

Submitt 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
May 27, 2004

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

WELL API NO. 30-015-34069
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. V-5665
7. Lease Name or Unit Agreement Name Southern Cross 15 State
8. Well Number 3Y
9. OGRID Number 013837
10. Pool name or Wildcat Penasco Draw; Permo Penn (Gas)

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 ☐ Gas Well ☒ Other ☐

2. Name of Operator
Mack Energy Corporation

3. Address of Operator
P. O. Box 960 Artesia, NM 88211-0960

4. Well Location
Unit Letter G 1980 feet from the North line and 1980 feet from the West line
Section 15 Township 18S Range 24E NMPM County Eddy

5. Elevation (Show whether DR, RKB, RT, GR, etc.)
3751' GR

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type Drilling/Workover Depth Groundwater 516' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 1000 bbls; Construction Material

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: <u>Drill Horizontal</u> ☒		OTHER: <u></u> ☐	

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.

Southern Cross 15 State #3Y Horizontal
Surface Location: 1980 FNL & 1980 FWL BHL: 660 FNL & 660 FWL
Sec. 15-T18S-R24E

Drilling Procedure:

1. MIRU Mack Energy Completion Unit, POH with tubing & packer. Rig Up Schlumberger, RIH with CIBP and set at +-6250 at top of the Cisco Formation. RIH with Whipstock Assembly, run Gyro, orient direction to Northwest.
2. Move off Mack Energy Unit, MIRU L & M #3. RIH w/6 1/8" mill, mill 5 1/2" casing through window. RIH w/Scientific Drilling directional equipment, drill formation along designated path (See attached)
3. TD well, POH, ready for completion.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further 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) alternative OCD-approved plan ☐

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 2/20/2006

Type or print name Jerry W. Sherrell E-mail address: jerrys@mackenergycorp.com Telephone No. (505)748-1288

For State Use Only

APPROVED BY: Jerry W. Sherrell TITLE Production Clerk DATE FEB 21 2006

Conditions of Approval (if any):

State of New Mexico

DISTRICT I

1625 N. FRENCH DR., HOBBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

Revised JUNE 10, 2003

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

1220 SOUTH ST. FRANCIS DR.

State Lease - 4 Copies

Santa Fe, New Mexico 87505

Fee Lease - 3 Copies

DISTRICT III

1000 Rio Brazos Ed., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-34069	Pool Code 82775	Pool Name Penasco Draw Permo Penn (Gas)
Property Code 34001	Property Name SOUTHERN CROSS 15 STATE	Well Number 3Y
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3751'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	15	18-S	24-E		1980	NORTH	1930	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
D	15	18S	24E		660	North	660	West	Eddy

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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 the the information contained herein is true and complete to the best of my knowledge and belief. <i>Jerry W. Sherrell</i> Signature Jerry W. Sherrell Printed Name Production Clerk Title 2/14/2006 Date 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. FEBRUARY 28, 2005 Date Surveyed REV. 4/13/05 JR Signature & Seal Professional Surveyor <i>GARY E. ELLISON</i> GARY E. ELLISON NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 05.13.0620 Certificate No. GARY, ELLISON 12841
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Field: Sec. 15, T18S-R24E (Southern Cross 15 State #3Y)
Site: Eddy County, NM
Well: Southern Cross 15 State #3Y
Wellpath: OH
Plan: Plan #1

Mack Energy, Corp.

