

MACK ENERGY CORPORATION

AUTHORIZATION FOR EXPENDITURE

Panther Federal #2

5000

2310 FSL 990 FWL SEC 31 T17S R32E

Lea County, New Mexico

Drilling Intangible	Dry Hole Without Pipe	Completed Well	Actual Cost
Location,Roads,Pits,Damages	\$15,406.28	\$0.00	\$15,406.28
Footage 5,000 \$16.50	\$87,140.63	\$0.00	\$87,140.63
Daywork--28 Hours 28 \$5,000.00	\$5,707.42	\$0.00	\$5,707.42
Cement and Services	\$32,760.00	\$0.00	\$32,760.00
Testing and Coring	\$0.00	\$0.00	\$0.00
Open Hole Logs/Wireline	\$24,500.00	\$0.00	\$24,500.00
Professional Services	\$2,280.50	\$0.00	\$2,280.50
Mud Materials,Fuel,Water	\$10,635.42	\$0.00	\$10,635.42
Turnkey, Directional, Full Core	\$0.00	\$0.00	\$0.00
Bits,Corehead and Rentals	\$0.00	\$0.00	\$0.00
Miscellaneous and Contingency	\$17,843.02	\$0.00	\$17,843.02
Administrative, General Expense	\$0.00	\$0.00	\$0.00

Total Drilling Intangibles	\$196,273.27	\$0.00	\$196,273.27
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Completion Intangibles

Completion Unit	\$0.00	\$9,834.75	\$9,834.75
Cement and Cementing	\$0.00	\$15,900.00	\$15,900.00
Perforating and Logging	\$0.00	\$8,786.92	\$8,786.92
Frac and/or Acid Treatment	\$0.00	\$83,533.16	\$83,533.16
Fuel,Water,Power	\$0.00	\$1,197.67	\$1,197.67
Battery Construction-Dirt Work,Etc	\$0.00	\$819.92	\$819.92
Completion Tools And Equipment-Renta	\$0.00	\$31,725.01	\$31,725.01
Professional Services	\$0.00	\$2,280.94	\$2,280.94
Miscellaneous Services	\$0.00	\$1,824.16	\$1,824.16
Contingency	\$0.00	\$15,590.25	\$15,590.25

Total Completion Intangibles	\$0.00	\$171,492.78	\$171,492.78
Total Intangibles	\$196,273.27	\$171,492.78	\$367,766.05

Drilling and Completion Tangibles

Surface Casing 800 13 3/8	\$12,928.50	\$0.00	\$12,928.50
Intermediate Casing 2200 8 5/8	\$18,159.58	\$0.00	\$18,159.58
Production Casing 5000 5 1/2	\$0.00	\$28,907.09	\$28,907.09
Production Tubing 5000 2 7/8	\$0.00	\$17,058.44	\$17,058.44
WellHead Equipment	\$749.14	\$3,272.86	\$4,022.00
Floating Equipment	\$1,469.75	\$3,666.89	\$5,136.64
Rods	\$0.00	\$11,769.27	\$11,769.27
Subsurfaces Equipment	\$0.00	\$5,204.00	\$5,204.00
Linepipe	\$0.00	\$4,778.52	\$4,778.52
Tanks,Treater,Separators	\$0.00	\$0.00	\$0.00
Pumping Unit And Engine	\$0.00	\$44,281.00	\$44,281.00
Other Miscellaneous Equipment	\$0.00	\$6,972.15	\$6,972.15
Contingency	\$3,330.70	\$12,591.02	\$15,921.72

Total Tangible	\$36,637.66	\$138,501.24	\$175,138.90
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TOTAL WELL COSTS	\$232,910.93	\$309,994.02	\$542,904.95
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Approved By _____

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 13206 Exhibit No. 4

Submitted by:

MACK ENERGY CORPORATION

Hearing Date: Jan. 22, 2004

MACK ENERGY CORPORATION

AUTHORIZATION FOR EXPENDITURE

Panther Federal #4

5000

2310 FSL 2310 FWL SEC 31 T17S R32E

Lea County, New Mexico

Drilling Intangible	Dry Hole Without Pipe	Completed Well	Actual Cost
Location,Roads,Pits,Damages	\$15,406.28	\$0.00	\$15,406.28
Footage 5,000 \$16.50	\$87,140.63	\$0.00	\$87,140.63
Daywork--28 Hours 28 \$5,000.00	\$5,707.42	\$0.00	\$5,707.42
Cement and Services	\$32,760.00	\$0.00	\$32,760.00
Testing and Coring	\$0.00	\$0.00	\$0.00
Open Hole Logs/Wireline	\$24,500.00	\$0.00	\$24,500.00
Professional Services	\$2,280.50	\$0.00	\$2,280.50
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Miscellaneous and Contingency	\$17,843.02	\$0.00	\$17,843.02
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Total Intangibles	\$196,273.27	\$171,492.78	\$367,766.05

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Date _____