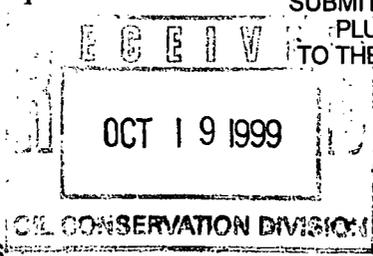


District I - (505) 393-6161  
1625 N. French Dr  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

SUBMIT ORIGINAL  
PLUS 2 COPIES  
TO THE SANTA FE  
OFFICE



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960						OGRID Number 013837		
Contact Party Robert C. Chase						Phone (505)748-1288		
Property Name Mesquite State					Well Number 1	API Number 30-015-30037		
UL L	Section 20	Township 17S	Range 29E	Feet From The 1650	North/South Line South	Feet From The 330	East/West Line West	County Eddy, NM

II. Date/Time Information

Spud Date 8/9/99	Spud Time 8:00pm	Date Completed 9/7/99	Pool East Empire Yeso
---------------------	---------------------	--------------------------	--------------------------

- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
- IV. Attach a list of all working interest owners with their percentage interests.
- V. AFFIDAVIT:

State of New Mexico )  
County of Eddy ) ss.  
Robert C. Chase, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature [Signature] Title Vice President Date 9/21/99

SUBSCRIBED AND SWORN TO before me this 21st day of September, 1999

My Commission Expires 12-9-99 Notary Public [Signature]

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:  
This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>[Signature]</u>	Title <u>P.E. Spee.</u>	Date <u>NOV 8 - 1999</u>
---------------------------------	----------------------------	-----------------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 11/9/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZV2007130816

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs NM 88240

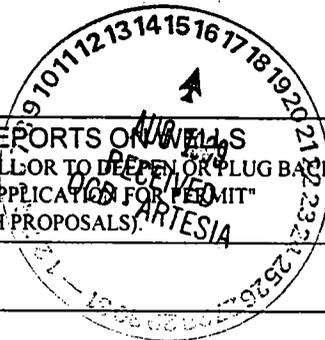
DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd, Aztec, NM 87410

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, New Mexico 87505

WELL API NO. 30-015-30037
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-742
7. Lease Name or Unit Agreement Name  Mesquite State
8. Well No. #1
9. Pool name or Wildcat East Empire Yeso
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3646

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator Mack Energy Corporation
3. Address of Operator P.O. Box 960 Artesia, NM 88211-0960
4. Well Location Unit Letter <u>L</u> : <u>1650</u> Feet From The <u>South</u> Line and <u>330</u> Feet From The <u>West</u> Line Section <u>20</u> Township <u>17S</u> Range <u>29E</u> NMPM <u>Eddy, NM</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3646

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

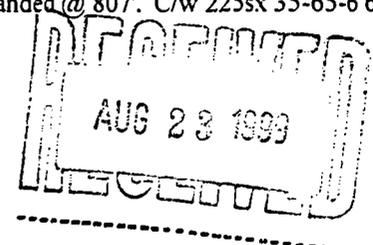
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: _____ <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <u>Spud &amp; Cement Casings</u> <input checked="" type="checkbox"/>

12. 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.

08/09/1999 MIRU AFT #2 Spud 17 1/2" hole @ 4:00PM. TD 17 1/2" hole @ 8:00PM. RIH w/4 jts 13 3/8" 54.5# K-55 ST&C csg Landed @ 145'. C/w 125sx Class C 2% CC. Circ 31sx. Plug down 10:00PM.

08/10/1999 10:30AM Spud 12 1/4" hole.

