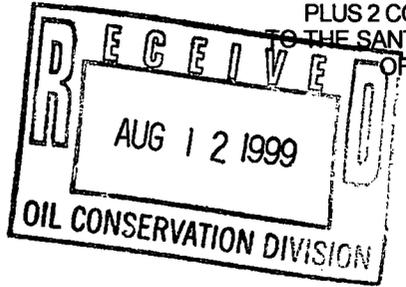


District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

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 Mimosa State		Well Number 1	API Number 30-015-30575					
UL K	Section 30	Township 17S	Range 29E	Feet From The 2310	North/South Line South	Feet From The 1580	East/West Line West	County Eddy, NM

II. Date/Time Information

Spud Date 2/24/99	Spud Time 2:30 pm	Date Completed 3/29/99	Pool Empire Yeso
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- 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 Robert C. Chase Title Vice President Date 8/9/99

SUBSCRIBED AND SWORN TO before me this 9th day of August, 1999

My Commission expires: 12-9-99 Notary Public Cristina J. Cook

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>Mark P. Kelly</u>	Title <u>P.E. Spec.</u>	Date <u>AUG 13 1999</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: AUG 16 1999

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

PV 2/2006333640

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

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.
 30-015-30575

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 OG-181

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 _____

7. Lease Name or Unit Agreement Name
 Mimosa State

2. Name of Operator
 Mack Energy Corporation

8. Well No.
 1

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

9. Pool name or Wildcat
 Empire Yeso

4. Well Location
 Unit Letter K : 2310 Feet From The South Line and 1580 Feet From The West Line
 Section 30 Township 17S Range 29E NMPM Eddy County

10. Date Spudded 2/24/99 11. Date TD Reached 3/8/99 12. Date Compl. (Ready to Prod.) 3/29/99 13. Elevations (DF & RKB, RT, GR, etc.) 3660 RKB 14. Elev. Casinghead 3649

15. Total Depth 5333 16. Plug Back TD 5317 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
5142-5160 Paddock 20. Was Directional Survey Made Yes

21. Type Electric and Other Logs Run
Gamma Ray, Neutron, Density, Lateralog, Spectral Gamma Ray 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"	48	150	17 1/2	150sx	None
8 5/8"	32	832	12 1/4	450 sx	None
5 1/2"	17	5332	7 7/8	1040sx	None

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8	5198	

26. Perforation record (interval, size, and number) 5142-5160, 1/2, 8	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	5142-5160	500 gals 15% NE acid
5142-5160	16000 gals 20% acid, 27000 gals gell	

28. **PRODUCTION**

Date First Production 4/1/99 Production Method (*Flowing, gas lift, pumping - Size and type pump*) pumping 2x1 1/2x16' Well Status (*Prod. or Shut-in*) Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water- Bbl.	Gas - Oil Ratio
4/6/99	24			43	48	230	1116

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water- Bbl.	Oil Gravity - API - (Corr.)
			43	48	230	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 4/29/99

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 _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	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

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

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. 30-015-30575
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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"/>	7. Lease Name or Unit Agreement Name Mimosa State
2. Name of Operator Mack Energy Corporation	8. Well No. #1
3. Address of Operator P.O. Box 960, Artesia, NM 88211-0960	9. Pool name or Wildcat Empire Yeso
4. Well Location Unit Letter <u>K</u> : <u>2310</u> Feet From The <u>South</u> Line and <u>1580</u> Feet From The <u>West</u> Line Section <u>30</u> Township <u>17S</u> Range <u>29E</u> NMPM <u>Eddy, NM</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3660	

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

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

2/24/1999 Spud 17 1/2" hole @ 2:30pm. TD 17 1/2" hole @ 4:45pm @ 155'. RIH w/3 jts 13 3/8" 48# J-55 ST&C landed @ 150'. BJ Cemented w/150sx Class C 2% CC. Circ 17sx. Plug down @ 7:20PM. WOC 12 hrs, tstd csg to 600# for 20 minutes - held okay.

2/25/1999 Spud 12 1/4" HOLE @ 9:20am. TD 12 1/4" hole @ 9:10pm @ 837'.

2/26/1999 RIH w/20 jts 32-24# J-55 ST&C 8 5/8" csg. Landed @ 832'. BJ cemented w/250sx 35-65-6 6# salt 1/4" ST & 200sx Class C 2% CC. Circ 71sx. Plug down @ 1:45am. WOC 12 hrs, tstd csg to 600# for 20 minutes - held okay.



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 3/8/99

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 3-19-99

CONDITIONS OF APPROVAL, IF ANY:

PROPERTY	DOI	MO/YR	PROPERTY NAME	OWNER SQ	OWNER NAME	INTEREST	INTEREST TYPE	LAST CHANGE
001335	001	J1	01/98	MIMOSA STATE	1			
				999101	00 CHASE OIL CORPORATION	.65000000	1 WOR	10/21/98
				999104	00 RICHARD L. CHASE	.03000000	1 WOR	10/21/98
				999105	00 GERENE DIANNE CHASE CROUCH	.02000000	1 WOR	10/21/98
				999106	00 ROBERT C. CHASE	.05000000	1 WOR	10/21/98
				999107	00 MACK C. CHASE TRUST	.25000000	1 WOR	10/21/98
TOTAL INTEREST						1.00000000		