

Substit 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 30-005-62648
5 Indicate Type of Lease STATE ☒ FEE ☐
6 State Oil & Gas Lease No
7. Lease Name or Unit Agreement Name Falcon State
8. Well Number 1
9. OGRID Number 013837
10. Pool name or Wildcat Wildcat 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 ☒ 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 B 660 feet from the North line and 1980 feet from the East line
Section 16 Township 14S Range 29E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3727' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ 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: _____ ☐	

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 is changing the proposed formation and drilling this well horizontal in the San Andres formation, to a BHL of 660 FNL & 330 FEL, Sec. 16 T14S R29E. 5 1/2 production string will be run to a TD of 4350'.

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 9/20/07

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

For State Use Only

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

APPROVED BY: _____ TITLE _____ DATE SEP 25 2007

Conditions of Approval (if any):

District I
1625 N French Dr , Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd , Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
EnerRy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe. NM 87505

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-005-62648	'Pool Code	'Pool Name Wildcat San Andres
'Property Code 36691	'Property Name Falcon State	'Well Number 1
'OGRID No 013837	'Operator Name Mack Energy Corporation	'Elevation 3727' GR

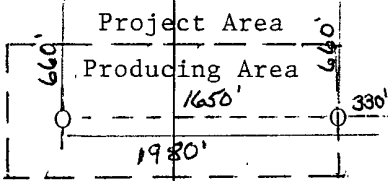
HI Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	14S	29E		660	North	1980	East	Chaves

" 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
A	16	14S	29E		660	North	330	East	Chaves
" Dedicated Acres 80	" Joint or Infill	" Consolidation Code	" Order No						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL XL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16			OPERATOR CERTIFICATION <i>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.</i> Signature <u>Jerry W. Sherrell</u> Printed Name <u>Jerry W. Sherrell</u> Title <u>Production Clerk</u> Date <u>9/20/07</u>
			"SURVEYOR CERTIFICATION <i>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</i>
			Date of Survey Signature and Seal of Professional Surveyor
			Certificate Number



Mack Energy Corp.

Chaves County, NM (NAD 27 NME)

Falcon #1H

Falcon #1H

Wellbore #1

Plan: Plan #2

Standard Planning Report

20 September, 2007





Scientific Drilling
Planning Report



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well Falcon #1H
Company:	Mack Energy Corp.	TVD Reference:	WELL @ 3743.0ft (Original Well Elev)
Project:	Chaves County, NM (NAD 27 NME)	MD Reference:	WELL @ 3743.0ft (Original Well Elev)
Site:	Falcon #1H	North Reference:	True
Well:	Falcon #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #2		

Project	Chaves County, NM (NAD 27 NME)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Falcon #1H		
Site Position:		Northing:	m
From:	None	Easting:	m
Position Uncertainty:	0.0 ft	Slot Radius:	in
		Grid Convergence:	0.00 °

Well	Falcon #1H		
Well Position	+N/-S	0.0 ft	Northing: 0.00 m
	+E/-W	0.0 ft	Easting: 0.00 m
Position Uncertainty	0.0 ft	Wellhead Elevation:	3,743.0 ft
		Ground Level:	0.0 ft

Wellbore	Wellbore #1		
Magnetics	Model Name	Sample Date	Declination
			(°)
	IGRF200510	9/20/2007	

Design	Plan #2		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth: 0.0
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(ft)	(ft)	(ft)
	0.0	0.0	0.0
			Direction (°)
			90.00

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(ft)	(ft)	Rate	Rate	Rate	(°)	
(ft)			(ft)			(°/100ft)	(°/100ft)	(°/100ft)		
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,427.0	0.00	0.00	2,427.0	0.0	0.0	0.00	0.00	0.00	0.00	
3,169.1	89.05	90.00	2,904.4	0.0	469.5	12.00	12.00	12.13	90.00	
4,349.7	89.05	90.00	2,924.0	0.0	1,650.0	0.00	0.00	0.00	0.00	PBHL-Falcon #1



