

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

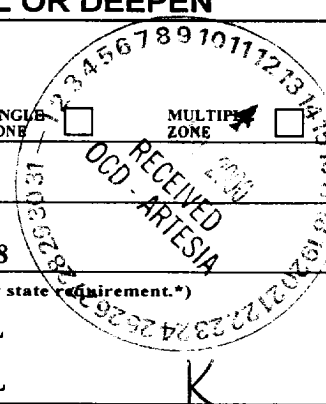
1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL Gas Well OTHER

2. NAME OF OPERATOR
 Mack Energy Corporation 13837

3. ADDRESS AND TELEPHONE NO.
 P.O. Box 960, Artesia, NM 88211-0960 (505) 748-1288

4. LOCATION OF WELL (Report location clearly and in accordance with any state requirement.)*
 At surface
 At proposed prod. zone
 1574 FSL & 1852 FWL
 1524 1838
 2310 FSL & 2310 FWL



5. LEASE DESIGNATION AND SERIAL NO.
 LC-029342-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO. 1738/
 Woolley Federal #6

9. API WELL NO.
 30-015-31256

10. FIELD AND POOL, OR WILDCAT
 Loco Hills Paddock

11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA
 Sec 21 T17S R30E

12. COUNTY OR PARISH
 Eddy

13. STATE
 NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 1/10 mile South of Loco Hills

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 1852

16. NO. OF ACRES IN LEASE
 120

17. NO. OF ACRES IN LEASE TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.
 500

19. PROPOSED DEPTH
 5500

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3643 GR

22. APPROX. DATE WORK WILL START*
 7/1/00

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	K-55, 13 3/8	48	425	Circ
12 1/4	K-55, 8 5/8	24	1040	Circ
7 7/8	J-55, 5 1/2	17	5500	Suff to Circ

Mack Energy proposes to drill to a depth sufficient to test the Paddock and San Andres formation for oil. If productive, 5 1/2" casing will be cemented. If non-productive, the well will be plugged and abandoned in a manner consistent with federal regulation. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

1. Surveys
 Exhibit #1- Well Location Plat
 Exhibit #2- Vicinity Map
 Exhibit #3- Location Verification Map
2. Drilling Program
3. Surface Use & Operating Plan
 Exhibit #4- One Mile Radius Map
 Exhibit #5- Production Facilities Layout
 Exhibit #6- Location Layout
4. Certification
5. Hydrogen Sulfide Drilling Operation Plan
 Exhibit #7- H2S Warning Sign
 Exhibit #8- H2S Safety Equipment
6. Blowout Preventers
 Exhibit #9- BOPE Schematic
 Exhibit #10- Blowout Preventer Requirements
 Exhibit #11- Choke Manifold
7. Responsibility Statement
8. Directional Survey Plan
9. Proof of Surface Ownership
 Special Warranty Deed

APPROVAL SUBJECT TO
 GENERAL REQUIREMENTS AND
 SPECIAL STIPULATIONS

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Crista D. Cat TITLE Production Analyst DATE 6/5/00

(This space for Federal or State office use)

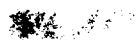
PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE Assistant Field Manager, Lands And Minerals DATE _____

*See Instructions On Reverse Side



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SHERIFF

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