State of New Mexico

Form C-101 Permit 80101

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

MILLIONIO	THE PROPERTY OF THE PROPERTY O						
	1. Operator Name and Address	2. OGRID Number					
	MACK ENERGY CORP	13837					
	PO BOX 960 ARTESIA , NM 88211	3. API Number					
	merizani, mw oozii	30-025-39078					
4. Property Code	5. Property Name	6. Well No.					
36929	ARKANSAS STATE	002					

7. Surface Location

UL - Lo	t Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Н	35	18S	36E	Н	1650	N	990	E	LEA

8. Pool Information

ARKANSAS JUNCTION:SAN ANDRES	2500

Additional Well Information

	961		I MANUAL TOTAL	THOTTE TOTAL	(10)
9. Work Type New Well	2000	ll Type IL	11. Cable/Rotary 12. Lease Type State		13. Ground Level Elevation 3765
14. Montriple N	1000000	osed Depth 000	16. Formation San Andres	17. Contractor	18. Spud Date 8/15/2008
Depth to Ground	water		Distance from nearest fr	esh water well	Distance to nearest surface water
it: Liner: Synthetic Closed Loop Syste	m [mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	450	400	0
Prod	7.875	5.5	17	5000	1000	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4 hole to 450', run 8 5/8 casing and cement. Drill a 7 7/8 hole to 5000', test San Andres formation. Run 5 1/2 casing and cement. Note: On production string a hole caliper will be run and will figure cement with excess, attempt to circulate.

Proposed Blowout Prevention Program

			2.0
Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

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	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Paul Kautz				
Printed Name: Electronically filed by Jerry Sherrell	Title: Geologist				
Title: Production Clerk	Approved Date: 8/13/2008 Expiration Date: 8/13/2010				
Email Address: jerrys@mackenergycorp.com					
Date: 8/11/2008 Phone: 505-748-1288					

District I

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

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

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

Form C-102 Pennit 80101

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

	LDD Do cilitori i Lib ile.	DEDICITION	
1. API Number	2. Pool Code		3. Pool Name
30-025-39078	2500	ARKANSAS JUNCTION;SAN ANDRES	
4. Property Code	5. Proper	ty Name	6. Well No.
36929	ARKANS <i>i</i>	ARKANSAS STATE	
7. OGRID No.	8. Operat	or Name	9. Elevation
13837	MACK ENE	RGY CORP	3765

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Н	35	18S	36E		1650	N	990	E	LEA

11. Bottom Hole Location If Different From Surface

	11: Down Hote Boundar II Date et al 1 tott Marine										
UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
10757175	cated Acres	13.	Joint or Intill		14	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

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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: 8/11/2008

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: Ronald Eidson Date of Survey: 8/11/2008 Certificate Number: 3239

Permit Comments

Operator: MACK ENERGY CORP, 13837

Well: ARKANSAS STATE #002

API: 30-025-39078

Created By	Comment	Comment Date
JWSHERRELL	H2S concentration of wells in this area from surface to TD are low enough that a contingency plan is not required.	8/11/2008