

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, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MACK ENERGY CORP PO BOX 960 ARTESIA, NM 882110960		2. OGRID Number 13837
		3. API Number 30-025-37813
4. Property Code 35600	5. Property Name BLACK BASS STATE	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	24	16S	33E	C	75	N	1650	W	LEA

8. Pool Information

HUME,GRAYBURG, WEST	97444
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4157
14. Multiple N	15. Proposed Depth 4500	16. Formation Grayburg	17. Contractor	18. Spud Date 4/20/2006
Depth to Ground water 120		Distance from nearest fresh water well > 1000		Distance to nearest surface water 800
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12' mals thick Clay <input type="checkbox"/> Pit Volume: 3000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	8.625	24	1550	1200	0
Prod	7.875	5.5	17	4500	1000	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4 hole to 1550, run 8 5/8 casing and cement. Drill a 7 7/8 hole to 4500' adn test Grayburg formation, run 5 1/2 casing and cement. Note: On production string a fluid caliper will be run and will figure cement with 25% excess, attempt to circulate.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

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 NMOCB guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCB-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Paul Kautz	
Printed Name: Electronically filed by Jerry Sherrell	Title: Geologist	
Title: Production Clerk	Approved Date: 4/18/2006	Expiration Date: 4/18/2007
Email Address: jerrys@mackenergycorp.com		
Date: 4/17/2006	Phone: 505-748-1288	Conditions of Approval Attached

District IIDistrict IIIDistrict IV

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-37813	2. Pool Code 97444	3. Pool Name HUME,GRAYBURG, WEST
4. Property Code 35600	5. Property Name BLACK BASS STATE	6. Well No. 001
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 4157

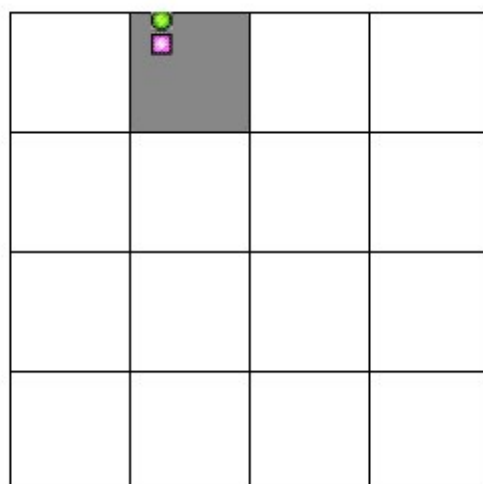
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	24	16S	33E		75	N	1650	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	24	16S	33E	C	330	N	1650	W	LEA
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code			15. Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Jerry Sherrell

Title: Production Clerk

Date: 4/17/2006

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: 2/1/2006

Certificate Number: 12641

Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: BLACK BASS STATE #001

API: 30-025-37813

Created By	Comment	Comment Date
JWSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	4/17/2008

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837

Well: BLACK BASS STATE #001

API: 30-025-37813

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114