

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Ave., Artesia, NM 88210

District III
1000 Rio Erazos Rd., Aztec, NM 87410

District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 14973

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MACK ENERGY CORP PO Box 960 Artesia, NM 88211-0960		OGRID Number 13837
		API Number 30-025-37427
Property Code 35020	Property Name SHARK STATE	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	30	16S	33E	A	330	N	990	E	Lea

Proposed Pools

MALJAMAR;GRAYBURG-SAN ANDRES 43329

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 4243
Multiple N	Proposed Depth 5500	Formation San Andres	Contractor	Spud Date 08/30/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	350	350	0
Int1	12.25	8.625	24	2650	1100	0
Prod	7.875	5.5	17	5500	1000	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill to a 17 1/2 hole to 350 run 13 3/8 casing and cement. Drill a 12 1/4 hole to 2650 using the Lea County Alternative run 8 5/8 casing and cement. Drill to 5500 test San Andres Zone, run 5 1/2 casing and cement. Note: On production string a fluid caliper will be run and will figure cement with 25% excess, attempt to circulate.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	

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

Electronically Signed By: Jerry Sherrell

Title: Production Clerk

Date: 08/23/2005

Phone: 505-748-1288

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 08/25/2005

Expiration Date: 08/25/2006

Conditions of Approval:

There are conditions. See Attached.