District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street Artesia, NM 88210-1404
District III
1000 Rio Brazos Rd, Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resourses Department
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies
☐ AMENDED REPORT

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

Operator Name and Address	OGRID Number
Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960	013837
	API Number 30-025-20427

Property Code	Property Name	Well No.
34552	Snapper State	5

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	16S	33E		660	South	660	East	Lea

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

Proposed Pool 1	Proposed Pool 2
Wildcat Grayburg (97444)	Hume Queen West (33560)

Work Type Code	Well Type Code	Cable/Rotary	Lease Type Code	Ground Level Elevation
E	O	R	S	4174'
Multiple	**Proposed Depth**	**Formation**	**Contractor**	**Spud Date**
Yes	4600'	Queen/Grayburg		6/30/2005

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
9 7/8	7 5/8	24	320'	275 sx	Circulated
6 1/4	4 1/2	11.5	4600'	750 sx	0

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 proposes to Re-enter the formerly State WQ #1 now Snapper State #5 to a depth of 4600' log well and evaluate the Queen/GB formation, run 4 1/2" casing and cement. Put well on production.

Permit Expires 1 Year From Approval Date Unless ~~Drilling Underway~~ Re-Entry

I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature: Jerry W. Sherrell

Printed name: Jerry W. Sherrell

Title: Production Clerk

Date: 6/22/2005

Phone: (505)748-1288

OIL CONSERVATION DIVISION

Approval by:

Title: PETROLEUM ENGINEER

Approval Date: JUN 29 2005

Expintion Dstc

Conditions of Approval:

Attached ☐

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-128
Revised 5/1/58

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

SECTION A

Operator	Lease	Well No.
Mack Energy Corporation	Snapper State	

Unit Letter	Section	Township	Range	County
P	14	16S	33E	Lea

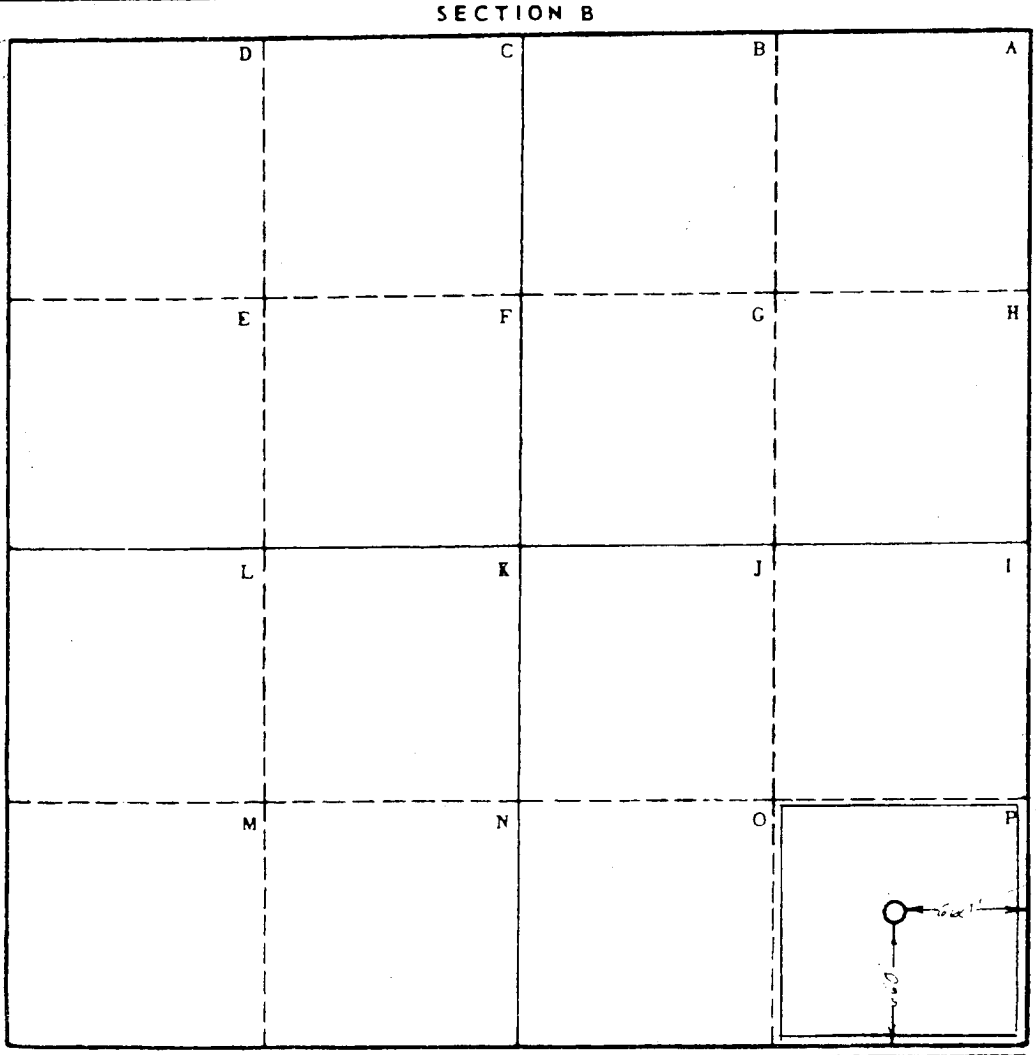
Actual Footage Location of Well:
660 feet from the south line and 660 feet from the east line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
4174	Grayburg	Wildcat <97444>	40 Acres

