

1. Operator Name and Address MACK ENERGY CORP PO Box 960 Artesia , NM 88211		2. OGRID Number 13837
		3. API Number 30-015-35532
4. Property Code 36442	5. Property Name JOKER STATE COM	6. Well No. 001

UL - Lot J	Section 4	Township 23S	Range 25E	Lot Idn J	Feet From 1960	N/S Line S	Feet From 1950	E/W Line E	County EDDY
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SHEEP DRAW:MORROW (GAS)	85160
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9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3735
14. Multiple N	15. Proposed Depth	16. Formation Morrow	17. Contractor	18. Spud Date 4/1/2007
Depth to Ground water 132		Distance from nearest fresh water well		Distance to nearest surface water
<u>Pit:</u> Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed Loop System <input checked="" type="checkbox"/> _____ Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	325	400	0
Int1	12.25	9.625	36	1590	1630	0
Prod	8.75	5.5	17	11500	2100	0

Mack Energy proposes to Drill a 17 1/2 hole to 325, run 13 3/8 casing and cement. Drill a 12 1/4 hole to 1590, run 9 5/8 casing and cement. Drill a 8 3/4 hole to 11,500 and evaluate morrow formation, run 5 1/2 casing and cement.

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

Conditions of Approval Attached

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 48404

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-35532	2. Pool Code 85160	3. Pool Name SHEEP DRAW MORROW (GAS)
4. Property Code 36442	5. Property Name JOKER STATE COM	6. Well No. 001
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3735

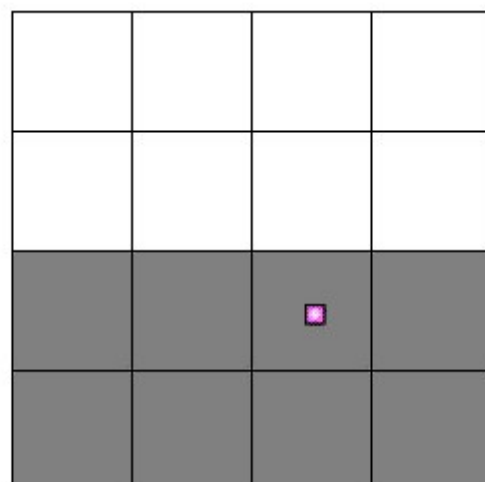
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	4	23S	25E		1960	S	1950	E	EDDY

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
12. Dedicated Acres 320.00		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: 3/13/2007

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: 2/26/2007
 Certificate Number: 12641

Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: JOKER STATE COM #001

API: 30-015-35532

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.	3/13/2007
JWSHERRELL	Will request permit from the City of Carlsbad, well is located in Sheep Draw Wellhead Protection area.	3/13/2007

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837

Well: JOKER STATE COM #001

API: 30-015-35532

OCD Reviewer	Condition
BArrant	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
BArrant	As noted, operator to drill surface and intermediate hole sections with fresh water mud.
BArrant	Please see e mail dated 3/27/2007 for additional conditions of approval.
BArrant	Please notify the OCD the time of spud and time to witness the cementing to surface of all strings of casing.