

DATE IN 03/04/13	SUSPENSE	ENGINEER WS	LOGGED IN 03/05/13	TYPE SWD	APP NO. P PRG 1306430336
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NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



30-025-40650
Alaska State #1
Mack Energy

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

Request for Add.

Data & Summary Info.

2013 MAR -11 P 1:32
RECEIVED OGD

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☒ Offset Operators, Leaseholders or Surface Owner
[C] ☒ Application is One Which Requires Published Legal Notice
[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Deana Weaver
Print or Type Name

Deana Weaver
Signature

Production Clerk
Title

2.28.13
Date

dweaver@mec.com
e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X _____ Disposal _____ Storage
Application qualifies for administrative approval? X _____ Yes _____ No

II. OPERATOR: Mack Energy Corporation

ADDRESS: P.O. Box 960 Artesia, NM 88211-0960

CONTACT PARTY: Deana Weaver

PHONE: (575)748-1288

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____ Yes X _____ No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
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 (may be measured or inferred from existing literature, studies, nearby wells, etc.).

VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

X. Attach appropriate logging and test data on the well. (if well logs have been filed with the Division, they need not be resubmitted).

XI. Attach a chemical analysis of freshwater from two or more freshwater wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Deana Weaver

TITLE: Production Clerk

SIGNATURE: Deana Weaver

DATE: 2.28.13

* if the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted.
Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

VII. DATA SHEET: PROPOSED OPERATIONS

1. Proposed average and maximum daily rate and volume of fluids to be injected;
Respectively, 2000 BWPD and 4000 BWPD
2. The system is closed or open;
Closed
3. Proposed average and maximum injection pressure;
0-1940#
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: Dolomite
2. Geological Name; **Wolfcamp**
3. Thickness; **365'**
4. Depth; **8,458-8,823'**

IX. PROPOSED STIMULATION PROGRAM

1. To be treated with 10000 gallons 15% acid

X. LOGS AND TEST DATA

1. Well data will be filed with the OCD.

XI. ANALYSIS OF FRESHWATER WELLS

1. Will be forwarded, when complete.

Additional Information

Waters Injected: Bone Spring, San Andres


XII. AFFIRMATIVE STATEMENT

RE: Alaska SWD #1

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: 2/28/13



Chris Moreno, Geologist

INJECTION WELL DATA SHEET

OPERATOR: Mack Energy CorporationWELL NAME & NUMBER: Alaska SWD #1WELL LOCATION: 2310 FSL & 2310 FWL

FOOTAGE LOCATION

K

UNIT LETTER

35

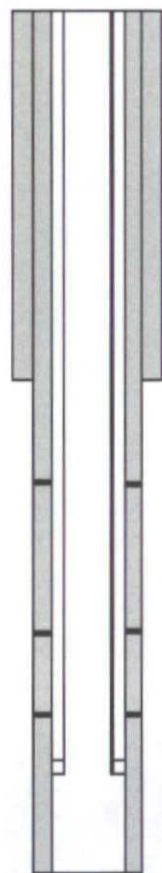
SECTION

18S

TOWNSHIP

36E

RANGE

WELLBORE SCHEMATIC

8 5/8 casing @ 1609', Cem w/ 810sx, circ

5 1/2 casing @ 8823', Cem w/ 1500sx, circ

Perfs from 7425-7497' squeezed w/
100sx Class HPerfs from 7816-7988' squeezed w/ 100sx
Class HPerfs from 8134.5-8223.5' squeezed w/
100 sx Class H2 7/8" PC tubing @ 8408'
set w/ 10K nickel plated pkr

Perfs from 8458-8823'

TD @ 8823'

WELL CONSTRUCTION DATASurface CasingHole Size: 12 1/4" Casing Size: 8 5/8" @ 1609'Cemented with: 810 sx. or _____ ftTop of Cement: Surface Method Determined: CirculatedIntermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. or _____ ft

Top of Cement: _____ Method Determined: _____

Production CasingHole Size: 7 7/8" Casing Size: 5 1/2" @ 8823'Cemented with: 1500 sx. or _____ ftTop of Cement: Surface Method Determined: CirculatedTotal Depth: 8823'Injection Interval8458' feet to 8823' Perforated

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEETTubing Size: 2 7/8" Lining Material: Plastic CoatedType of Packer: Halliburton Trump PackerPacker Setting Depth: 8408'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? ☐ Yes ☒ No

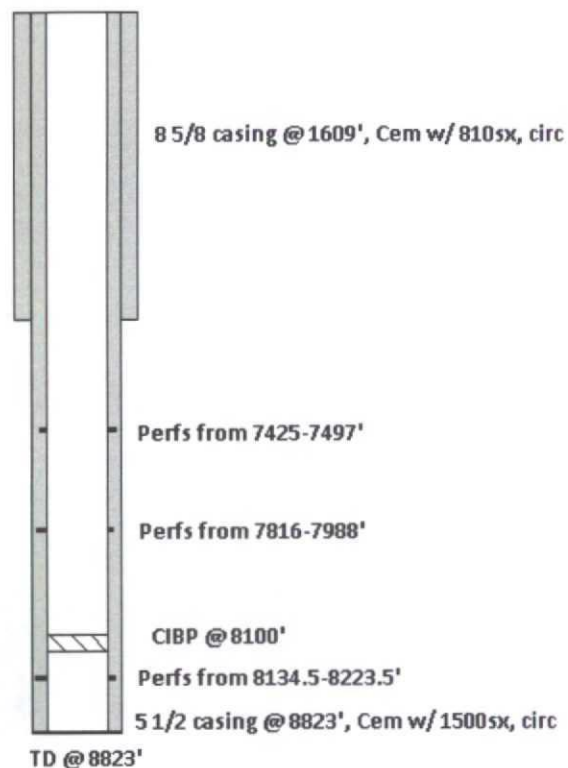
If no, for what purpose was the well originally drilled? Oil Well2. Name of the Injection Formation: Wolfcamp3. Name of Field or Pool (if applicable): SWD; Wolfcamp

4. 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. 7425-7497'squeezed w/100sx

Class H, 7816-7988' squeezed w/ 100sx Class H, and 8134.5-8223.5' squeezed w/ 100sx Class H

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Overlying- Bone Spring Underlying- None

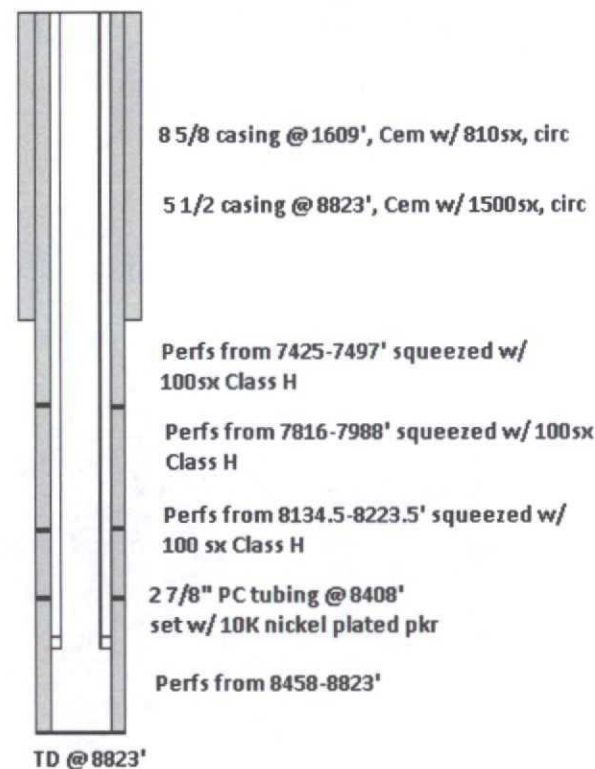
Before



Alaska SWD #1
30-025-40650
Sec. 35 T18S R36E
2310 FSL & 2310' FWL

Formation Tops:
Yates- 2941'
Seven Rivers-3297'
Grayburg-4436'
San Andres-4803'
Delaware- 5319'
Bone Springs- 6090'
Wolfcamp-8455'

