

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

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

Form C-103
May 27, 2004

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)		WELL API NO: 30-005-64009
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐ OCT 29 2008		5. Indicate Type of Lease STATE ☒ FEE ☐
2. Name of Operator Mack Energy Corporation OCD-ARTESIA		6 State Oil & Gas Lease No. V-8033
3. Address of Operator P. O. Box 960 Artesia, NM 88211-0960		7. Lease Name or Unit Agreement Name Falcon State
4. Well Location Unit Letter <u>C</u> <u>355</u> feet from the <u>North</u> line and <u>2369</u> feet from the <u>West</u> line Section <u>16</u> Township <u>14S</u> Range <u>29E</u> NMPM County <u>Chaves</u>		8. Well Number 2 9. OGRID Number 013837
I 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 3712' GR		10. Pool name or Wildcat Lone Wolf; San Andres, South
Pit or Below-grade Tank Application ☐ or Closure ☐		
Pit type <u>Depth Groundwater</u> Distance from nearest fresh water well <u>Distance from nearest surface water</u>		
Pit Liner Thickness: <u>mil</u> Below-Grade Tank: Volume <u>bb1s</u> ; Construction Material <u></u>		

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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 proposes to change this well from a horizontal to a vertical/deviated well. This well will be deviated to a legal location prior to penetrating the San Andres formation. Plans are to drill a 12 1/4 hole to 325', run 8 5/8 casing and cement to surface. Drill a 7 7/8 hole to 3502', run 5 1/2 casing and cement **TO SURFACE.**

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 10/29/08

Type or print name Jerry W. Sherrell E-mail address: jerrys@mackenergycorp.com Telephone No. (575)748-1288
For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

Accepted for record - NMOCD

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-005-64009	Pool Code 97662	Pool Name WC;Lone Wolf;San Andres, South
Property Code 36691	Property Name FALCON STATE	Well Number 2H
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3712'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	16	14-S	29-E		355	NORTH	2369	WEST	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
C	16	14-S	29-E		355	NORTH	2299	WEST	CHAVES
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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. <i>Jerry W. Sherrell</i> 10/29/08 Signature Date Jerry W. Sherrell Printed Name
	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. Date Surveyed Signature & Seal of Professional Surveyor Certificate No. GARY G. EIDSON 12641 RONALD J. EIDSON 3239



Mack Energy

**Chaves County
Falcon State #2H
Falcon State #2H
Original Hole**

Plan: Plan #1 S Well

Pathfinder X & Y Survey Report

29 October, 2008

PATHFINDER
ENERGY SERVICES



Pathfinder Energy Services

Pathfinder X & Y Survey Report



Company:	Mack Energy	Local Co-ordinate Reference:	Well Falcon State #2H
Project:	Chaves County	TVD Reference:	WELL @ 3729.00ft (17' RKB)
Site:	Falcon State #2H	MD Reference:	WELL @ 3729.00ft (17' RKB)
Well:	Falcon State #2H	North Reference:	Grid
Wellbore:	Original Hole	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1 S Well	Database:	EDM 2003.16 Single User Db

Project		Chaves County	
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 State #2H				
Site Position:		Northing:	767,374.700 ft	Latitude:	33° 6' 33.139 N	
From:	Map	Easting:	591,751.500 ft	Longitude:	104° 2' 1.295 W	
Position Uncertainty:		0.00 ft	Slot Radius:	"	Grid Convergence:	0.16 °

Well	Falcon State #2H					
Well Position	+N/-S	0.00 ft	Northing:	767,374.700 ft	Latitude:	33° 6' 33.139 N
	+E/-W	0.00 ft	Easting:	591,751.500 ft	Longitude:	104° 2' 1.295 W
Position Uncertainty	0.00 ft		Wellhead Elevation:	ft	Ground Level:	3,712.00ft

Wellbore	Original Hole				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	2008/04/07	8.24	61.01	49,438