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	6058.60	0.00	0.00	6058.60	0.00	0.00	0.00	0.00	0.00	
3	6315.12	91.30	316.11	6345.00	211.14	-203.14	20.00	316.11	292.99	PBHL #3Y
4	8054.27	91.30	316.11	6310.00	1320.00	-1270.00	0.00	0.00	1831.75	PBHL #3Y

WELL DETAILS

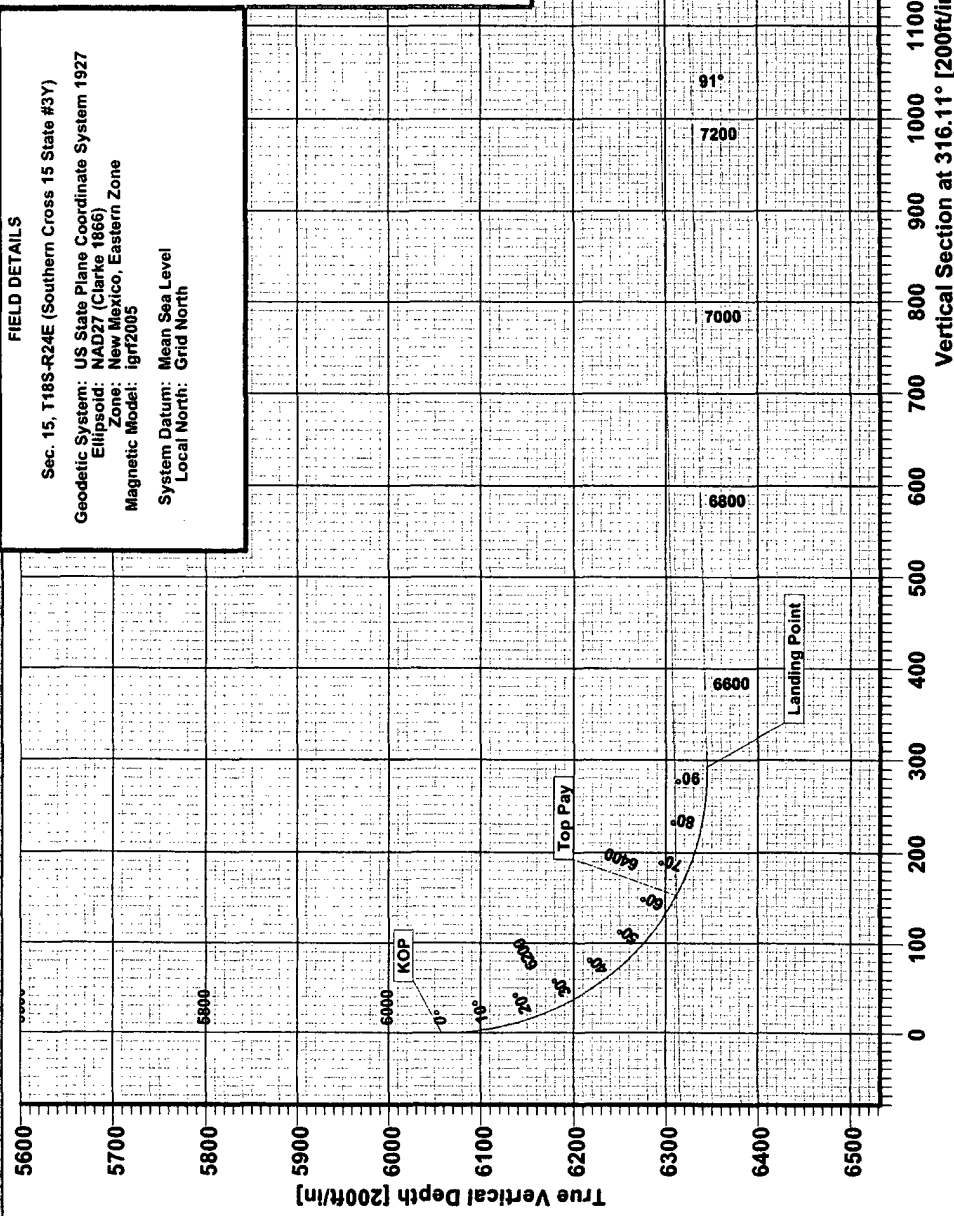
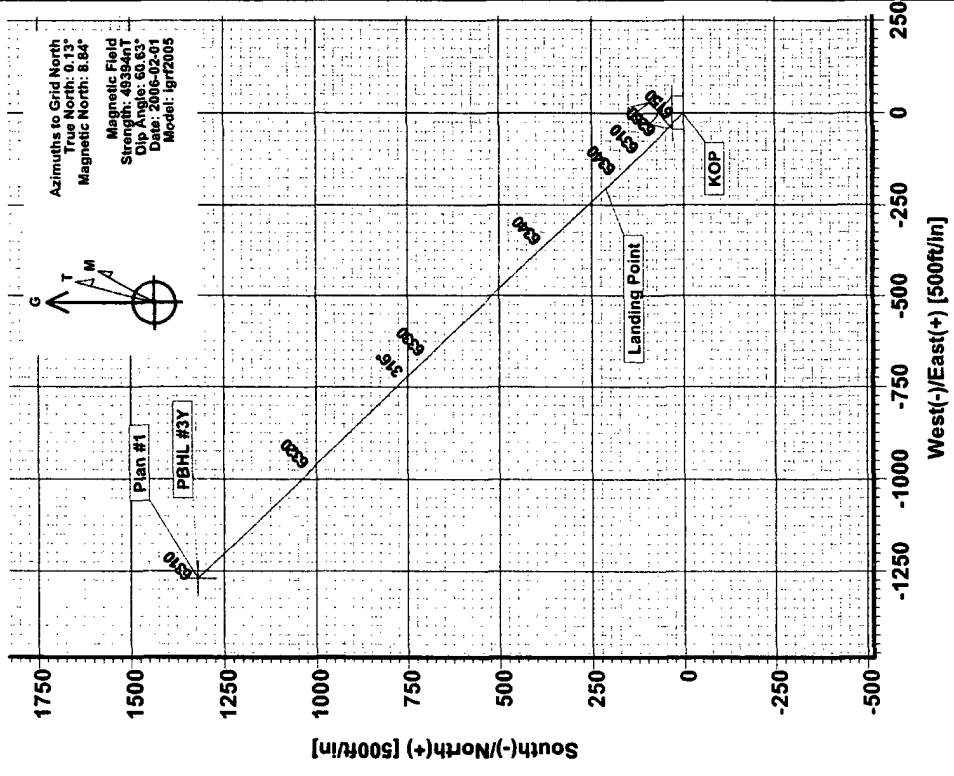
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
Southern Cross 15 State #3Y	0.00	0.00	636715.900	424714.900	32°45'00.672N	104°34'41.545W	N/A