After



CANNED

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40650	Pool Code 96135	Pool Name SDW; Wolfcamp
Property Code 39299	Property Name ALASKA SWD	Well Number 1
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3758'

Surface Location

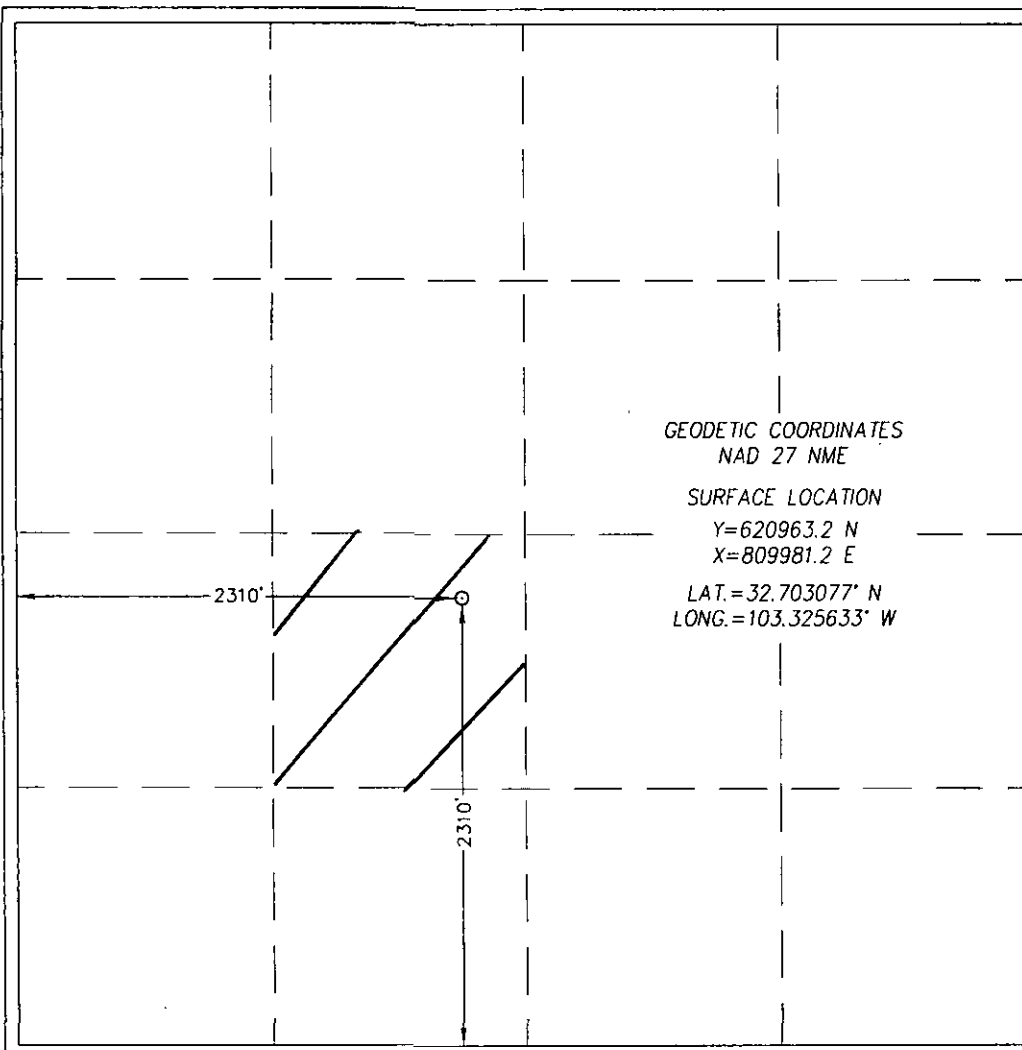
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	35	18-S	36-E		2310	SOUTH	2310	WEST	EDDY

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
									Lea

Dedicated Acres 40	Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Deana Weaver 2.28.13
Signature Date

Deana Weaver
Printed Name

dweaver@MEC.com
E-mail 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.

JUNE 10, 2012

Date of Survey
Signature & Seal of Professional Surveyor:

RONALD J. EIDSON
NEW MEXICO
3239
Professional Surveyor
Certificate Number Gary G. Eidson 12641
Ronald J. Eidson 3239
AF WSC W.O.: 12.11.0946

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87400
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OGD
FEB 07 2013

State of New Mexico
Energy, Minerals & Natural Resources

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

Form C-104
Revised Feb. 26, 2007

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

1. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator Name and Address Mack Energy Corporation P.O. Box 960 Artesia, NM 88210		2 OGRID Number 013837
3 Reason for Filing Code/ Effective Date Add Perforations		
4 API Number 30-0 25-40650	5 Pool Name Arkansas Junction; Bone Spring	6 Pool Code 2340
7 Property Code 39299	8 Property Name Alaska State	9 Well Number 1

II. Surface Location

UL or lot no. K	Section 35	Township 18S	Range 36E	Lot Idn	Feet from the 2310'	North/South line South	Feet from the 2310'	East/West line West	County Lea
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Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Lse Code S	Producing Method Code Pumping	Gas Connection Date 11/9/2012	C-129 Permit Number	16 C-129 Effective Date	19 C-129 Expiration Date				

III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 O/G/W
278421	Holly Marketing & Refining Co LLC P.O. Box 1600 Artesia, NM 88211-1600	O
24650	Targa Midstream Services 1000 Louisiana Ste 4700 Houston, TX 77002	G