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES X NO _____. *("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)*
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES _____ NO _____. If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



CERTIFICATION

I hereby certify that the information in *SECTION A* above is true and complete to the best of my knowledge and belief.

Original Signed By
Name R. A. LOWERY
R. A. Lowery
Position
District Exploitation Engr
Company
Shell Oil Company
Date
APR 3 1963

I hereby certify that the well location shown on the plat in *SECTION B* 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 knowledge and belief.

Date Surveyed
March 22, 196

T. J. Chapman, Jr., Chief Surveyor
Shell Oil Company

T J Chapman Jr

NEW MEXICO OIL CONSERVATION COMMISSION

FORM C-128
Revised 5/1/57

WELL LOCATION AND ACREAGE DEDICATION PLAT

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

SECTION A

Operator	Lease	Well No.
Mack Energy Corporation	Snapper State	5

Unit Letter	Section	Township	Range	County
P	14	16S	33E	Lea

Actual Footage Location of Well:
660 feet from the south line and 660 feet from the east line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
4174	Queen	Hume Queen West (33560)	40 Acres

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES X NO _____. *("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)*
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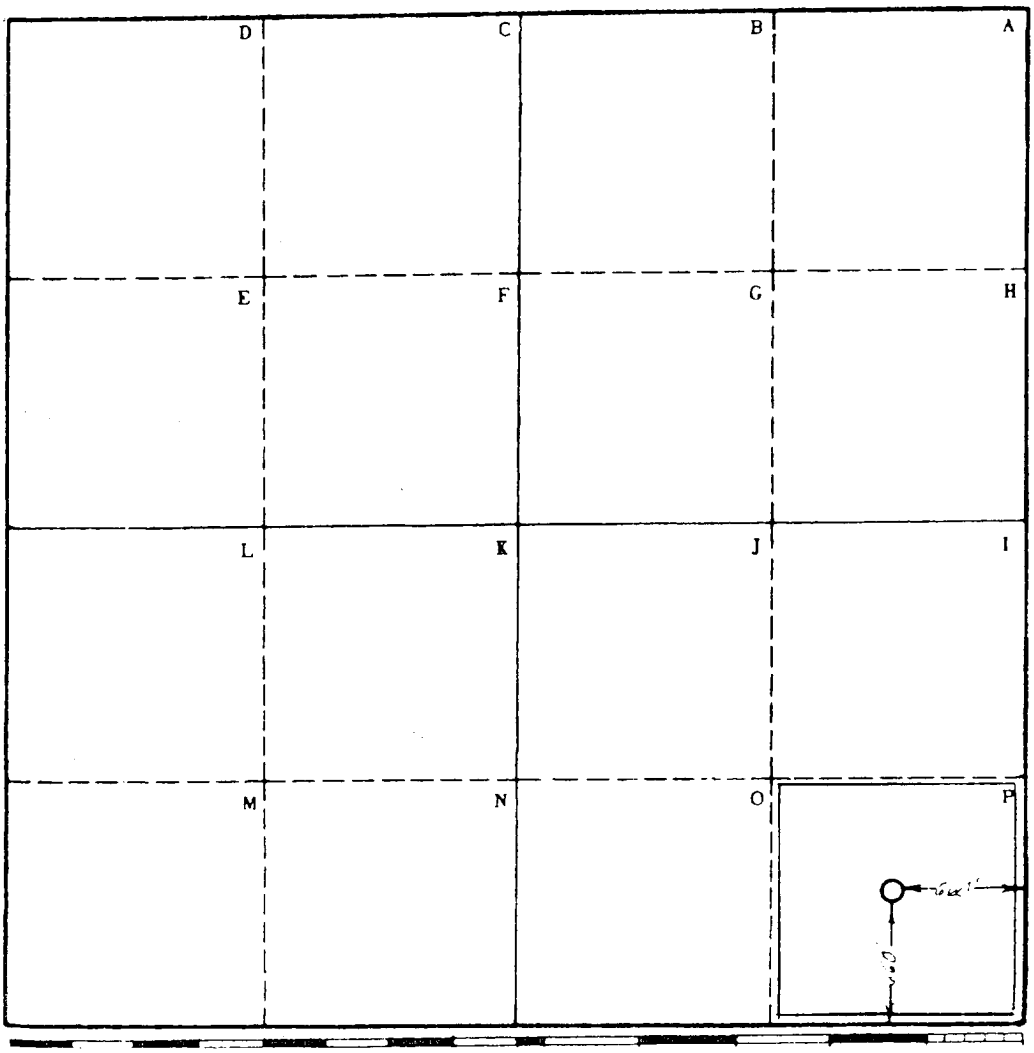
Owner	Land Description

