

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**EC****SUNDRY NOTICES AND REPORTS ON WELLS****Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.****SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. PEARSALL A 03 |
| 2. Name of Operator MACK ENERGY CORPORATION | | 9. API Well No. 30-025-36546-00-X1 |
| 3a. Address P O BOX 960 ARTESIA, NM 88211-0960 | Contact: ROBERT CHASE E-Mail: jerrys@mackenergycorp.com | 10. Field and Pool, or Exploratory MALJAMAR GRAYBURG SA |
| 3b. Phone No. (include area code) Ph: 505.748.1288 Fx: 505.746.9539 | | 11. County or Parish, and State LEA COUNTY, NM |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 33 T17S R32E NESE 2310FSL 380FEL | | |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION |
|---|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Deepen |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Alter Casing |
| | <input type="checkbox"/> Fracture Treat |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Change Plans |
| | <input type="checkbox"/> Plug and Abandon |
| | <input type="checkbox"/> Convert to Injection |
| | <input type="checkbox"/> Plug Back |
| | <input type="checkbox"/> Production (Start/Resume) |
| | <input type="checkbox"/> Reclamation |
| | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Water Disposal |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Well Integrity |
| | <input checked="" type="checkbox"/> Other Well Spud |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

06/23/2004 Spud 17 1/2" hole @ 7:00 PM.

06/24/2004 TD 17 1/2" hole @ 319', RIH w/13 3/8 H-40 48# set @ 313', Cemented w/350 sx Class C, 2% CC, circ 35 sx, plug down @ 9:45 PM. WOC 18 hours tested BOP to 2000# for 10 minutes, held OK.

07/02/2004 TD 12 1/4" hole @ 2510', RIH w/56 joints 8 5/8" J-55 32# set @ 2496', Cemented w/900 sx

35-65-6, 6# salt, 1/4# CF, tail in w/200 sx Class C, 2% CC, circ 114 sx, plug down @ 1:45 AM. WOC

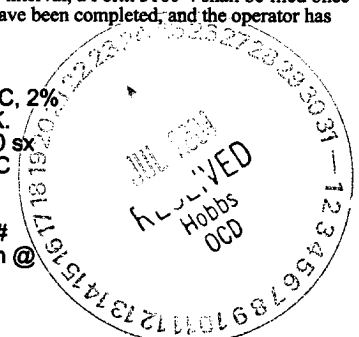
12 hours tested BOP to 2000# for 10 minutes, held OK.

07/13/2004 TD 7 7/8" hole @ 5200'.

07/16/2004 RIH w/117 joints 5 1/2" J-55 17# set @ 5183', Cemented w/325 sx 35-65-6, 3# salt, 1/4#

CF, tail in w/800 sx 50-50-2, 1% SF25, 3% FL52, 1% BA58, .6 SMS, 5% salt, circ 120 sx, plug down @

7:15 PM 7/15/04. WOC 12 hours tested casing to 600# for 20 minutes, held OK.



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| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #33390 verified by the BLM Well Information System For MACK ENERGY CORPORATION, sent to the Hobbs Committed to AFMSS for processing by ARMANDO LOPEZ on 07/22/2004 (04AL0129SE) | |
| Name (Printed/Typed) JERRY SHERRELL | Title PRODUCTION CLERK |
| Signature (Electronic Submission) | Date 07/22/2004 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---|-----------------|
| Approved By ACCEPTED | DAVID R GLASS Title PETROLEUM ENGINEER | Date 07/22/2004 |
| Conditions of approval, if any, are attached. Approval of this notice 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. | | Office Hobbs |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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