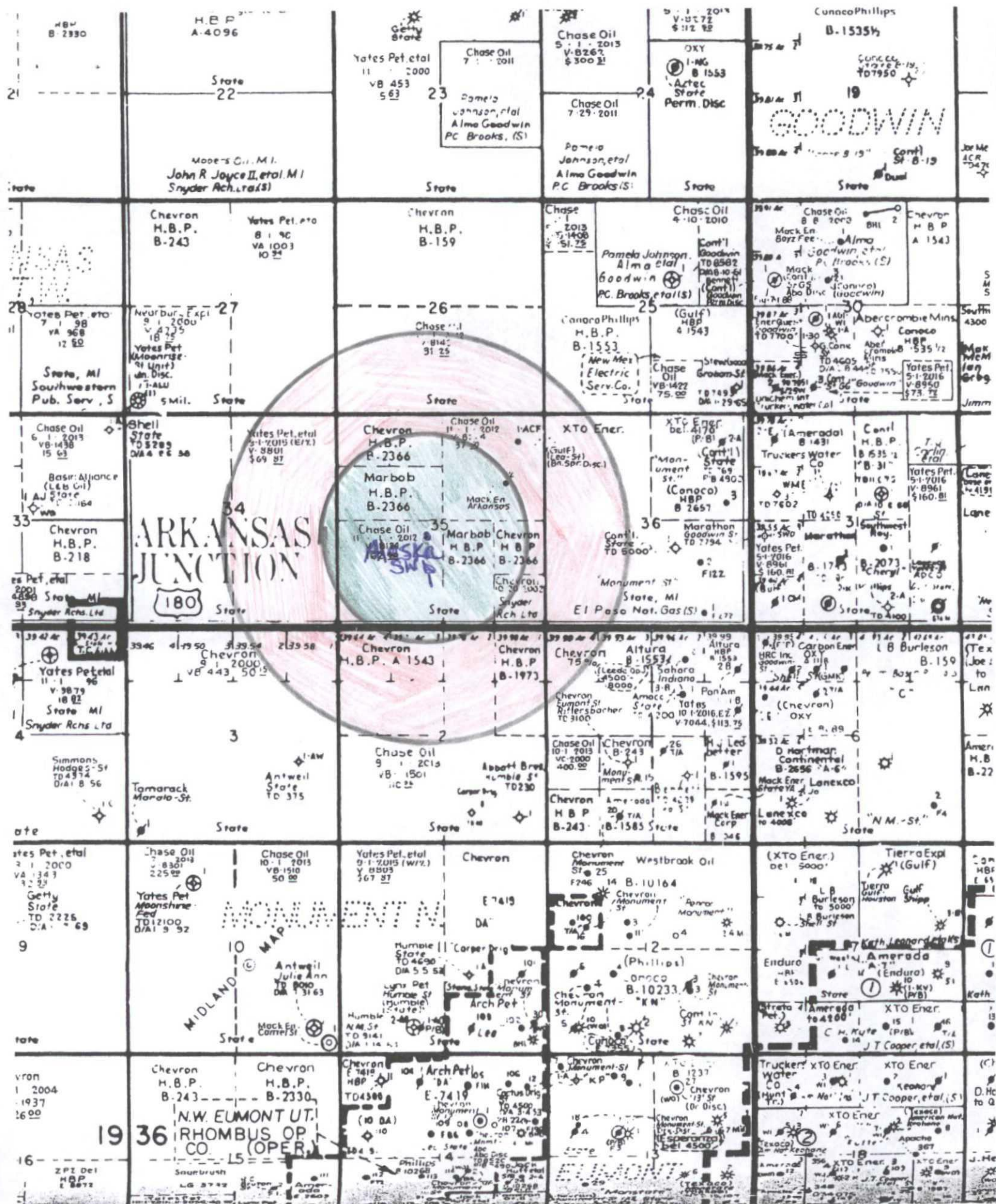
IV. Well Completion Data

21 Spud Date 1/4/2013	22 Ready Date 1/15/2013	23 TD 8823'	24 PBTD 8100'	25 Perforations 7425-7497'	26 DHC, MC
27 Hole Size 12 1/4	28 Casing & Tubing Size 8 5/8", J-55	29 Depth Set 1609'	30 Sacks Cement 810sx		
7 7/8	5 1/2", L-80	8823'	1500sx		
	2 7/8", L-80 (tubing)	8002'			

V. Well Test Data

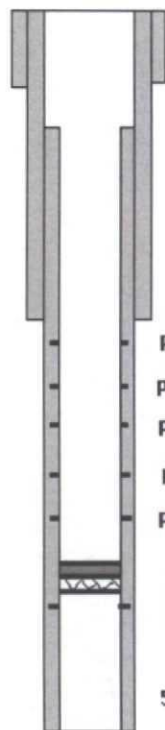
31 Date New Oil 1/19/2013	32 Gas Delivery Date 1/19/2013	33 Test Date 1/29/2013	34 Test Length 24 hours	35 Tbg. Pressure	36 Csg. Pressure
37 Choke Size 6	38 Oil	39 Water 94	40 Gas 9		41 Test Method Pumping
42 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief Signature: Deana Weaver			OIL CONSERVATION DIVISION Approved by: [Signature] Title: Petroleum Engineer		
Printed name: Deana Weaver			Approval Date: MAR 01 2013		
Title: Production Clerk					
E-mail Address: dweaver@mec.com					
Date: 2.5.13			Phone: 575-748-1288		

MAR 04 2013



AREA OF REVIEW WELL DATA

[illegible]



13 3/8" casing @ 459', Cem w/ 600sx, circ

9 5/8" casing @ 4500', Cem w/ 3000sx, circ

Perfs 4817-4932'

Perfs 5092-5104'

Perfs 5192-5268'

Perfs from 6067-6152'

Perfs from 6285-6320'

Perfs from 6562-6568'

CIBP @ 6501' w/ 35' cmt cap

5 1/2" casing @ 6698', Cem w/ 800sx, TOC @ 800'

TD @ 11,400'

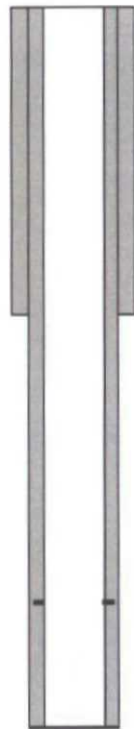
Arkansas State #1

30-025-28999

Sec. 35 T18S R36E

660' FNL & 660' FWI

Arkansas State #2
30-025-39078
Sec. 35 T18S R36E
1650' FNL 990' FEI



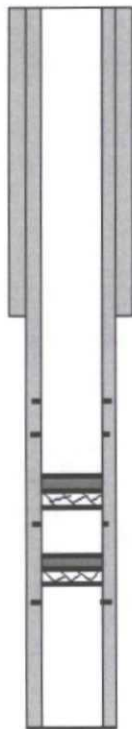
8 5/8" casing @ 1520', Cem w/ 615sx, circ

Perfs from 6302-6344'

5 1/2" casing @ 6506', Cem w/ 1150sx, circ

TD @ 6515'

Arkansas State #3
30-025-40563
Sec. 35 T18S R36E
2120' FNL & 330' FEL



8 5/8" casing @ 1610', Cem w/ 900sx, Circ

Perfs from 6492-6511'

Perfs from 6693-6714'

Perfs from 7670-7694'

CIBP @ 7550' w/ 35' cmt cap

Perfs from 7849.5-7921.5'

CIBP @ 7825' w/ 35' cmt cap

5 1/2" casing @ 8580', Cem w/ 1525sx, Circ

TD @ 8,580'



Catalyst Oilfield Services
11999 E Hwy 158
Gardendale, TX 79758
(432) 563-0727
Fax: (432) 224-1038

Water Analysis Report

Customer: Mack Energy Corporation Sample #: 11555
Area: Artesia Analysis ID #: 13403
Lease: Maddox
Location: FW 3 0
Sample Point: Water Truck

		Anions		Cations	
		mg/l	meq/l	mg/l	meq/l
Sampling Date:	1/31/2013	Chloride:	213.2	Sodium:	97.4
Analysis Date:	2/12/2013	Bicarbonate:	131.8	Magnesium:	0.0
Analyst:	Catalyst	Carbonate:		Calcium:	77.9
TDS (mg/l or g/m3):	559	Sulfate:	20.0	Potassium:	14.5
Density (g/cm3):	1.003			Strontium:	4.2
				Barium:	0.0
Hydrogen Sulfide:	0			Iron:	0.0
Carbon Dioxide:	0			Manganese:	0.000
Comments:		pH at time of sampling:	7		
		pH at time of analysis:			
		pH used in Calculation:	7		
		Temperature @ lab conditions (F):	75	Conductivity (micro-ohms/cm):	3110
				Resistivity (ohm meter):	3.2154

	Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		
°F	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	
80	-0.47	0.00	-2.25	0.00	-2.32	0.00	-1.79	0.00	0.00	0.00	
100	-0.33	0.00	-2.24	0.00	-2.25	0.00	-1.76	0.00	0.00	0.00	
120	-0.18	0.00	-2.22	0.00	-2.15	0.00	-1.73	0.00	0.00	0.00	
140	-0.01	0.00	-2.20	0.00	-2.03	0.00	-1.68	0.00	0.00	0.00	
160	0.15	2.80	-2.16	0.00	-1.89	0.00	-1.62	0.00	0.00	0.00	
180	0.33	6.31	-2.12	0.00	-1.74	0.00	-1.57	0.00	0.00	0.00	
200	0.51	9.81	-2.08	0.00	-1.58	0.00	-1.50	0.00	0.00	0.00	
220	0.70	13.66	-2.04	0.00	-1.41	0.00	-1.44	0.00	0.00	0.00	



Catalyst Oilfield Services
11999 E Hwy 158
Gardendale, TX 79758
(432) 563-0727
Fax: (432) 224-1038

Water Analysis Report

Customer: Mack Energy Corporation Sample #: 11556
Area: Artesia Analysis ID #: 13404
Lease: Maddox
Location: FW 1 0
Sample Point: Water Tank

		Anions		Cations	
		mg/l	meq/l	mg/l	meq/l
Sampling Date:	1/31/2013	Chloride:	155.0	Sodium:	63.5
Analysis Date:	2/12/2013	Bicarbonate:	131.8	Magnesium:	0.0
Analyst:	Catalyst	Carbonate:		Calcium:	75.8
TDS (mg/l or g/m3):	462.3	Sulfate:	20.0	Potassium:	12.0
Density (g/cm3):	1.003			Strontium:	4.2
				Barium:	0.0
Hydrogen Sulfide:	0			Iron:	0.0
Carbon Dioxide:	0			Manganese:	0.000
Comments:		pH at time of sampling:	7		
		pH at time of analysis:			
		pH used in Calculation:	7		
		Temperature @ lab conditions (F):	75	Conductivity (micro-ohms/cm):	694
				Resistivity (ohm meter):	14.4092

Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄	
°F	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	-0.46	0.00	-2.23	0.00	-2.30	0.00	-1.77	0.00	0.00	0.00
100	-0.32	0.00	-2.23	0.00	-2.23	0.00	-1.74	0.00	0.00	0.00
120	-0.17	0.00	-2.21	0.00	-2.13	0.00	-1.70	0.00	0.00	0.00
140	-0.01	0.00	-2.18	0.00	-2.02	0.00	-1.65	0.00	0.00	0.00
160	0.16	3.15	-2.15	0.00	-1.88	0.00	-1.60	0.00	0.00	0.00
180	0.34	6.66	-2.11	0.00	-1.73	0.00	-1.54	0.00	0.00	0.00
200	0.52	10.16	-2.07	0.00	-1.56	0.00	-1.48	0.00	0.00	0.00
220	0.71	13.66	-2.02	0.00	-1.39	0.00	-1.41	0.00	0.00	0.00



Catalyst Oilfield Services
11999 E Hwy 158
Gardendale, TX 79758
(432) 563-0727
Fax: (432) 224-1038

Water Analysis Report

Customer:	Mack Energy Corporation	Sample #:	11557
Area:	Artesia	Analysis ID #:	13405
Lease:	Maddox		
Location:	FW 2		0
Sample Point:	Water Tank		

		Anions		Cations	
		mg/l	meq/l	mg/l	meq/l
Sampling Date:	1/31/2013	Chloride:	344.2	Sodium:	133.0
Analysis Date:	2/12/2013	Bicarbonate:	151.2	Magnesium:	10.6
Analyst:	Catalyst	Carbonate:		Calcium:	239.3
TDS (mg/l or g/m3):	1226.7	Sulfate:	330.0	Potassium:	13.0
Density (g/cm3):	1.004			Strontium:	5.4
				Barium:	0.0
Hydrogen Sulfide:	0			Iron:	0.0
Carbon Dioxide:	0			Manganese:	0.000
Comments:		pH at time of sampling:	7		
		pH at time of analysis:			
		pH used in Calculation:	7		
		Temperature @ lab conditions (F):	75	Conductivity (micro-ohms/cm):	1782
				Resistivity (ohm meter):	5.6117

Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄	
°F	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	-0.09	0.00	-0.82	0.00	-0.89	0.00	-0.77	0.00	0.00	0.00
100	0.04	1.05	-0.82	0.00	-0.82	0.00	-0.75	0.00	0.00	0.00
120	0.18	4.20	-0.81	0.00	-0.73	0.00	-0.72	0.00	0.00	0.00
140	0.33	7.70	-0.78	0.00	-0.62	0.00	-0.68	0.00	0.00	0.00
160	0.49	11.20	-0.76	0.00	-0.48	0.00	-0.64	0.00	0.00	0.00
180	0.66	15.05	-0.72	0.00	-0.34	0.00	-0.59	0.00	0.00	0.00
200	0.83	18.90	-0.68	0.00	-0.18	0.00	-0.53	0.00	0.00	0.00
220	1.00	22.76	-0.64	0.00	-0.01	0.00	-0.47	0.00	0.00	0.00

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 water into the Alaska SWD #1 2310 FSL & 2310 FWL of Section 35, T18S R36E, NMPM, Lea County, New Mexico. The water will be injected into the Wolfcamp formation at a disposal depth of 8458-8823'. Water will be injected at a maximum surface pressure of 1940 pounds and a maximum injection rate of 4000 BWPD. Any interested party with questions or comments may contact Deana Weaver at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960 or call (575) 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.

Affidavit of Publication

State of New Mexico,
County of Lea.

I, JUDY HANNA
PUBLISHER

of the Hobbs News-Sun, a
newspaper published at Hobbs, New
Mexico, do solemnly swear that the
clipping attached hereto was
published in the regular and entire
issue of said newspaper, and not a
supplement thereof for a period

of 1 issue(s).

Beginning with the issue dated
February 03, 2013
and ending with the issue dated
February 03, 2013

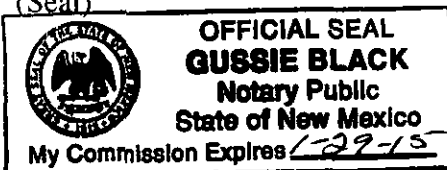

PUBLISHER

Sworn and subscribed to before me
this 4th day of
February, 2013



Notary Public

My commission expires
January 29, 2015
(Seal)



This newspaper is duly qualified to
publish legal notices or
advertisements within the meaning of
Section 3, Chapter 167, Laws of
1937 and payment of fees for said
publication has been made.