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL #3Y	6310.00	1320.00	-1270.00	638035.900	423444.900	Point

FIELD DETAILS

Sec. 15, T18S-R24E (Southern Cross 15 State #3Y)
Geodetic System: US State Plane Coordinate System 1927
Ellipsoid: NAD27 (Clarke 1866)
Zone: New Mexico, Eastern Zone
Magnetic Model: IGR2005
System Datum: Mean Sea Level
Local North: Grid North





Date: 2006-02-01 Time: 13:01:35 Page: 1
Co-ordinate(NE) Reference: Well: Southern Cross 15 State #3Y
Vertical (TVD) Reference: GL=3751, KB=3767 3767.0
Section (VS) Reference: Well (0.00N,0.00E,316.11Azi)
Plan: Plan #1

Map Zone: New Mexico, Eastern Zone
Coordinate System: Well Centre
Geomagnetic Model: igrf2005

Well: Southern Cross 15 State #3Y				Slot Name:			
Well Position:	+N-S	0.00 ft	Northing:	636715.900 ft	Latitude:	32 45	0.672 N
	+E-W	0.00 ft	Easting :	424714.900 ft	Longitude:	104 34	41.545 W
Position Uncertainty:		0.00 ft					

Plan:	Plan #1	Date Composed:	2006-02-01
		Version:	1
Principal:	Yes	Tied-to:	From Surface

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6058.60	0.00	0.00	6058.60	0.00	0.00	0.00	0.00	0.00	0.00	
6515.12	91.30	316.11	6345.00	211.14	-203.14	20.00	20.00	-9.62	316.11	
8054.27	91.30	316.11	6310.00	1320.00	-1270.00	0.00	0.00	0.00	0.00	PBHL #3Y

