | |
| | | | | | | | | | | |
| I hereby certify that the information a | bove is true and complete | e to the best of | of my knowledge | and belief. I furthe | r certify that any pit | or below- | | | | |
| grade tank has been/will be constructed or | closed according to NMOCD | guidelines 🔲 | , a general permit | or an (attached) alt | ernative OCD-approve | i plan 🗌 | | | | |
| SIGNATURE (Jany W. | Sherell | TITLE | Product | ion Clerk | DATE 7/26 / | 2004 | | | | |
| Type or print name Jerry V | V. Sherrell E-m | ail address: | jerrys@macke | energycorp.com | Telephone No. (505 |)748-1288 | | | | |
| (This space for State use) | | | | | | | | | | |
| | 2 | DEY | DOL Prins | | | | | | | |
| APPPROVED BY | 1 Taring | TITLE FE | ROLEUM EN | GINEER | DATE | | | | | |
| Conditions of approval, if any: | | | | | AUG 2 | 6 2004 | | | | |



RECEIVED

MAR 2 8 2005

P.O. Box 960 Artesia, NM 88211-0960 Office (505) 748-1288 Fax (505) 746-9539

OIL CONSERVATION DIVISION

March 24, 2005

Oil Conservation Division Attn: William Jones 1220 South St. Francis Dr. Santa Fe, NM 87505

Dear Mr. Jones:

Mack Energy Corporation respectfully requests an administrative approval without notice and hearing for the Fee MA B #6 application to convert into SWD wells.

Attached to this letter are the following exhibits:

- 1. In response to your email all additional information is attached.
- 2. Regarding the oversight in the top perforation for the Fee MAB#6.
 - a) Amended page 2 & 3 for C-108.
 - b) Amended additional data sheet.
 - c) Amended notice to offset operators.
 - d) Amended legal notice sent to the Hobbs News Sun.

Thank you for your assistance in this matter. If you have any questions, please feel free to call.

Sincerely,

MACK ENERGY CORPORATION

leny W. Shenell

Jerry W. Sherrell Production Clerk

JWS/

Fee MA B #6 & #7 Attachments

I received your applications to inject today into these two wells and have reviewed them both.

Please send:

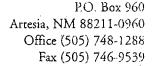
- 1) proof of notice to Southwestern Energy Production Company since they operate a well within 1/2 mile of both of your proposed injectors.
- 2) Clearly marked "before conversion" and "after conversion" wellbore diagrams
- 3) Have your geologist send a list of the depths of all formation tops within at least one of these wells especially the top and bottom of the Delaware and the Bone Spring.
- 4) Let me know if either of these wells had a DV tool installed in the casing, the depth of the tool, and if cement circulated below and above the tool.
- 5) Send all formation name(s) of produced waters to be injected into these wells.
- 6) Send water analysis on all waters from formations that are not identical to the injection interval(s).

Response

- 1. Proof of notice attached.
- 2. Diagrams attached.
- 3. Fee MA-B #7: Top San Andres: 4417' Base San Andres: 5930' Top Upper Bone Springs Carbonate: 5930' Base Upper Bone Springs Carbonate: 7580' Top 1st Bone Spring Sand: 7580' No Delaware Fee MA-B #6: Top San Andres: 4764' Base San Andres: 4940' Top Delaware: 4940' Base Delaware: 5210' Top Upper Bone Springs Carbonate: 6060' Base Upper Bone Springs Carbonate: 7280' Top 1st Bone Springs Sand: 7280
- 4. Fee MA B #6 No DV Tool
 Fee MA B #7 DV Tool @ 5838' Cement 1280 sx, circulated 50 sx. Drop plug cement w/4000 sx, circulated 275 sx.
- 5. Maljamar GB SA, Corbin Abo, Corbin Delaware, Corbin Bone Spring
- 6. Analysis attached.

Legal Notice

Mack Energy Corporation, Post Office Box 960, Artesia, NM 88211-0960, has filed an Application with the New Mexico Oil Conservation Division seeking authorization to inject produced salt water in the Fee MA B #6 located 2310 feet from the South line and 990 feet from the East line of Section 31, Township 17 South, Range 33 East and the Fee MA B #7 located 1650 feet from the North line and 660 feet from the East line of Section 31 Township 17 South, Range 33 East, NMPM, Lea County, New Mexico. The source of the disposed water will be from wells in the area, which produce from the Grayburg, San Andres and Delaware formation. The water will be injected into the Delaware and Bone Spring formation at a disposal depth of 4973 feet to 6467 feet. A maximum surface injection pressure of 100 pounds, and a maximum injection rate of 3000 BWPD. Any interested party with questions or comments may contact Jerry W. Sherrell at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960 or call (505) 748-1288. Objections to this application or requests for hearing must be filed with the Oil Conservation Division, 1220 south Saint Francis Drive, Santa Fe, New Mexico 87505, within fifteen days of the date of the publication of this notice. Published in the Hobbs News-Sun, Hobbs, New Mexico.