LEGAL	LEGAL
<p>Legal Notice February 3, 2013</p> <p>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 water into the Alaska SWD #1 2310 FSL & 2310 FWL of Section 35, T18S R36E, NMPM, Lea County, New Mexico. The water will be injected into the Wolfcamp formation at a disposal depth of 8458-8823'. Water will be injected at a maximum surface pressure of 1940 pounds and a maximum injection rate of 4000 BWPD. Any interested party with questions or comments may contact Deanna Weaver at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960 or call (575) 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.</p> <p>#27875</p>	

67100900

00108322

ATTN: SHAWN
MACK ENERGY CORPORATION
PO BOX 960
ARTESIA,, NM 88211-0960



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3840
RETURN RECEIPT REQUESTED

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert this well into a water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

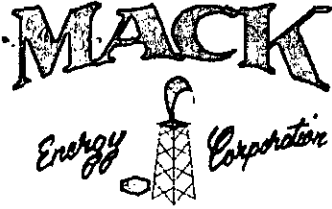
Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DW

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3857
RETURN RECEIPT REQUESTED

ABO Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DW

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3864
RETURN RECEIPT REQUESTED

Myco Industries, Inc.
105 S. 4th Street
Artesia, NM 88210

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DWM

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3871
RETURN RECEIPT REQUESTED

Oxy Y-1
P.O. Box 27570
Houston, TX 77227-7570

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DW

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3888
RETURN RECEIPT REQUESTED

Chevron USA Inc.
1400 Smith Street
Houston, TX 77002

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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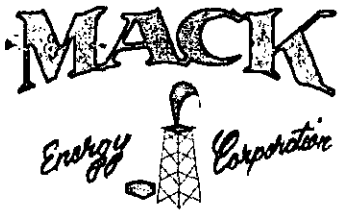
Sincerely,

MACK ENERGY CORPORATION


Deana Weaver
Production Clerk

DW

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3895
RETURN RECEIPT REQUESTED

Conoco, Inc.
P.O. Box 2197
Houston, TX 77252

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DW

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3901
RETURN RECEIPT REQUESTED

V.A. Isaacs, JR., LLC
5 Inverness Drive East
Englewood, CO 80112

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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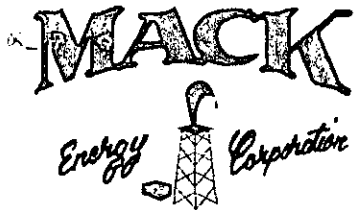
Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DWM

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3918
RETURN RECEIPT REQUESTED

S&S Energy, Inc
6106 Post Oak Court
Spring, TX 77379

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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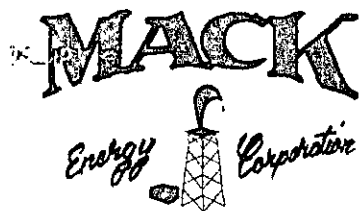
Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DW

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3925
RETURN RECEIPT REQUESTED

Trousil & Associates, Inc.
777 29th St., Suite 201
Boulder, CO 80303

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DWM

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3932
RETURN RECEIPT REQUESTED

Grace Lam
5787 South Kenton Street
Englewood, CO 80111

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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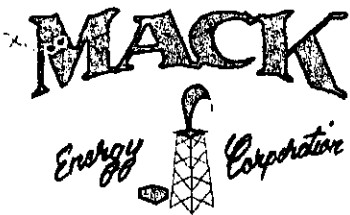
Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DW

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3949
RETURN RECEIPT REQUESTED

Golden State Energy Corporation
359 Franklin Street
San Mateo, CA 94402

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION


Deana Weaver
Production Clerk

DWM

Attachments



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

February 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 8949 3956
RETURN RECEIPT REQUESTED

Hands LLC
2319 Imperial Clayton Lake
Sugarland, TX 77478

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DW

Attachments

Injection Permit Checklist: Received 3/4/13 First Email Date: 3/25/13 Final Reply Date: 4/3/13 Final Notice Date: 06/03/2013

Issued Permit: Type: WFX / PMX (SWD) Number: 1422 Permit Date 06/04/13 (Legacy Permit: NA)

Wells 1 Well Name(s): Alaska State

API Num: 30-0 25-40650 Spud Date: 8/31/13 New/Old: N (UIC CI II Primacy March 7, 1982)

Footages 2310 FSL / 2310 FWL Lot — Unit K Sec 35 Tsp 18S Rge 36E County Lea

General Location/Pool Area: Arkansas Junction / ~11 miles west of Hobbs - on

Operator: Mack Energy 3 wells / up to 300 Contact Deana Weaver 06/03/2013

OGRID: 13837 RULE 5.9 (Inactive Wells) 3 Total Wells 408 (Fincl Assur) Yes Compl. Order? No IS 5.9 OK? OK

Well File Reviewed X Current Status: Uneconomical producer Bone Spring Perm Gas in area 7425-7497 7816-7988 8134.5-8223.5

Planned Rehab Work to Well: 3 sets of Perfs to be squeezed

Well Diagrams: Before Conversion X After Conversion X Are Elogs in Imaging?: —

Well Details:	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned <u>—</u> or Existing <u>—</u> Cond	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Planned <u>—</u> or Existing <u>X</u> Surface	<u>12 1/4 / 8 3/8</u>	<u>0 to 1609</u>	<u>—</u>	<u>810</u>	<u>Surface</u>
Planned <u>—</u> or Existing <u>—</u> Interm	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Planned <u>—</u> or Existing <u>X</u> LongSt	<u>7 7/8 / 5 1/2</u>	<u>0 to 8823</u>	<u>—</u>	<u>1500</u>	<u>Circulate to s of</u>
Planned <u>—</u> or Existing <u>—</u> Liner	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Planned <u>X</u> or Existing <u>—</u> OH / PERF	<u>5 1/2</u>	<u>8458 to 8823</u>	<u>—</u>	<u>—</u>	<u>—</u>

Depths/Formations:	Depths (ft)	Formation	Tops?	Construction / Ops Details:
Above Top of Inject Formation	<u>+23</u>	<u>Delaware Sd</u>	<u>5319</u>	Drilled TD <u>8823</u> PBDT <u>—</u>
Above Top of Inject Formation	<u>+3</u>	<u>Bone Spring</u>	<u>6090</u>	Tubing Size <u>2 7/8</u>
Proposed Interval TOP:	<u>8458</u>	<u>Wolfcamp</u>	<u>8455</u>	Open Hole <u>—</u> or Perfs <u>X</u>
Proposed Interval BOTTOM:	<u>8823</u>	<u>Wolfcamp</u>	<u>—</u>	Proposed Packer Depth <u>8408</u>
Below Bottom of Inject Formation	<u>-7</u>	<u>Cisco</u>	<u>8830</u>	Max Packer Depth <u>8358</u> (100 ft limit)
Below Bottom of Inject Formation	<u>—</u>	<u>—</u>	<u>—</u>	Proposed Max. PSI <u>1946</u> <u>1692 - calc,</u>
				Calc. FPP <u>—</u> (0.65 psi per ft)

Hydrologic - Geologic Information for AOR

Capitan Reef? (in N thru N) Potash? N Noticed? N WIPP? N Noticed? N Salado Top — Bot — Cliff House? N/A

Fresh Water: Max Depth: 3600 Base of galena 175 to 180' bed Wells? Analysis? Hydrologic Affirm Statement Yes

Disposal Fluid: Formation Source(s) Bone Springs / San Andres On Lease Only from Operator X or Commercial —