Scientific Drilling
Planning Report



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Company:	Mack Energy Corp.	TVD Reference:	WELL @ 3743.0ft (Original Well Elev)
Project:	Chaves County, NM (NAD 27 NME)	MD Reference:	WELL @ 3743.0ft (Original Well Elev)
Site:	Falcon #1H	North Reference:	True
Well:	Falcon #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #2		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Bulld Rate (°/100ft)	Turn Rate (°/100ft)
0 0	0.00	0 00	0 0	0.0	0 0	0 0	0 00	0.00	0.00
East HL-Falcon #1									
100.0	0.00	0.00	100.0	0.0	0 0	0.0	0.00	0.00	0 00
200 0	0 00	0.00	200.0	0 0	0.0	0 0	0 00	0.00	0 00
300 0	0.00	0.00	300.0	0 0	0.0	0 0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0 0	0.0	0.00	0.00	0.00
500 0	0.00	0.00	500.0	0.0	0 0	0 0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0 0	0.0	0.00	0.00	0.00
700 0	0.00	0.00	700.0	0.0	0.0	0 0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0 0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200 0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600 0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800 0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000 0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100 0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200 0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300 0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400 0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,427.0	0.00	0.00	2,427.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP 2427' Start 12.0°/100'									
2,500 0	8.76	90.00	2,499.7	0.0	5.6	5.6	12.00	12.00	0.00
2,600.0	20.76	90.00	2,596.2	0.0	31.0	31.0	12.00	12.00	0.00
2,700.0	32.76	90.00	2,685.4	0.0	75.9	75.9	12.00	12.00	0.00
2,800 0	44.76	90.00	2,763.2	0.0	138.4	138.4	12.00	12.00	0.00
2,900 0	56.76	90.00	2,826.3	0.0	215.7	215.7	12.00	12.00	0.00
3,000 0	68.76	90.00	2,872.0	0.0	304.5	304.5	12.00	12.00	0.00
3,100 0	80.76	90.00	2,898.3	0.0	400.8	400.8	12.00	12.00	0.00
3,169.1	89.05	90.00	2,904.4	0.0	469.6	469.6	12.00	12.00	0.00
EOC hold 89.05°									
3,200 0	89.05	90.00	2,904.9	0.0	500.5	500.5	0.00	0.00	0.00
3,300.0	89.05	90.00	2,906.6	0.0	600.4	600.4	0.00	0.00	0.00
3,400.0	89.05	90.00	2,908.2	0.0	700.4	700.4	0.00	0.00	0.00
3,500.0	89.05	90.00	2,909.9	0.0	800.4	800.4	0.00	0.00	0.00
3,600.0	89.05	90.00	2,911.6	0.0	900.4	900.4	0.00	0.00	0.00
3,700 0	89.05	90.00	2,913.2	0.0	1,000.4	1,000.4	0.00	0.00	0.00
3,800.0	89.05	90.00	2,914.9	0.0	1,100.4	1,100.4	0.00	0.00	0.00
3,900.0	89.05	90.00	2,916.5	0.0	1,200.4	1,200.4	0.00	0.00	0.00
4,000 0	89.05	90.00	2,918.2	0.0	1,300.4	1,300.4	0.00	0.00	0.00
4,100 0	89.05	90.00	2,919.9	0.0	1,400.3	1,400.3	0.00	0.00	0.00
4,200.0	89.05	90.00	2,921.5	0.0	1,500.3	1,500.3	0.00	0.00	0.00
4,300 0	89.05	90.00	2,923.2	0.0	1,600.3	1,600.3	0.00	0.00	0.00
4,349.7	89.05	90.00	2,924.0	0.0	1,650.0	1,650.0	0.00	0.00	0.00
PBHL-Falcon #1									



Scientific Drilling
Planning Report



Database:	EDM 2003 16 Single User Db	Local Co-ordinate Reference:	Well Falcon #1H
Company:	Mack Energy Corp	TVD Reference:	WELL @ 3743.0ft (Original Well Elev)
Project:	Chaves County, NM (NAD 27 NME)	MD Reference:	WELL @ 3743 0ft (Original Well Elev)
Site:	Falcon #1H	North Reference:	True
Well:	Falcon #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #2		

Targets									
Target Name	hit/miss target	Dip Angle	Dip Dir	TVD	+N/-S	+E/-W	Northing	Easting	
Shape		(°)	(°)	(ft)	(ft)	(ft)	(m)	(m)	Latitude Longitude
East HL-Falcon #1		0.00	0 00	0 0	0.0	1,650 0	-7.21	502 87	30° 59' 24.511 N 105° 55' 25.186 W
- plan misses by 1650 0ft at 0.0ft MD (0 0 TVD, 0.0 N, 0.0 E)									
- Rectangle (sides W0.0 H1,000 0 D0 0)									
PBHL-Falcon #1		0 00	0 00	2,924.0	0 0	1,650 0	-7 21	502 87	30° 59' 24.511 N 105° 55' 25.186 W
- plan hits target									
- Circle (radius 10.0)									

