

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-40881 30-025-40652
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-8272 VB-1421
7. Lease Name or Unit Agreement Name Colorado State & Utah State
8. Well Number 1 & 1
9. OGRID Number 013837
10. Pool Name or Wildcat Arkansas Junction; Bone Spring Arkansas Junction; San Andres

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR, USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Mack Energy Corporation	
3. Address of Operator P.O. Box 960 Artesia, NM 88210	
4. Well Location Unit Letter _____ feet from the _____ line and _____ feet from the _____ line Section 24 & 13 Township 18S Range 36E NMPM County Lea	
11. Elevation (Show whether DR, RKB, RT, GP etc.) Multiple	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: Surface Commingle/Off lease Storage ☒

SUBSEQUENT REPORT OF:

REMEDIALWORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: PLC-369 ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mack Energy Corporation as operator respectfully requests administrative approval for Off Lease Storage/Surface Commingle of production. It is requested that the Arkansas Junction; Bone Spring production from the Colorado State Lease and the Arkansas Junction; San Andres from the Utah State Lease be Commingled at the Utah State #1 TB located in Sec. 13 T18S R36E.

The tank battery is located in the NE/4 SW/4, Sec. 13 T18S R36E. Proper allocation for production of oil will be measured using testing facilities, gas will be metered separately at this TB. Mack Energy has made notification to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle. Interests in all pools on this leases are common.

Mack Energy is currently producing the Utah State #1 in the San Andres formation and the Colorado is scheduled to be drilled soon. A diagram of the TB facility will be attached. At this time we are requesting approval to Pool/Lease Commingle and Off Lease Storage of production from these leases.

Reviewed by [Signature] Recommend approval

Spud Date:

Rig Release Date:

3/25/13

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

[Signature]

TITLE Production Clerk

DATE 2/25/13

Type or print name Jerry W. Sherrell

E-mail address: jerrys@mec.com

PHONE: (575)748-1288

For State Use Only

*

APPROVED BY:

[Signature]

TITLE

Director

DATE

3/26/13

Conditions of Approval (if any):