08/11/1999 2:30PM TD 12 1/4" hole @ 812'. RIH w/18 jts new 8 5/8" J-55 24# ST&C csg Landed @ 807'. C/w 225sx 35-65-6 6# salt 1/4# CF & 200sx Class C 2% CC. Circ 71sx. Plug down @ 7:45PM



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

SIGNATURE Crissa D. Carter TITLE Production Analyst DATE 08/13/99

TYPE OR PRINT NAME Crissa D. Carter TELEPHONE NO. (505)748-1288

(This space for State Use)

APPROVED BY Jim W. Green TITLE District Supervisor DATE 8-16-99

CONDITIONS OF APPROVAL, IF ANY:

District Office  
State Lease - 6 copies  
Fee Lease - 3 copies  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, New Mexico 87505

DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.  
30-015-30037

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.  
E-742

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1. Type of Well:  
OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. Type of Completion:  
NEW WELL  WORK OVER  Deepen  PLUG BACK  DIFF RESVR  OTHER \_\_\_\_\_

2. Name of Operator  
Mack Energy Corporation

3. Address of Operator  
P.O. Box 960, Artesia, NM 88211-0960

4. Well Location  
Unit Letter L : 1650 Feet From The South Line and 330 Feet From The West Line  
Section 20 Township 17S Range 29E NMPM Eddy County

7. Lease Name or Unit Agreement Name  
Mesquite State

8. Well No.  
1

9. Pool name or Wildcat  
East Empire Yeso

10. Date Spudded 8/9/1999 11. Date TD Reached 8/22/1999 12. Date Compl. (Ready to Prod.) 9/7/1999 13. Elevations (DF & RKB, RT, GR, etc.) 3658 14. Elev. Casinghead 3646 GR

15. Total Depth 4218 16. Plug Back TD 4187 17. If Multiple Compl. How Many Zones? \_\_\_\_\_ 18. Intervals Drilled By \_\_\_\_\_ Rotary Tools Yes Cable Tools \_\_\_\_\_

19. Producing Interval(s), of this completion - Top, Bottom, Name  
3874-4156.5, Paddock 20. Was Directional Survey Made Yes

21. Type Electric and Other Logs Run  
CSNG, DSN, SDL, GR, DLL, MSFL 22. Was Well Cored No

23. **CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8, K-55	54.5	145	17 1/2	125	
8 5/8, K-55	24	807	12 1/4	425	
5 1/2 J-55	15.5	4211	7 7/8	1010	

24. **LINER RECORD** 25. **TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	4181	

26. Perforation record (interval, size, and number)  
3874-4156.5, .41, 69

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3874-4156.5	2500 gals 15% NE acid
3874-4156.5	32,000 gals 20% NE acid

28. **PRODUCTION**

Date First Production 9/10/1999 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping, 2 X 1 1/2 X 10 HVR PAP Well Status (Prod. or Shut-in) Prod

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
9/18/1999	24			52	62	289	1192

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
			52	62	289	38

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
Sold Test Witnessed By Robert C. Chase

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Crissa D. Carter Printed Name Crissa D. Carter Title Production Analyst Date 9/21/1999

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico      Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____ 2076	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 2779	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____ 4206	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

No. 1, from \_\_\_\_\_ to \_\_\_\_\_      No. 3, from \_\_\_\_\_ to \_\_\_\_\_  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_      No. 4, from \_\_\_\_\_ to \_\_\_\_\_

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 3, from \_\_\_\_\_ to \_\_\_\_\_ feet

### LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology

PROPERTY	DOI	MO/YR	PROPERTY NAME	OWNER SQ	OWNER NAME	INTEREST	INTEREST TYPE	LAST CHANGE
001308	001	JI	01/98	MESQUITE STATE 1				
				999 101 00	CHASE OIL CORPORATION	.65000000	1 WOR	8/18/98
				999 104 00	RICHARD L. CHASE	.03000000	1 WOR	8/18/98
				999 105 00	GERENE DIANNE CHASE CROUCH	.02000000	1 WOR	8/18/98
				999 106 00	ROBERT C. CHASE	.05000000	1 WOR	8/18/98
				999 107 00	MACK C. CHASE TRUST	.25000000	1 WOR	8/18/98
					TOTAL INTEREST	1.00000000		