Form C-1

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 S. St Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL

MACK ENERGY	Operator Name and Address MACK ENERGY CORP					
PO Box 960 Artesia, NM 8821	1-0960	API Number 30-015-33291				
Property Code	Property Name	Well No.				
33009	RED LAKE SAND UNIT	065				

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	20	17S	28E	N	330	S	1650	W	Eddy

Proposed Pools

WC RED LAKE SHORES; GRAYBURG 97335

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 3572
Multiple	Proposed Depth	Formation	Contractor	Spud Date
N	2100	Grayburg		03/05/2004

Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	400	275	0
Prod	7.875	4.5	10.5	2100	800	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill to 400 set 8 5/8 casing and cement. Drill to 2100 test Grayburg zone, run 4 1/2 casing and cement. Put well on production. Note: On production string a fluid caliper will be run and will figure cmement with 25% excess, attempt to circulate.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	

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

Electronically Signed By: Jerry Sherrell

Title: Production Clerk

Date: 03/08/2004

Phone: 505-748-1288

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 03/10/2004 | Expiration Date: 03/10/2005

Conditions of Approval:
No Conditions

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Form C-

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-33291					
Property Code 33009	Property Name RED LAKE SAND UNIT	Well No. 065			
OGRID No. 13837	Operator Name MACK ENERGY CORP	Elevation 3572			

Surface And Bottom Hole Location

UL or Lot N	Section 20	Township 17S	Range 28E	Lot Idn N	Feet From 330	N/S Line S	Feet From 1650	E/W Line W	County Eddy
Dedicat 4	ed Acres	Joint or	Infill	Consolid	lation Code		Order 1	No.	

		manada 300.500 da sanaga sa sa
G	jandahah tapa markaya a saasa anage ta da isa 16 da anaga a	

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Jerry Sherrell

Title: Production Clerk
Date: 03/08/2004

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.

Surveyed By: Gary Eidson
Date of Survey: 02/27/2004
Certificate Number: 12641