

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

Form C-103
May 27, 2004

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

WELL API NO. 30-015-35532
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-732
7. Lease Name or Unit Agreement Name Joker State Com
8. Well Number 1
9. OGRID Number 013837
10. Pool name or Wildcat Sheep Draw;Morrow
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3735' GR

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	JAN 17 2008
2. Name of Operator Mack Energy Corporation	OCD-ARTESIA
3. Address of Operator P. O. Box 960 Artesia, NM 88211-0960	
4. Well Location Unit Letter J 1960 feet from the South line and 1950 feet from the East line Section 4 Township 23S Range 25E NMPM County Eddy	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3735' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
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 <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

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.

On 1/15/2008 at 11:20am, Jim Krogman visited with Dave Henard with Respec (cell 505-660-4853) kicking around some ideas on the Joker State Com #1. Here are some of the ideas:

- 1) When we encounter loss circulation in the intermediate section drill with aerated fluid. Dave was OK with this. This will aid in getting samples and reduce water cost.
- 2) Run a Packer/ Stage Tool on the 9 5/8" casing. *Set the Packer/ Stage Tool 50' + or - above the loss circulation zones and do a two stage cement job, 1st stage calculated 100% excess, 2nd stage circulated or 1" to surface. This will reduce the amount of cement pumped into the Capitan Reef, Carlsbad fresh water source. Dave was OK with this.

3) *Production casing to be circulation.*

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 1/16/08

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

For State Use Only BRYAN G. ARRANT
DISTRICT II GEOLOGIST

APPROVED BY: _____ TITLE _____ DATE JAN 17 2008

Conditions of Approval (if any):