Design		Plan #1 S Well		
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	270.00

Survey Tool Program		Date 2008/10/29		
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
0.00	3,502.00	Plan #1 S Well (Original Hole)	MWD	MWD - Standard

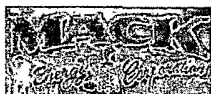


Pathfinder Energy Services
Pathfinder X & Y Survey Report



Company:	Mack Energy	Local Co-ordinate Reference:	Well Falcon State #2H
Project:	Chaves County	TVD Reference:	WELL @ 3729.00ft (17' RKB)
Site:	Falcon State #2H	MD Reference:	WELL @ 3729.00ft (17' RKB)
Well:	Falcon State #2H	North Reference:	Grid
Wellbore:	Original Hole	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1 S Well	Database:	EDM 2003.16 Single User Db

Planned Survey											
MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)	
0.00	0.00	0.00	0.00	-3,729.00	0.00	0.00	0.00	0.00	767,374.70	591,751.50	
100.00	0.00	0.00	100.00	-3,629.00	0.00	0.00	0.00	0.00	767,374.70	591,751.50	
200.00	0.00	0.00	200.00	-3,529.00	0.00	0.00	0.00	0.00	767,374.70	591,751.50	
300.00	0.00	0.00	300.00	-3,429.00	0.00	0.00	0.00	0.00	767,374.70	591,751.50	
400.00	0.00	0.00	400.00	-3,329.00	0.00	0.00	0.00	0.00	767,374.70	591,751.50	
425.00	0.00	0.00	425.00	-3,304.00	0.00	0.00	0.00	0.00	767,374.70	591,751.50	
KOP @ 425.00' MD, 0.00° INC, 0.00° AZI, Using 0.00° DLS											
500.00	1.13	270.00	500.00	-3,229.00	0.00	-0.74	0.74	1.50	767,374.70	591,750.76	
600.00	2.63	270.00	599.94	-3,129.06	0.00	-4.01	4.01	1.50	767,374.70	591,747.49	
700.00	4.13	270.00	699.76	-3,029.24	0.00	-9.90	9.90	1.50	767,374.70	591,741.60	
765.00	5.10	270.00	764.55	-2,964.45	0.00	-15.12	15.12	1.50	767,374.70	591,736.38	
Start Drop -0.41											
800.00	4.96	270.00	799.42	-2,929.58	0.00	-18.19	18.19	0.41	767,374.70	591,733.31	
900.00	4.54	270.00	899.07	-2,829.93	0.00	-26.47	26.47	0.41	767,374.70	591,725.03	
1,000.00	4.13	270.00	998.79	-2,730.21	0.00	-34.03	34.03	0.41	767,374.70	591,717.47	
1,100.00	3.72	270.00	1,098.55	-2,630.45	0.00	-40.88	40.88	0.41	767,374.70	591,710.62	
1,200.00	3.31	270.00	1,198.36	-2,530.64	0.00	-47.00	47.00	0.41	767,374.70	591,704.50	
1,300.00	2.89	270.00	1,298.22	-2,430.78	0.00	-52.41	52.41	0.41	767,374.70	591,699.09	
1,400.00	2.48	270.00	1,398.11	-2,330.89	0.00	-57.10	57.10	0.41	767,374.70	591,694.40	
1,500.00	2.07	270.00	1,498.03	-2,230.97	0.00	-61.07	61.07	0.41	767,374.70	591,690.43	
1,600.00	1.66	270.00	1,597.97	-2,131.03	0.00	-64.33	64.33	0.41	767,374.70	591,687.17	
1,700.00	1.25	270.00	1,697.94	-2,031.06	0.00	-66.86	66.86	0.41	767,374.70	591,684.64	
1,800.00	0.83	270.00	1,797.93	-1,931.07	0.00	-68.67	68.67	0.41	767,374.70	591,682.83	
1,900.00	0.42	270.00	1,897.92	-1,831.08	0.00	-69.77	69.77	0.41	767,374.70	591,681.73	
2,002.08	0.00	0.00	2,000.00	-1,729.00	0.00	-70.14	70.14	0.41	767,374.70	591,681.36	
Start 1500.00 hold at 2002.08 MD											
2,100.00	0.00	0.00	2,097.92	-1,631.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
2,200.00	0.00	0.00	2,197.92	-1,531.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	