SECTION B



CERTIFICATION

I hereby certify that the information in *SECTION A* above is true and complete to the best of my knowledge and belief.

Original Signed By
Name R. A. LOWERY
R. A. Lowery
Position
District Exploitation Eng
Company
Shell Oil Company
Date
APR 3 1963

I hereby certify that the well location shown on the plat in *SECTION B* 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 knowledge and belief.

Date Surveyed
March 22, 196

T. J. Chapman, Jr., Chief Surveyor
Shell Oil Company

T J Chapman

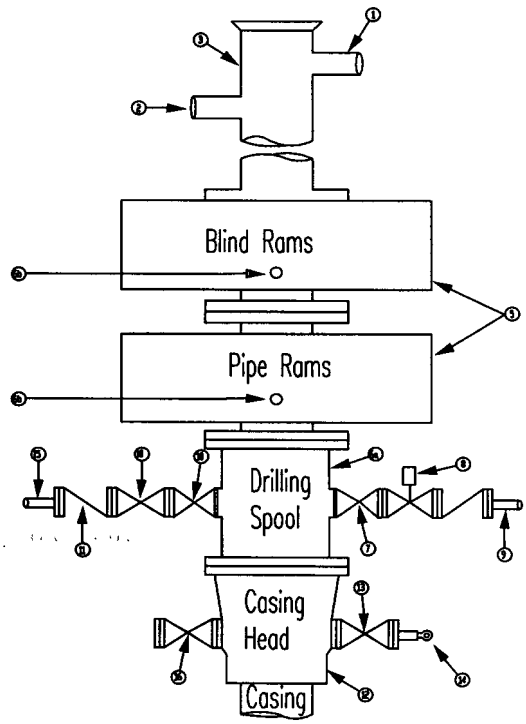
Mack Energy Corporation
Minimum Blowout Preventer Requirements
2000 psi Working Pressure
2 MWP
EXHIBIT #1-A

Stack Requirements

NO.	Items	Min. I.D.	Min. Nominal
1	Flowline		2"
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		
5	Two single or one dual hydraulically operated rams		
6a	Drilling spool with 2" min. kill line and 3" min choke line outlets		2" Choke
6b	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above)		
7	Valve Gate Plug	3 1/8	
8	Gate valve-power operated	3 1/8	
9	Line to choke manifold		3"
10	Valve Gate Plug	2 1/16	
11	Check valve	2 1/16	
12	Casing head		
13	Valve Gate Plug	1 13/16	
14	Pressure gauge with needle valve		
15	Kill line to rig mud pump manifold		2"

