

District I
1625 N French Dr., Hobbs, NM 88240

District II
1301 W Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, 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-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960		'OGRID Number 013837 ✓
API Number 30- 025-40243 ✓		
Property Code 38761 ✓	Property Name Leo State	Well No 1 ✓
Proposed Pool 1 Vacuum; Abo Reef ✓		Proposed Pool 2 Vacuum; Blinebry ✓

7 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	18	18S	35E		330	North	990	East	Lea ✓

8 Proposed 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	18	18S	35E		965	North	355	East	Lea

Additional Well Information

11 Work Type Code D ✓	12 Well Type Code Oil	" Cable/Rotary Rotary	14 Lease Type Code S ✓	15 Ground Level Elevation 3961' GR
16 Multiple No	" Proposed Depth 9120'	" Formation Abo	17 Contractor	18 Spud Date 12/16/2011
Depth to Groundwater 145'		Distance from nearest fresh water well 1000'		Distance from nearest surface water 1000'
Pit Liner. Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume. _____ bbls _____ Drilling Method - Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	8 5/8	24	1620	850sx	Surface/In place
7 7/8	5 1/2	17	9120	1375sx	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary

Mack Energy Corporation is currently drilling the Leo State #1 as a vertical Blinebry well. If the Blinebry is not present. As a contingency plan, proposes to plug-back Blinebry Zone and directionally drill to a BHL: 965 FNL & 355 FEL and complete the Abo or Blinebry formation:

Plug #1 (TD) = 7,000' - 6,900' = 25 sacks Wt. 14.8 Yld. 1.33.
Plug #2 (YESO) = 6,110' - 6,210' = 25 sacks Wt. 14.8 Yld. 1.33.
Plug #3 (DELAWARE SAND) = 5,725' - 5,825' = 25 sacks Wt. 14.8 Yld. 1.33.
Plug #4 (KICK OFF PLUG) = 4,630' - 5,230' = 216 sacks Wt. 17.4 Yld. 94.

Well plan attached.

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Deepen

I hereby certify that the information given above is true and complete to the best of my knowledge and belief I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan. <input type="checkbox"/>		OIL CONSERVATION DIVISION	
Signature Jerry W. Sherrell		Approved by.	
Printed name: Jerry W. Sherrell		Title. PETROLEUM ENGINEER	
Title. Production Clerk		Approval Date DEC 20 2011 Expiration Date 12/20/2013	
E-mail Address: jerrys@mec.com			
Date: 12/15/11	Phone (575)748-1288	Conditions of Approval Attached <input type="checkbox"/>	