Disposal Interval: Protectable Waters? N H/C Potential: Log X / Mudlog — / DST — / Tested — / Depleted — Other —

NOTICE: Newspaper Date Feb 3 2013 Mineral Owner State Surface Owner State N. Date —

RULE 26.7(A) Identified Tracts? Y Affected Persons: Yates / Mco Petro / Myco / Oxy / Conoco / VA / Issacs / 1 / chevron N. Date 02/28/2013

AOR: 1/2 M-Radius Maps? Y Well List? Y Producing in Interval? NO Formerly Produced in Interval? NO

Penetrating Wells: No. Active Wells 3 Num Repairs? 0 on which well(s)? —

Penetrating Wells: No. P&Aed Wells 0 Num Repairs? 0 on which well(s)? — Diagrams? —

Permit Conditions: CBL after squeezing perfs

Issues: —

Issues: —

Issues: —

Injection Permit Checklist: Received 3/4/13 First Email Date: 3/25/13 Final Reply Date: _____ Final Notice Date: _____

Issued Permit: Type: WFX/PMX/SWD Number: _____ Permit Date: _____ (Legacy Permit: _____)

Wells 1 Well Name(s): ALASKA STATE #1

API Num: 30-0 25-40650 Spud Date: 8/31/12 New/Old: N (UIC CI II Primacy March 7, 1982)

Footages 2310 FSW/FWL Lot _____ Unit K Sec 35 Tsp 18S Rge 36E County LEA

General Location or Pool Area: _____ at LIMIT?

Operator: Mack Energy CORP. Contact: Deanna Weaver

OGRID: 013837 RULE 5.9 Compliance (Wells) 5/412 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed ✓ Current Status: B/S Producer 8434-824 7816-7988

Planned Work to Well: 592 / Drill out PLWC / Perf / DISPOSE

Diagrams: Before Conversion ✓ After Conversion ✓ Are Elogs in Imaging?: ✓ will be added

Well Details:	Sizes Hole.....Pipe	Setting Depths	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned ___ or Existing ___ Surface	<u>12 1/4 - 8 5/8</u>	<u>1609'</u>		<u>810 SX</u>	<u>CIRC</u>
Planned ___ or Existing ___ Interm					
Planned ___ or Existing ___ LongSt	<u>7 7/8 - 5 1/2</u>	<u>8823'</u>		<u>1500 SX</u>	<u>CIRC</u>
Planned ___ or Existing ___ Liner					
Planned ___ or Existing ___ OpenHole					

Depths/Formations:	Depths, Ft.	Formation	Tops?
Above			
Above	<u>8455</u>	<u>WC</u>	<u>✓</u>
Proposed Interval TOP:	<u>8458</u>	<u>WC</u>	
Proposed Interval BOTTOM:	<u>8823</u>	<u>WC</u>	
Below			
Below			

Max. PSI 1692 OpenHole _____ Perfs ✓
Tubing Size 2 7/8 Packer Depth _____

Capitan Reef? (In- / thru) _____ Potash? _____ Noticed? _____ BWIPP? _____ Noticed? _____ Salado Top 1694' Bot 2902' Oil House? _____

Fresh Water: MaxDepth: _____ FW Formation _____ Wells? yes Analysis? ✓ Affirmative Statement ✓

Disposal Fluid: Formation Source(s) BS / SA On Lease _____ Only from Operator _____ or Commercial _____

Disposal Interval: Protectable Waters? NO H/C Potential ✓ Log ✓ Mudlog _____ /DST _____ /Tested _____ /Depleted _____ Other _____

Notice: Newspaper Date 2/3/13 Mineral Owner SLO Surface Owner SLO N. Date _____

RULE 26.7(A) Identified Tracts? _____ Affected Persons: YPC / APB / RYC / GXY - 1 / Chem / Co N. Date 2/28/13

AOR: Maps? ✓ Well List? ✓ Producing in Interval? NO Formerly Produced in Interval? NO

Penetrating.....No. Active Wells 3 Num Repairs? 0 on which well(s)? _____

Penetrating.....No. P&Aed Wells 0 Num Repairs? 0 on which well(s)? _____ Diagrams? ✓

Permit Conditions: _____

Issues: _____

Issues: _____

Issues: _____

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, March 25, 2013 6:40 PM
To: Deana Weaver (dweaver@mec.com)
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G. (twarnell@slo.state.nm.us); Kautz, Paul, EMNRD
Subject: Disposal application from Mack Energy Corp: Alaska State Well No. 1 30-025-40650 Wolfcamp perms from 8458 to 8823 feet
Attachments: NoticeExample_MapView_EddyNM_NASH_53_SWD.pdf

Hello Deana,
Just reviewed this application – thank you for sending.

As far as Rule 5.9, it appears Mack Energy Corp has 5 inactive wells at this time – which is still OK for us to release SWD permits, but at the limit.

Have a few, hopefully easy requests,

- a. Would you ask your geologist to estimate the depth to the top of the Cisco in this area?
- b. You seem to be abandoning a producing well in order to use it for SWD. Would you send a production plot of the Bone Spring production in this well and mark on the plot the perforation depths producing at each time interval?
- c. Some language as to whether the well is uneconomic or not would help us to know whether waste is occurring due to this conversion.
- d. You noticed a lot of folks, but I didn't see a proof of notice to the State Land Office (surface and mineral owner) – would you please send?
- e. Also please identify the separately owned tracts of land (at Wolfcamp depths) within the ½ mile AOR and list the owners of each of these tracts. I am attaching an example of one (optional) way to show this.

Thank You in advance,

William V. Jones, P.E.
505-476-3448W 505-476-3462F
Engineering Bureau, Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Goetze, Phillip, EMNRD

From: Deana Weaver <dweaver@mec.com>
Sent: Wednesday, April 03, 2013 9:50 AM
To: Jones, William V., EMNRD
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G.; Kautz, Paul, EMNRD; Jerry Sherrell
Subject: RE: Disposal application from Mack Energy Corp: Alaska State Well No. 1 30-025-40650 Wolfcamp perms from 8458 to 8823 feet
Attachments: 04032013Alaska SWD #1025520.pdf

Will

Please see information below and attached. Let me know if you need else.

Thank you
Deana Weaver
Mack Energy Corporation

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]
Sent: Monday, March 25, 2013 6:40 PM
To: Deana Weaver
Cc: Ezeanyim, Richard, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G.; Kautz, Paul, EMNRD
Subject: Disposal application from Mack Energy Corp: Alaska State Well No. 1 30-025-40650 Wolfcamp perms from 8458 to 8823 feet

Hello Deana,
Just reviewed this application – thank you for sending.

As far as Rule 5.9, it appears Mack Energy Corp has 5 inactive wells at this time – which is still OK for us to release SWD permits, but at the limit.

Have a few, hopefully easy requests,

- a. Would you ask your geologist to estimate the depth to the top of the Cisco in this area?
Estimated top of Cisco is 8830'.
- b. You seem to be abandoning a producing well in order to use it for SWD. Would you send a production plot of the Bone Spring production in this well and mark on the plot the perforation depths producing at each time interval?
See attached
- c. Some language as to whether the well is uneconomic or not would help us to know whether waste is occurring due to this conversion.
Attached is an Aries Economic run of the Alaska State #1. This run shows that the Alaska will no longer be Economic by 09/2013 due to low production volumes, rapid decline, and high water disposal costs.
Also by converting this well to an SWD it will allow MEC to more economically produce offsetting wells by lowering the water disposal cost.
- d. You noticed a lot of folks, but I didn't see a proof of notice to the State Land Office (surface and mineral owner) – would you please send?