Pathfinder Energy Services Pathfinder X & Y Survey Report



Company:	Mack Energy	Local Co-ordinate Reference:	Well Falcon State #2H
Project:	Chaves County	TVD Reference:	WELL @ 3729.00ft (17' RKB)
Site:	Falcon State #2H	MD Reference:	WELL @ 3729.00ft (17' RKB)
Well:	Falcon State #2H	North Reference:	Grid
Wellbore:	Original Hole	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1 S Well	Database:	EDM 2003.16 Single User Db

Planned Survey											
MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)	
2,300.00	0.00	0.00	2,297.92	-1,431.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
2,400.00	0.00	0.00	2,397.92	-1,331.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
2,500.00	0.00	0.00	2,497.92	-1,231.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
2,600.00	0.00	0.00	2,597.92	-1,131.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
2,700.00	0.00	0.00	2,697.92	-1,031.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
2,800.00	0.00	0.00	2,797.92	-931.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
2,900.00	0.00	0.00	2,897.92	-831.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
2,913.08	0.00	0.00	2,911.00	-818.00	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
Pbhl											
3,000.00	0.00	0.00	2,997.92	-731.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
3,100.00	0.00	0.00	3,097.92	-631.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
3,200.00	0.00	0.00	3,197.92	-531.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
3,300.00	0.00	0.00	3,297.92	-431.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
3,400.00	0.00	0.00	3,397.92	-331.08	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
3,502.08	0.00	0.00	3,500.00	-229.00	0.00	-70.14	70.14	0.00	767,374.70	591,681.36	
TD at 3502.08											



Pathfinder Energy Services
Pathfinder X & Y Survey Report



Company:	Mack Energy	Local Co-ordinate Reference:	Well Falcon State #2H
Project:	Chaves County	TVD Reference:	WELL @ 3729.00ft (17' RKB)
Site:	Falcon State #2H	MD Reference:	WELL @ 3729.00ft (17' RKB)
Well:	Falcon State #2H	North Reference:	Grid
Wellbore:	Original Hole	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1 S Well	Database:	EDM 2003.16 Single User Db

Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
- Shape									
Pbhl	0.00	0.00	2,911.00	-8.30	-2,038.50	767,366.400	589,713.000	33° 6' 33.114 N	104° 2' 25.262 W
- plan misses by 1968.37ft at 2913.08ft MD (2911.00 TVD, 0.00 N, -70.14 E)									
- Point									

Plan Annotations				
Measured Depth	Vertical Depth	Local Coordinates		Comment
(ft)	(ft)	+N/-S	+E/-W	
(ft)	(ft)	(ft)	(ft)	
425.00	425.00	0.00	0.00	KOP @ 425.00'MD,0.00°INC,0.00°AZI,Using 0.00°DLS
765.00	764.55	0.00	-15.12	Start Drop -0.41
2,002.08	2,000.00	0.00	-70.14	Start 1500.00 hold at 2002.08 MD
3,502.08	3,500.00	0.00	-70.14	TD at 3502.08