OPTIONAL

16	Flanged Valve	1 13/16	



CONTRACTOR'S OPTION TO FURNISH:

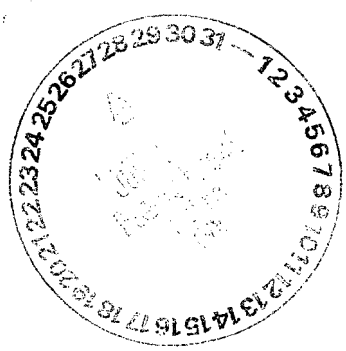
1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 2000 psi minimum.
2. Automatic accumulator (80 gallon, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
3. BOP controls, to be located near drillers' position.
4. Kelly equipped with Kelly cock.
5. Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
6. Kelly saver-sub equipped with rubber casing protector at all times.
7. Plug type blowout preventer tester.
8. Extra set pipe rams to fit drill pipe in use on location at all times.
9. Type RX ring gaskets in place of Type R.

MEC TO FURNISH:

1. Bradenhead or casing head and side valves.
2. Wear bushing. If required.

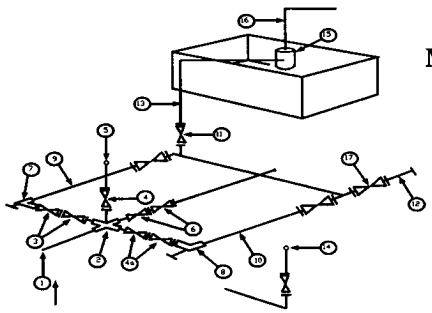
GENERAL NOTES:

1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through choke valves must be full opening and suitable for high pressure mud service.
3. Controls to be of standard design and each marked, showing opening and closing position
4. Chokes will be positioned so as not to hamper or delay changing of choke beans. Replaceable parts for adjustable choke, or bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with hand-wheels or handles ready for immediate use.
6. Choke lines must be suitably anchored.
7. Handwheels and extensions to be connected and ready for use.
8. Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
9. All seamless steel control piping (2000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
10. Casinghead connections shall not be used except in case of emergency.
11. Do not use kill line for routine fill up operations.



Mack Energy Corporation

Exhibit #1-A
MIMIMUM CHOKE MANIFOLD
3,000, 5,000, and 10,000 PSI Working Pressure
2 M will be used or greater
3 MWP - 5 MWP - 10 MWP



Mud Pit

Reserve Pit

*** Location of separator optional**

Below Substructure

Mimimum requirements

		3,000 MWP			5,000 MWP			10,000 MWP		
No.		**I.D.**	**NOMINAL**	**Rating**	**I.D.**	**Nominal**	**Rating**	**I.D.**	**Nominal**	**Rating**
1	Line from drilling Spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3" x 3" x 3" x 2"			3,000			5,000			
2	Cross 3" x 3" x 3" x 2"									10,000
3	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
4	Valve Gate Plug	1 13/16		3,000	1 13/16		5,000	1 13/16		10,000
4a	Valves (1)	2 1/16		3,000	2 1/16		5,000	2 1/16		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
7	Adjustable Choke (3)	2"		3,000	2"		5,000	2"		10,000
8	Adjustable Choke	1"		3,000	1"		5,000	2"		10,000
9	Line		3"	3,000		3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000		2"	10,000
11	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
12	Line		3"	1,000		3"	1,000		3"	2,000
13	Line		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound Standpipe pressure quage			3,000			5,000			10,000
15	Gas Separator		2' x5'			2' x5'			2' x5'	
16	Line		4"	1,000		4"	1,000		4"	2,000
17	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000

(1) Only one required in Class 3M
(2) Gate valves only shall be used for Class 10 M
(3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

