State of New Mexico

Form C-101 Permit 61783

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

7 II I I I C I I I C	RETERENTE TO DICHEE, RE ENTER, DEEL E	, I hooding, of the har it house		
	1. Operator Name and Address	2. OGRID Number		
	MACK ENERGY CORP	13837 3. API Number		
	PO BOX 960 ARTESIA , NM 88211			
	THE LOTT, THE BOZIT	30-025-38580		
4. Property Code	5. Property Name	6. Well No.		
32681	006			

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	18	17S	36E	J	1650	S	2310	E	LEA

8. Pool Information

VACUUM;GRAYBURG-SAN ANDRES 621:

Additional Well Information

	<u> </u>				
9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3891 18. Spud Date 10/15/2007	
14. Mühtiple N	15. Proposed Depth	16. Formation San Andres	17. Contractor		
Depth to Ground water 47		Distance from nearest fresh water v	Distance to nearest surface water		
it: Liner: Synthetic Closed Loop System	mils thick	Clay Pit Volume: bbls	Drilling Method: Fresh Water Brine 1	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	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	1870	1000	0
Prod	7.875	5.5	17	5400	1000	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 17 1/2 hole to 300', run 13 3/8 casing and cement. Drill a 12 1/4 hole to 1870', run 8 5/8 casing and cement. Drill a 7 7/8 hole to TD, 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 circ.

Proposed Blowout Prevention Program

Í	Туре	Working Pressure	Test Pressure	Manufacturer
	DoubleRam	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION			
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Paul Kautz			
Printed Name: Electronically filed by Jerry Sherrell	Title: Geologist			
Title: Production Clerk	Approved Date: 10/2/2007 Expiration Date: 10/2/2008			
Email Address: jerrys@mackenergycorp.com				
Date: 10/1/2007 Phone: 505-748-1288	Conditions of Approval Attached			

District I

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

District II

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

<u>District III</u> 1000 Rio Brazos Rd., Azzec, 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 61783

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 ACK	EAGE DEDICATION FE	7.1
1. API Number	2. Pool Code	l Name	
30-025-38580	62180	VACUUM;GRAYB	URG-SAN ANDRES
4. Property Code	5. Property Name		6. Well No.
32681	MUSTANG	006	
7. OGRID No.	8. Operator Name		9. Elevation
13837	MACK ENER	3891	

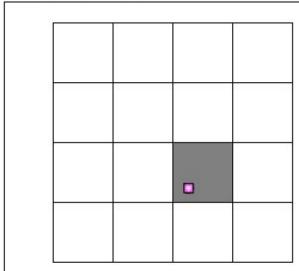
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	18	17S	36E		1650	S	2310	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
0.757.0753	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: 10/1/2007

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: Ronald Eidson Date of Survey: 9/17/2007 Certificate Number: 3239

Permit Comments

Operator: MACK ENERGY CORP , 13837 Well: MUSTANG STATE #006

API: 30-025-38580

Created By	Comment	Comment Date	
JJWSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	10/1/2007	

Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837 Well: MUSTANG STATE #006

API: 30-025-38580

OCD Reviewer	Condition	
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	Minimum surfaces casing setting depth Lea County is 350'	