See attached

- e. Also please identify the separately owned tracts of land (at Wolfcamp depths) within the ½ mile AOR and list the owners of each of these tracts. I am attaching an example of one (optional) way to show this.

See attached

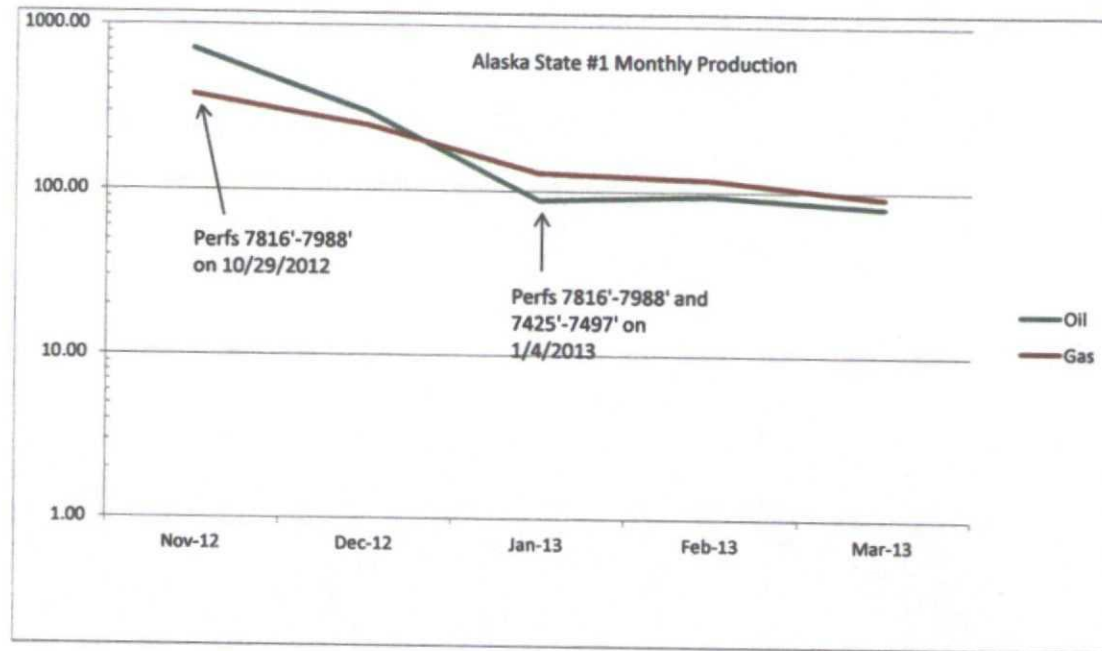
Thank You in advance,

William V. Jones, P.E.

505-476-3448W 505-476-3462F
Engineering Bureau, Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Alaska State #1 Monthly Production

Prod Date	Oil Volume	Gas Volume
Nov-12	708.00	376.00
Dec-12	298.00	247.00
Jan-13	88.00	128.00
Feb-13	94.00	117.00
Mar-13	80.00	91.00



Alaska #1 Aries Economics.txt

ALASKA STATE 1
 DATE : 03/28/2013
 MACK ENERGY CORPORATION
 TIME : 11:03:51
 ANKANSAS JUNCTION (BONE SPRING)
 DBS : CGA5083
 LEA, NM
 SETTINGS : SETDATA
 ASN=3427 PDP
 SCENARIO : CHASE
 API: 300254065000 CODE:

RESERVES AND ECONOMIC

S

AS OF DATE: 01/2013

--END--	GROSS OIL	GROSS GAS	NET OIL	NET GAS	NET OIL	NET GAS
MO-YEAR	NET PRODUCTION	NET PRODUCTION	NET PRODUCTION	PRODUCTION	PRICE	PRICE
	OIL SALES	GAS SALES	NET SALES			
	---MMBLS---	---MMCF---	---MMBLS---	---MMCF---	---\$/BBL---	
	---M\$---	---M\$---	---M\$---			
01-2013	0.000	0.000	0.000	0.000	0.000	
0.000	0.000	0.000	0.000	0.000	0.000	
02-2013	0.000	0.000	0.000	0.000	0.000	
0.000	0.000	0.000	0.000	0.000	0.000	
03-2013	0.087	0.066	0.060	0.045	89.690	
5.134	5.404	0.233	5.636	0.043	89.690	
04-2013	0.082	0.062	0.057	0.041	89.690	
5.134	5.094	0.221	5.314	0.039	89.690	
05-2013	0.078	0.059	0.054	0.038	89.690	
5.134	4.824	0.210	5.035			
06-2013	0.074	0.057	0.051			
5.134	4.588	0.201	4.789			
07-2013	0.071	0.054	0.049			
5.134	4.379	0.193	4.572			
08-2013						
09-2013						
10-2013						
11-2013						
12-2013						
12-2014						
12-2015						
12-2016						
S TOT	0.392	0.298	0.271	0.206	89.690	
5.134	24.289	1.057	25.346			
AFTER	0.000	0.000	0.000	0.000	0.000	
0.000	0.000	0.000	0.000			
TOTAL	0.392	0.298	0.271	0.206	89.690	
5.134	24.289	1.057	25.346			

--END--	AD VALOREM	PRODUCTION	DIRECT OPER	INTEREST	CAPITAL	EQUITY
MO-YEAR	FUTURE NET	CUMULATIVE	CUM. DISC.	PAID	REPAYMENT	
INVESTMENT	TAX CASHFLOW	TAX CASHFLOW	EXPENSE CASHFLOW			
	---M\$---	---M\$---	---M\$---	---M\$---	---M\$---	
	---M\$---	---M\$---	---M\$---			

Alaska #1 Aries Economics.txt

01-2013	0.000	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.000	0.000	0.000
02-2013	0.000	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.000	0.000	0.000
03-2013	0.000	0.469	4.037	0.000	0.000
0.000	1.129	1.129	1.107	0.000	0.000
04-2013	0.000	0.443	4.037	0.000	0.000
0.000	0.834	1.963	1.918	0.000	0.000
05-2013	0.000	0.419	4.037	0.000	0.000
0.000	0.578	2.541	2.476	0.000	0.000
06-2013	0.000	0.399	4.037	0.000	0.000
0.000	0.353	2.894	2.814	0.000	0.000
07-2013	0.000	0.381	4.037	0.000	0.000
0.000	0.154	3.048	2.959		
08-2013					
09-2013					
10-2013					
11-2013					
12-2013					

12-2014					
12-2015					
12-2016					

S TOT	0.000	2.111	20.187	0.000	0.000
0.000	3.048	3.048	2.959		
AFTER	0.000	0.000	0.000	0.000	0.000
0.000	0.000	3.048	2.959		
TOTAL	0.000	2.111	20.187	0.000	0.000
0.000	3.048	3.048	2.959		

	P.W. %	OIL P.W., M\$	GAS
GROSS WELLS		1.0	0.0
0.58	5.00	3.002	
GROSS ULT., MB & MMF		0.392	0.298
10.00	10.00	2.959	
GROSS CUM., MB & MMF		0.000	0.000
0.00	15.00	2.919	
GROSS RES., MB & MMF		0.392	0.298
0.00	20.00	2.881	
NET RES., MB & MMF		0.271	0.206
0.00	25.00	2.845	
NET REVENUE, M\$		24.289	1.057
0.00	30.00	2.812	
INITIAL PRICE, \$		89.690	5.134
100.00	40.00	2.749	
INITIAL N.I., PCT.		69.062	69.062
85.000	60.00	2.639	

80.00	2.546
100.00	2.467

LIFE, YRS.