Plan Annotations				
Measured Depth	Vertical Depth	Local Coordinates		Comment
(ft)	(ft)	+N/-S	+E/-W	
2,427 0	2,427 0	0.0	0 0	KOP 2427' Start 12 0°/100'
3,169 1	2,904.4	0 0	469.6	EOC hold 89 05°



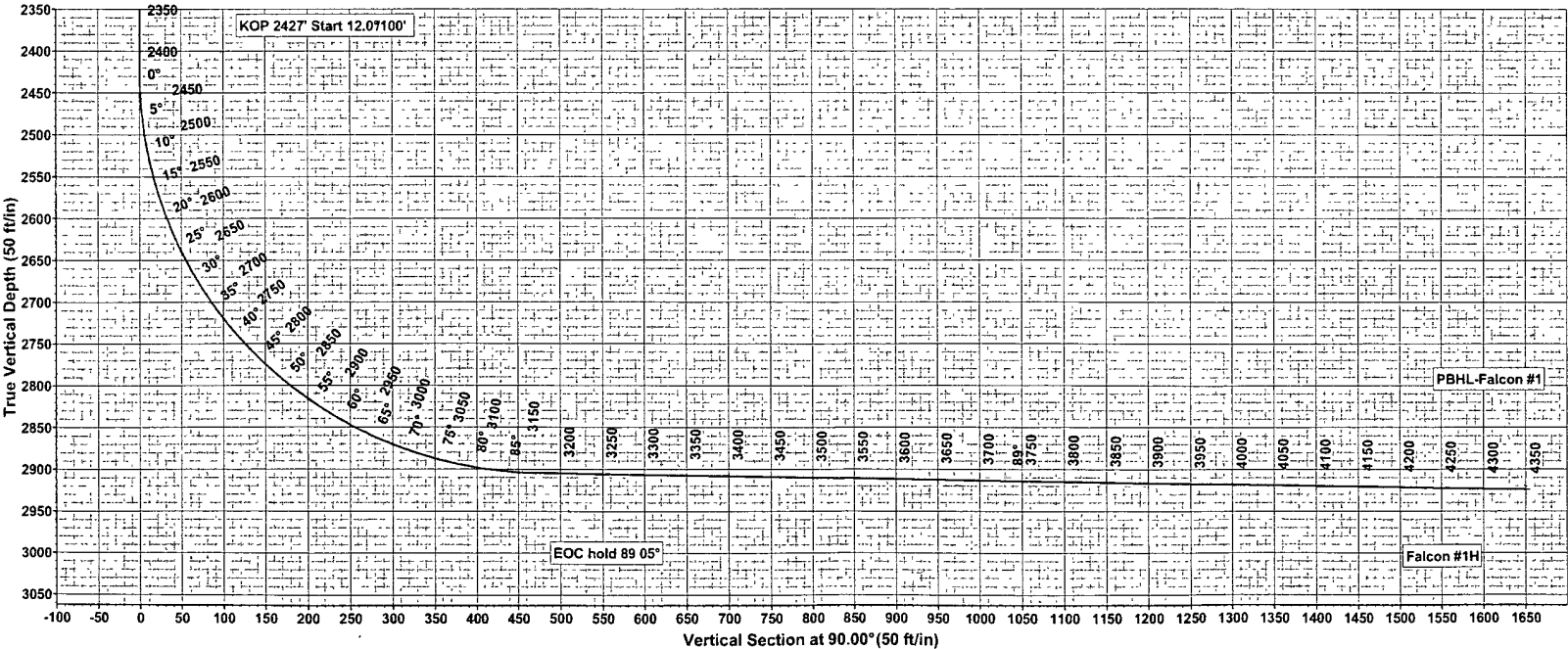
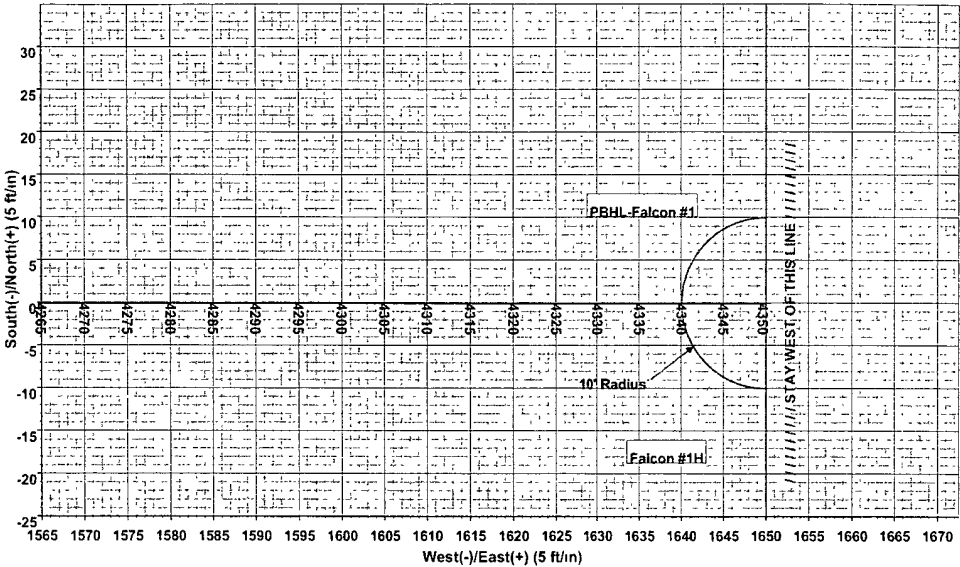
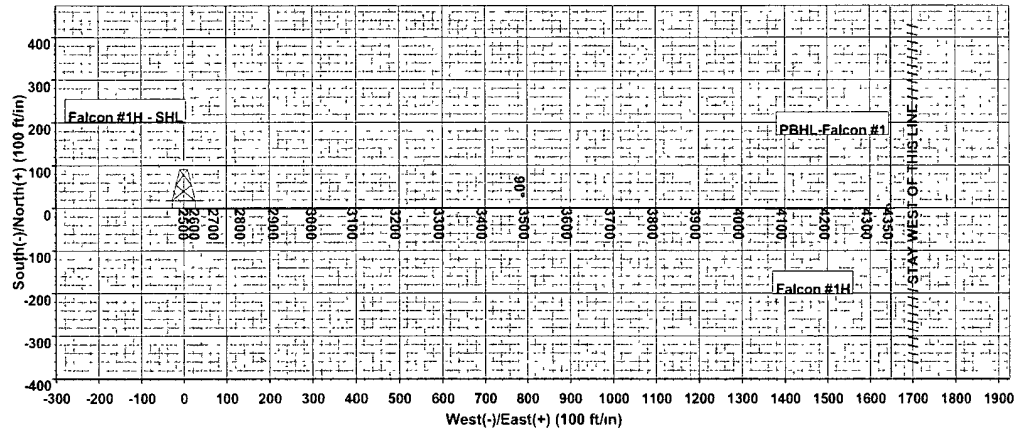
Scientific Drilling for Mack Energy Corp.
Site: Chaves County, NM (NAD 27 NME)
Well: Falcon #1H
Wellbore: Wellbore #1
Design: Plan #2



SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	2427.0	0.00	0.00	2427.0	0.0	0.0	0.00	0.00	0.0	
3	3169.1	89.05	90.00	2904.4	0.0	469.5	12.00	90.00	469.5	
4	4349.7	89.05	90.00	2924.0	0.0	1650.0	0.00	0.00	1650.0	PBHL-Falcon #1

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)									
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape	
East HL-Falcon #1	0.0	0.0	1650.0	-7.21	502.87			Rectangle (Sides: L0.0 W1000.0)	
PBHL-Falcon #1	2924.0	0.0	1650.0	-7.21	502.87			Circle (Radius: 10.0)	

WELL DETAILS: Falcon #1H										
+N/-S	+E/-W	Ground Level:	0.0	Latitude	Longitude	Slot				
0.0	0.0	Northing	0.00	Easting	0.00					



PROJECT DETAILS: Chaves County, NM (NAD 27 NME)

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico East 3001
System Datum: Mean Sea Level

Plan: Plan #2 (Falcon #1H/Wellbore #1)

Created By: Julio Pina Date: 20-Sep-07

Checked: _____ Date: _____

Reviewed: _____ Date: _____

Approved: _____ Date: _____