

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

Appropriate District Office
☐ AMENDED REPORT

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

Operator Name and Address Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960		Well Number 013837
30-025-30170		API Number
Property Code 37399	Property Name Morgan State	Well No 1
Proposed Pool 1 Vacuum; Grayburg-San Andres		Proposed Pool 2

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	35	17S	35E		990	North	330	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

Additional Well Information

Work Type Code E	Well Type Code O	" Cable/Rotary Rotary	Lease Type Code S	Ground Level Elevation 3899' GR
Multiple No	Proposed Depth 5500	Formation San Andres	Contractor	Spud Date 8/1/08
Depth to Groundwater 40'		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		
Closed-Loop System <input checked="" type="checkbox"/>		Drilling Method - Fresh Water <input 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
17 1/2	13 3/8	54.5	396	400sx	Surface
11	8 5/8	32	4200	700sx	Surface
7 7/8	5 1/2	17	5500	1200sx	Surface

2 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 Lee Ranch AEZ State #1 now called the Morgan State #1 to a depth of 5500' test the San Andres formation. Put well on production.

Note: Well to be drilled using closed loop system.

Permit Expires 2 Years 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. 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: <i>Jerry W. Sherrell</i>		Approved by: <i>[Signature]</i>	
Printed name: Jerry W. Sherrell		Title: PETROLEUM ENGINEER	
Title: Production Clerk		Approval Date: OCT 03 2008	
E-mail Address: jerrys@mackenergycorp.com		Expiration Date:	
Date: 7/14/08	Phone: (575)748-1288	Conditions of Approval Attached <input type="checkbox"/>	