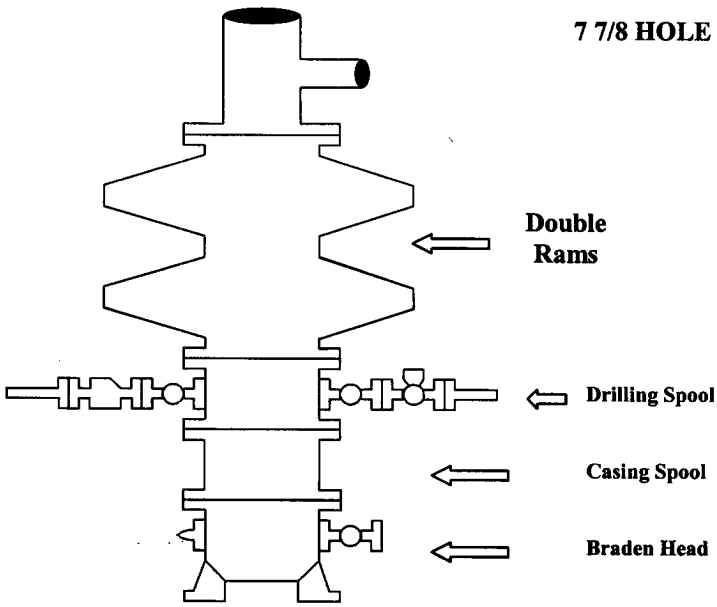
EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTION

1. All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
2. All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
3. All lines shall be securely anchored.
4. Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
5. Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
6. Line from drilling spool to choke manifold should bee as straight as possible. Lines downstream from chokes shall make turns by large bends or 90 degree bends using bull plugged tees.

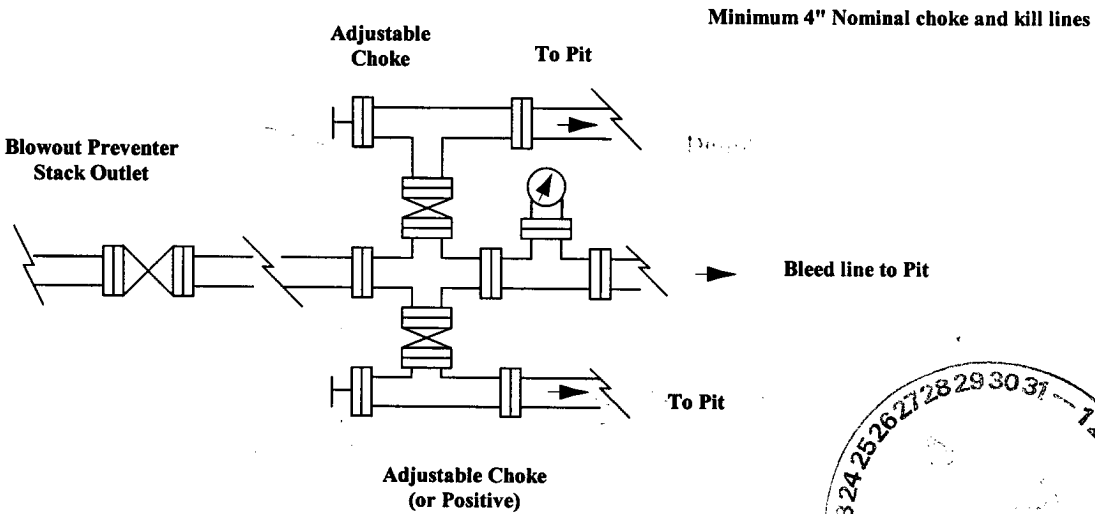
Mack Energy Corporation

Exhibit #1-A

BOPE Schematic



Choke Manifold Requirement (2000 psi WP)
No Annular Required



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

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

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Mack Energy Corporation Telephone: (505)748-1288 e-mail address: jerrys@mackenergycorp.com
Address: P.O. Box 960, Artesia, NM 88211-0960
Facility or well name: Snapper State #5 API #- 30-025-20427 U/L or Qtr/Qtr P Sec 14 T 16S R 33E
County: Lea Latitude Longitude NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit	Below-grade tank	
Type: Drilling ☐ Production ☐ Disposal ☐ Workover ☒ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Volume 300 bbl	Volume: ____bbl Type of fluid: ____ Construction material: ____ Double-walled, with leak detection? Yes ☐ If not, explain why not, ____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points) **0 Points**
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points) **0 Points**
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points) **0 Points**
	Ranking Score (Total Points)	**0 Points**

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface____ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described 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 ☐

Date: 6/28/2005
Printed Name/Title Jerry W. Sherrell/Production Clerk Signature Jerry W. Sherrell

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Date: JUN 2 [illegible] 2005
Printed Name/Title PETROLEUM ENGINEER Signature