March 17, 2005

VIA CERTIFIED MAIL 7004 1160 0006 1810 8771 RETURN RECEIPT REQUESTED

Herschel Caviness 3718 New Mexico 114 Causey, NM 88113

Gentlemen:

Enclosed for your review is a copy of Mack Energy Corporation's application for approval to convert the Fee MA B #6 & #7, Sec. 31 T17S R33E wells into produced water disposal wells

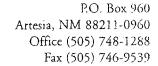
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert these wells into water disposal wells. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell Production Clerk

JWS





AMENDED

ConocoPhillips
P.O. Box 2197
Houston, TX 77252
Attn: Linda Hicks

Re: Certified #7004 1160 0006 1810 8764

Gentlemen:

This letter is in reference to Mack Energy Corporation's application for approval to convert the Fee MAB #6 & #7, Sec. 31 T17S R33E wells into produced water disposal wells. The original application stated that the perforation interval for the Fee MAB #6 was 5087-6950'. This is an amendment to that proposal; the correct interval is 4973-6950'.

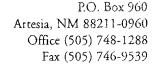
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert these wells into water disposal wells. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jérry W. Sherrell Production Clerk

JWS





AMENDED

Devon Louisiana Corporation 20 North Broadway #1500 Oklahoma City, Oklahoma 73102

Re: Certified #7004 1160 0006 1810 8740

Gentlemen:

This letter is in reference to Mack Energy Corporation's application for approval to convert the Fee MAB #6 & #7, Sec. 31 T17S R33E wells into produced water disposal wells. The original application stated that the perforation interval for the Fee MAB #6 was 5087-6950'. This is an amendment to that proposal; the correct interval is 4973-6950'.

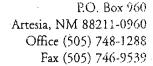
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert these wells into water disposal wells. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell Production Clerk

JWS\





March 17, 2005

<u>VIA CERTIFIED MAIL 7004 1160 0006 1810 8726</u> RETURN RECEIPT REQUESTED

Marbob Energy Corporation P.O. Box 227 Artesia, NM 88211-0227

Gentlemen:

Enclosed for your review is a copy of Mack Energy Corporation's application for approval to convert the Fee MAB #6 & #7, Sec. 31 T17S R33E wells into produced water disposal wells

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert these wells into water disposal wells. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing within fifteen (15) days of receiving this letter.

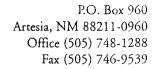
Sincerely,

MACK ENERGY CORPORATION

Shenel

Jerry W. Sherrell Production Clerk

JWS\





AMENDED

Oxy USA Inc.
P.O. Box 50250
Midland, TX 79710
Attn: David Evans

Re: Certified #7004 1160 0006 1810 8733

Gentlemen:

This letter is in reference to Mack Energy Corporation's application for approval to convert the Fee MA B #6 & #7, Sec. 31 T17S R33E wells into produced water disposal wells. The original application stated that the perforation interval for the Fee MA B #6 was 5087-6950'. This is an amendment to that proposal; the correct interval is 4973-6950'.

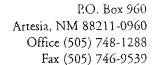
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert these wells into water disposal wells. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell Production Clerk

JWS\





AMENDED

Southwestern Energy Production Company 2350 Sam Houston Pkwy East Ste E Houston, TX 77032

Re: Certified #7004 1160 0006 1810 8795

Gentlemen:

This letter is in reference to Mack Energy Corporation's application for approval to convert the Fee MA B #6 & #7, Sec. 31 T17S R33E wells into produced water disposal wells. The original application stated that the perforation interval for the Fee MA B #6 was 5087-6950'. This is an amendment to that proposal; the correct interval is 4973-6950'.

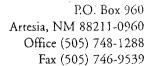
This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert these wells into water disposal wells. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell Production Clerk

JWS\





AMENDED

XTO Energy Inc. 810 Houston St. Ste 2000 Fort Worth, TX 76102-6223 Attn: Dan Foland

Re: Certified #7004 1160 0006 1810 8757

Gentlemen:

This letter is in reference to Mack Energy Corporation's application for approval to convert the Fee MA B #6 & #7, Sec. 31 T17S R33E wells into produced water disposal wells. The original application stated that the perforation interval for the Fee MA B #6 was 5087-6950'. This is an amendment to that proposal; the correct interval is 4973-6950'.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert these wells into water disposal wells. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell Production Clerk

JWS

Jones, William V

From: Jones, William V

Sent: Tuesday, March 22, 2005 3:00 PM

To: 'Jerrys@mackenergycorp.com'; Kautz, Paul

Cc: Sanchez, Daniel

Subject: RE: Fee MA B #6 and #7

ops, orwarding to Paul Kautz for his review instead of Bryan.

----Original Message----From: Jones, William V.

Sent: Tuesday, March 22, 2005 2:55 PM

To: 'Jerrys@mackenergycorp.com'

Cc: Arrant, Bryan; Gum, Tim; Sanchez, Daniel

Subject: Fee MA B #6 and #7

Hello Jerry:

I received your applications to inject today into these two wells and have reviewed them both.

Please send:

- 1) proof of notice to Southwestern Energy Production Company since they operate a well within 1/2 mile of both of your proposed injectors.
- 2) Clearly marked "before conversion" and "after conversion" wellbore diagrams
- 3) Have your geologist send a list of the depths of all formation tops within at least one of these wells especially the top and bottom of the Delaware and the Bone Spring.
- 4) Let me know if either of these wells had a DV tool installed in the casing, the depth of the tool, and if cement circulated below and above the tool.
- 5) Send all formation name(s) of produced waters to be injected into these wells.
- 6) Send water analysis on all waters from formations that are not identical to the injection interval(s).

I will also wait on Bryan Arrant's comments.

Thanks,

William V. Jones

Engineering Bureau

Oil Conservation Division

Santa Fe