State of New Mexico

Form C-101 Permit 27653

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

	Operator Name and Address	2. OGRID Number
1/	MACK ENERGY CORP	13837
AF	PO BOX 960 RTESIA , NM 882110960	3. API Number
		30-025-37810
4. Property Code	5. Property Name	6. Well No.
34552	SNAPPER STATE	015

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Н	14	16S	33E	Н	1650	N	990	E	LEA

8. Pool Information

HUME;GRAYBURG, WEST	97444
HUME;QUEEN, WEST	33560

Additional Well Information

		23ddiwolldi 11CH Hilofillo	LUOIL	127
9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4178
14. Mühiple Y	15. Proposed Depth 4500	16. Formation Grayburg	17. Contractor	18. Spud Date 4/19/2006
Depth to Ground v 150	vater	Distance from nearest fresh water v > 1000	vell .	Distance to nearest surface water > 1000
Pit: Liner: Synthetic X Closed Loop System	-		Drilling Method: Fresh Water 🔀 Brine 🗀	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Туре	pe Hole Size Casing Type		Hole Size Casing Type		Hole Size Casing Type Casing Weight/ft		Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1520	900	0				
Prod	7.875	5.5	17	4500	1300	0				

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4 hole to 1520', run 8 5/8 casing and cement. Drill a 7 7/8 hole to 4500' and test Grayburg formation, 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

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

of my knowledge and belief.	on given above is true and complete to the best ng pit will be constructed according to	OIL CONSERVATION DIVISION Approved By: Paul Kautz				
	ral permit , or an (attached) alternative					
Printed Name: Electronical	ly filed by Jerry Sherrell	Title: Geologist				
Title: Production Clerk	10 59	Approved Date: 4/17/2006 Expiration Date: 4/17/2007				
Email Address: jerrys@ma	ckenergycorp.com					
Date: 4/17/2006	Phone: 505-748-1288	Conditions of Approval Att	ached			

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

<u>District II</u>

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 27653

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

YY.	ELL LOCATION AND A	SIGNAGE DEDICATION FL.	Al		
1. API Number	2. Pool Code	3. Pool Name			
30-025-37810	97444	HUME;GRAY	BURG, WEST		
4. Property Code	5. Prop	erty Name	6. Well No.		
34552	SNAPPE	ER STATE	015		
7. OGRID No.	8. Oper	ator Name	9. Elevation		
13837	MACK EN	ERGY CORP	4178		

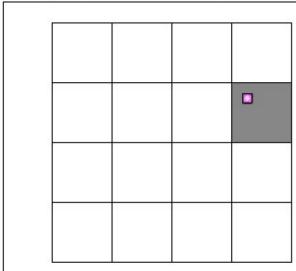
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	14	16S	33E		1650	N	990	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Т	ownship	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
1075170	ated Acres		13. 1	Joint or Infill		14	. Consolidation (Code			15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Jerry Sherrell Title: Production Clerk Date: 4/17/2006

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Gary Eidson Date of Survey: 4/14/2006 Certificate Number: 12641 District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

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Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

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1. API Number	2. Pool Code	3. Pool Name
30-025-37810	33560	HUME;QUEEN, WEST
4. Property Code	5. Property Na	me 6. Well No.
34552	SNAPPER ST	ATE 015
7. OGRID No.	8. Operator Na	me 9. Elevation
13837	MACK ENERGY	CORP 4178

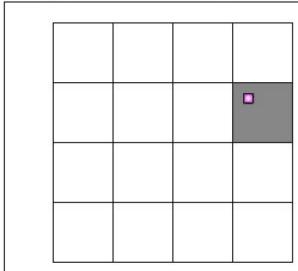
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UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Н	14	16S	33E		1650	И	990	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township		Range	nge Lot Idn		Feet From	N/S Line		Feet From	E/W Line	County
12. Dedicated Acres 40.00			13. Joint or Infill		14. Consolidation Code			15. Order No.				

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Surveyed By: Gary Eidson Date of Survey: 4/14/2006 Certificate Number: 12641

Permit Comments

Operator: MACK ENERGY CORP , 13837 Well: SNAPPER STATE #015

API: 30-025-37810

Created By	Comment	Comment Date
DWSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	4/17/2006

Permit Conditions of Approval

Operator: MACK ENERGY CORP, 13837 Well: SNAPPER STATE #015

30-025-37810 API:

OCD Reviewer	Condition
DMULL	Will require DHC administrative order for downhole commingling before multiple zones can be produced by commingling in the wellbore.
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114