[illegible]



Scientific Drilling Planning Report

Company: Mack Energy Corp.
Field: Sec. 15, T18S-R24E (Southern Cross 15 State #3Y)
Site: Eddy County, NM
Well: Southern Cross 15 State #3Y
Wellpath: OH

Date: 2006-02-01 Time: 13:01:35 Page: 2
Co-ordinate(NE) Reference: Well: Southern Cross 15 State #3Y
Vertical (TVD) Reference: GL=3751, KB=3767 3767.0
Section (VS) Reference: Well (0.00N,0.00E,316.11Azi)
Plan: Plan #1

Section 1 : Start Hold

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2100.00	0.00	0.00	2100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2200.00	0.00	0.00	2200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2300.00	0.00	0.00	2300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2400.00	0.00	0.00	2400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2500.00	0.00	0.00	2500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2600.00	0.00	0.00	2600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2700.00	0.00	0.00	2700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2800.00	0.00	0.00	2800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2900.00	0.00	0.00	2900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3000.00	0.00	0.00	3000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3100.00	0.00	0.00	3100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3200.00	0.00	0.00	3200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3300.00	0.00	0.00	3300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3400.00	0.00	0.00	3400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3500.00	0.00	0.00	3500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3600.00	0.00	0.00	3600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3700.00	0.00	0.00	3700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3800.00	0.00	0.00	3800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3900.00	0.00	0.00	3900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4000.00	0.00	0.00	4000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4100.00	0.00	0.00	4100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4200.00	0.00	0.00	4200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4300.00	0.00	0.00	4300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4400.00	0.00	0.00	4400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4500.00	0.00	0.00	4500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4600.00	0.00	0.00	4600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4700.00	0.00	0.00	4700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4800.00	0.00	0.00	4800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4900.00	0.00	0.00	4900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5000.00	0.00	0.00	5000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5100.00	0.00	0.00	5100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5200.00	0.00	0.00	5200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5300.00	0.00	0.00	5300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5400.00	0.00	0.00	5400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5500.00	0.00	0.00	5500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5600.00	0.00	0.00	5600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5700.00	0.00	0.00	5700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5800.00	0.00	0.00	5800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5900.00	0.00	0.00	5900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6000.00	0.00	0.00	6000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6058.60	0.00	0.00	6058.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Section 2 : Start DLS 20.00 TFO 316.11

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
6075.00	3.28	316.11	6074.99	0.34	-0.33	0.47	20.00	20.00	0.00	0.00
6100.00	8.28	316.11	6099.86	2.15	-2.07	2.99	20.00	20.00	0.00	0.00
6125.00	13.28	316.11	6124.41	5.62	-5.31	7.66	20.00	20.00	0.00	0.00
6150.00	18.28	316.11	6148.46	10.42	-10.02	14.46	20.00	20.00	0.00	0.00
6175.00	23.28	316.11	6171.82	16.81	-16.17	23.32	20.00	20.00	0.00	0.00
6200.00	28.28	316.11	6194.33	24.64	-23.71	34.19	20.00	20.00	0.00	0.00
6225.00	33.28	316.11	6215.80	33.86	-32.57	46.98	20.00	20.00	0.00	0.00
6250.00	38.28	316.11	6236.08	44.39	-42.71	61.60	20.00	20.00	0.00	0.00
6275.00	43.28	316.11	6255.00	56.15	-54.02	77.92	20.00	20.00	0.00	0.00
6300.00	48.28	316.11	6272.43	69.06	-66.44	95.83	20.00	20.00	0.00	0.00
6325.00	53.28	316.11	6288.23	83.01	-79.87	115.19	20.00	20.00	0.00	0.00
6350.00	58.28	316.11	6302.29	97.90	-94.19	135.86	20.00	20.00	0.00	0.00
6369.76	62.23	316.11	6312.09	110.26	-106.09	153.01	20.00	20.00	0.00	0.00
6375.00	63.28	316.11	6314.49	113.62	-109.32	157.67	20.00	20.00	0.00	0.00
6400.00	68.28	316.11	6324.74	130.04	-125.12	180.46	20.00	20.00	0.00	0.00
6425.00	73.28	316.11	6332.97	147.05	-141.48	204.06	20.00	20.00	0.00	0.00
6450.00	78.28	316.11	6339.11	164.51	-158.28	228.29	20.00	20.00	0.00	0.00