DISCOUNT %

UNDISCOUNTED PAYOUT, YRS.

DISCOUNTED PAYOUT, YRS.

UNDISCOUNTED NET/INVEST.

DISCOUNTED NET/INVEST.

RATE-OF-RETURN, PCT.

INITIAL W.I., PCT.



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

April 03, 2013

VIA CERTIFIED MAIL 7012 1010 0002 5887 2976
RETURN RECEIPT REQUESTED

Commissioner of Public Lands
PO Box 1148
Santa Fe, NM 87504-1148

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 8458-8823'. The Alaska SWD #1 located 2310 FSL & 2310 FWL, Sec. 35 T18S R36E, Lea County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert this well into a water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

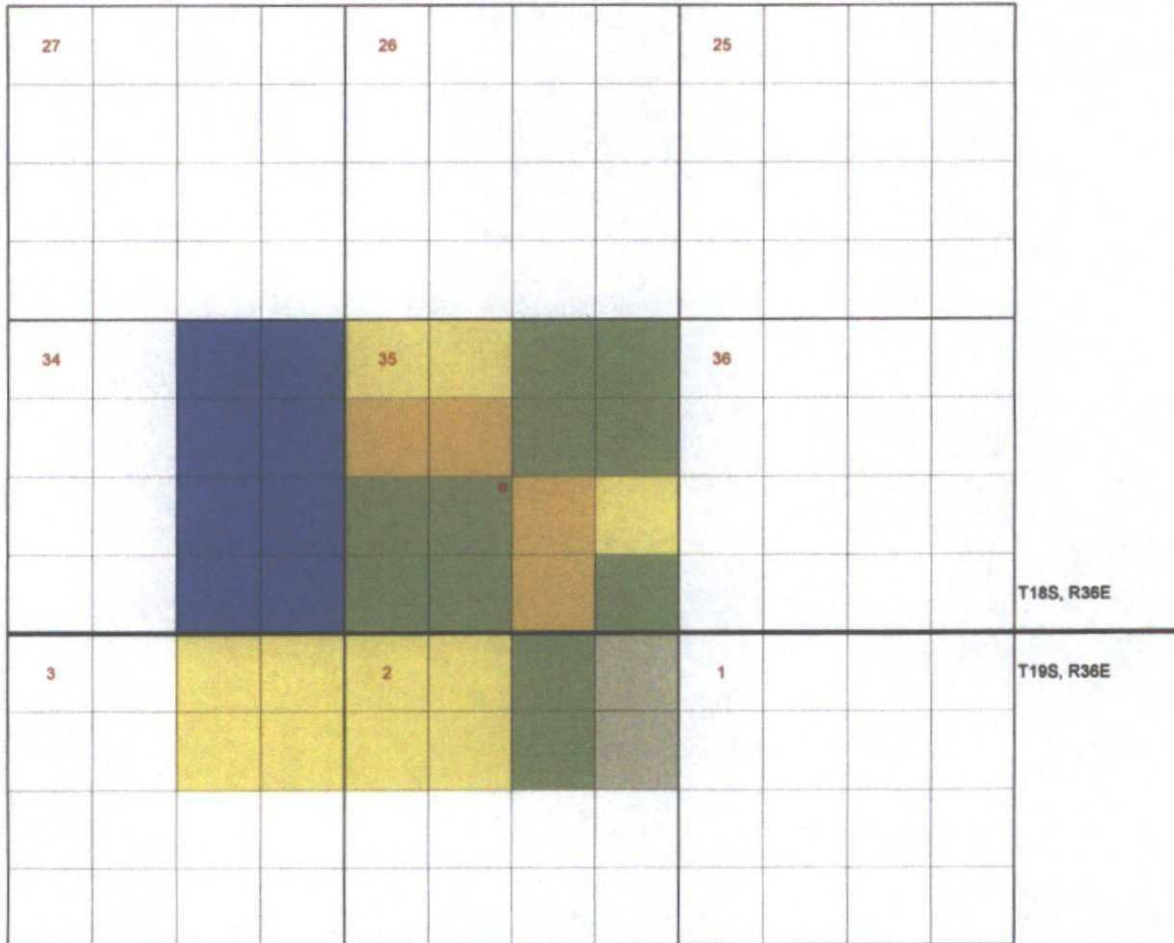
MACK ENERGY CORPORATION

Deana Weaver
Production Clerk

DWM

Attachments

Disposal Application
Mack Energy Corporation
Alaska State No. 1 (30-025-40850)
Wolfcamp Perfs from 8458' to 8823'
T18S, R36E, Section 35
Lea County, New Mexico



●	Alaska State No. 1 (2310 FSL & 2310 FWL)
■	Chase Oil Corporation Robert C. Chase Ventana Minerals, LLC DialKan Minerals, LLC
■	Yates Petroleum Corporation ABO Petroleum Corporation MYCO Industries, Inc. Oxy Y-1

■	Chevron U.S.A. Inc.
■	Conoco, Inc. V.A. Isaacs, Jr., LLC S&S Energy, Inc. Grace Lam
■	Trousil & Associates, Inc. Golden State Energy Corp.
■	Hands, LLC

Goetze, Phillip, EMNRD

From: Jones, William <wjones@slo.state.nm.us>
Sent: Tuesday, June 04, 2013 1:12 PM
To: Jerry Sherrell; jerrys@mackenergycorp.com
Cc: Jaramillo, Nick; Goetze, Phillip, EMNRD; Warnell, Terry G.; Martinez, Pete; Manning, Stephen; Holm, Anchor E.
Subject: SWD Application from Mack: Alaska State #1

Hey Jerry:

Your Land guys are probably already on top of this.

Would you forward this message (see below) to Ron Lanning or whomever your landman is at Mack?

Take Care,

Will Jones
State Land Office

From: Holm, Anchor
Sent: Tuesday, June 04, 2013 12:46 PM
To: Jones, William
Subject: RE: Anyone Have An Objection at SLO?

Will,

I have reviewed this Well. It is currently producing from the Bone Spring with perms at 7425' to 7497'. It is on the 160 acre SLO Lease No. V08124-0000, and is the only producing well on that lease. This well was put on production on 11-6-2012 and is showing a significant decline (see spreadsheet printout)

If this well is converted to SWD for produced water, the Lease will be Expired as of the last day of oil and gas production. Mack will need to get a business lease in place with commercial (surface) for off-lease SWD. (See: the documents I have put in your In Box for details on current production decline etc.)

Anchor Holm

GeoScientist/Petroleum Engineering Specialist
NM State Land Office
Oil, Gas and Minerals Division
P.O. Box 1148
310 Old Santa Fe Trail
Santa Fe, NM 87504-1148
Ph. 505-827-5759
aholm@slo.state.nm.us

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