

**Santa Fe, NM 87505**

1. Operator Name and Address MACK ENERGY CORP PO BOX 960 ARTESIA , NM 88211		2. OGRID Number 13837
		3. API Number 30-05-64010
4. Property Code 36691	5. Property Name FALCON STATE	6. Well No. 004

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	16	14S	29E	G	1675	N	2340	E	CHAVES

WC; LONE WOLF; SAN ANDRES, SOUTH	97662
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3720
14. Multiple N	15. Proposed Depth	16. Formation San Andres	17. Contractor	18. Spud Date 2/15/2008
Depth to Ground water 60		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick      Clay <input type="checkbox"/> Pit Volume:      bbls      Drilling Method:				
Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	325	300	0
Prod	7.875	5.5	17	4696	500	2500
Prod	7.875	5.5	17	2500	500	0

Mack Energy Corporation proposes to drill a 12 1/4 hole to 325', run 8 5/8 casing and cement. Drill a 7 7/8 hole to a MD of 4696', a VD of 2918' test the san andres formation, run 5 1/2 casing and cement. Note: On production string a hole caliper will be run and will figure cement with excess, attempt to circulate.

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

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 NMOC guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Jerry Sherrell		Approved By: Bryan Arrant	
Title: Production Clerk		Approved Date: 2/8/2008      Expiration Date: 2/8/2010	
Email Address: jerrys@mackenergycorp.com			
Date: 2/6/2008	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

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

Form C-102  
 Permit 68930

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-05-64010	2. Pool Code 97662	3. Pool Name WC; LONE WOLF; SAN ANDRES, SOUTH
4. Property Code 36691	5. Property Name FALCON STATE	6. Well No. 004
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3720

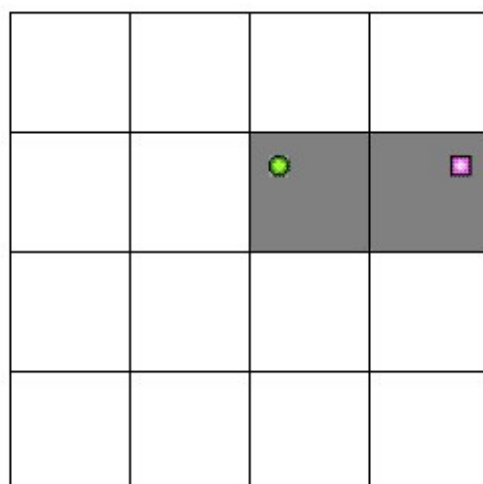
**10. Surface Location**

UL - Lot G	Section 16	Township 14S	Range 29E	Lot Idn	Feet From 1675	N/S Line N	Feet From 2340	E/W Line E	County CHAVES
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**11. Bottom Hole Location If Different From Surface**

11. Bottom Hole Location if Different from Surface									
UL - Lot H	Section 16	Township 14S	Range 29E	Lot Idn H	Feet From 1675	N/S Line N	Feet From 330	E/W Line E	County CHAVES
12. Dedicated Acres 80.00		13. 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: 2/6/2008

**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: 1/24/2008

Certificate Number: 12641

## Permit Comments

Operator: MACK ENERGY CORP , 13837

Well: FALCON STATE #004

API: 30-05-64010

Created By	Comment	Comment Date
JWSHERRELL	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	2/6/2008

# Permit Conditions of Approval

Operator: MACK ENERGY CORP , 13837

Well: FALCON STATE #004

API: 30-05-64010

OCD Reviewer	Condition
BArrant	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
BArrant	Operator must use fresh water mud when drilling surface hole.