Scientific Drilling Planning Report

Company: Mack Energy Corp. **Date:** 2006-02-01 **Time:** 13:01:35 **Page:** 3
Field: Sec. 15, T18S-R24E (Southern Cross 15 State #3Y) **Co-ordinate(NE) Reference:** Well: Southern Cross 15 State #3Y
Site: Eddy County, NM **Vertical (TVD) Reference:** GL=3751, KB=3767 3767.0
Well: Southern Cross 15 State #3Y **Section (VS) Reference:** Well (0.00N,0.00E,316.11Azi)
Wellpath: OH **Plan:** Plan #1

Section 2 : Start DLS 20.00 TFO 316.11

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
6475.00	83.28	316.11	6343.11	182.29	-175.38	252.96	20.00	20.00	0.00	0.00
6500.00	88.28	316.11	6344.95	200.25	-192.66	277.88	20.00	20.00	0.00	0.00
6515.12	91.30	316.11	6345.00	211.14	-203.14	292.99	20.00	20.00	0.00	0.00

Section 3 : Start Hold

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
6600.00	91.30	316.11	6343.07	272.29	-261.98	377.86	0.00	0.00	0.00	0.00
6700.00	91.30	316.11	6340.80	344.34	-331.29	477.83	0.00	0.00	0.00	0.00
6800.00	91.30	316.11	6338.53	416.38	-400.61	577.80	0.00	0.00	0.00	0.00
6900.00	91.30	316.11	6336.25	488.42	-469.92	677.78	0.00	0.00	0.00	0.00
7000.00	91.30	316.11	6333.98	560.47	-539.24	777.75	0.00	0.00	0.00	0.00
7100.00	91.30	316.11	6331.70	632.51	-608.55	877.73	0.00	0.00	0.00	0.00
7200.00	91.30	316.11	6329.43	704.55	-677.87	977.70	0.00	0.00	0.00	0.00
7300.00	91.30	316.11	6327.15	776.60	-747.18	1077.68	0.00	0.00	0.00	0.00
7400.00	91.30	316.11	6324.88	848.64	-816.50	1177.65	0.00	0.00	0.00	0.00
7500.00	91.30	316.11	6322.61	920.69	-885.81	1277.62	0.00	0.00	0.00	0.00
7600.00	91.30	316.11	6320.33	992.73	-955.13	1377.60	0.00	0.00	0.00	0.00
7700.00	91.30	316.11	6318.06	1064.77	-1024.44	1477.57	0.00	0.00	0.00	0.00
7800.00	91.30	316.11	6315.78	1136.82	-1093.76	1577.55	0.00	0.00	0.00	0.00
7900.00	91.30	316.11	6313.51	1208.86	-1163.07	1677.52	0.00	0.00	0.00	0.00
8000.00	91.30	316.11	6311.23	1280.90	-1232.38	1777.49	0.00	0.00	0.00	0.00
8054.27	91.30	316.11	6310.00	1320.00	-1270.00	1831.75	0.00	0.00	0.00	0.00

Targets

Name	Description Dip. Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	Latitude Deg Min Sec	Longitude Deg Min Sec
PBHL #3Y		6310.00	1320.00	-1270.00	638035.900	423444.900	32 45 13.705 N	104 34 56.452 W

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
6369.76	6312.09	Top Pay		-1.09	316.16
	0.00	Base Pay		-1.09	316.16

Annotation

MD ft	TVD ft	
6058.60	6058.60	KOP
6515.12	6345.00	Landing Point