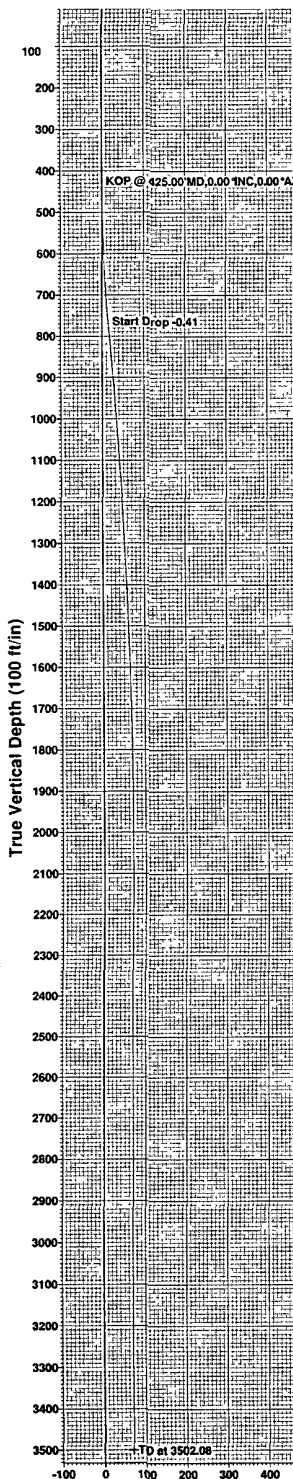
Checked By: _____ Approved By: _____ Date: _____



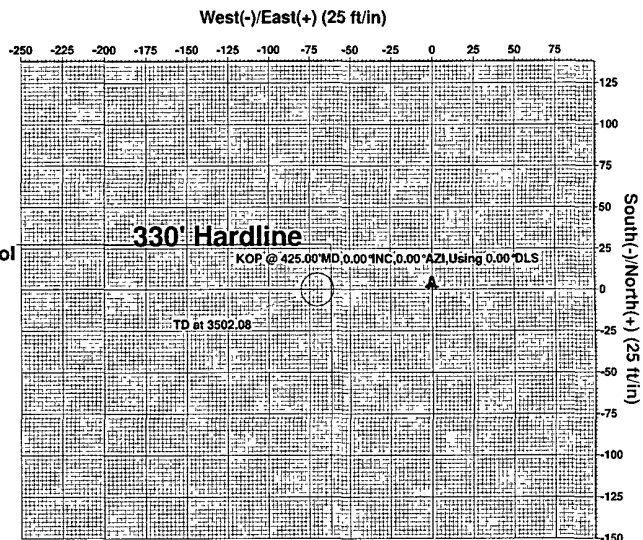
PATHFINDER

ENERGY SERVICES

PROJECT DETAILS: Chaves County
 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
 Local North: Grid



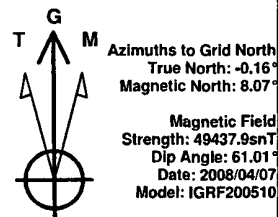
Project: Chaves County
 Site: Falcon State #2H
 Well: Falcon State #2H
 Wellbore: Original Hole
 Plan: Plan #1 S Well (Falcon State #2H/Original Hole)



WELL DETAILS: Falcon State #2H						
Ground Elevation:: 3712.00						
RKB Elevation: WELL @ 3728.00ft (17' RKB)						
Rig Name: 17' RKB						
+N-S	+E-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	767374.700	591751.500	33° 6' 33.139 N	104° 2' 1.295 W	

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N-S	+E-W	DLog	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	425.00	0.00	0.00	425.00	0.00	0.00	0.00	0.00	0.00	
3	765.00	5.10	270.00	764.55	0.00	-15.12	1.50	270.00	15.12	
4	2002.08	0.00	0.00	2000.00	0.00	-70.14	0.41	180.00	70.14	
5	3502.08	0.00	0.00	3500.00	0.00	-70.14	0.00	0.00	70.14	

WELLBORE TARGET DETAILS				
Name	TVD	+N-S	+E-W	Shape
PBHL SWell	3500.00	0.00	-70.14	Circle (Radius: 10.00)



Plan: Plan #1 S Well (Falcon State #2H/Original Hole)	
Created By: Nate Bingham	Date: 11/04, October 29 2008
Checked: _____	Date: _____