State of New Mexico

Form C-101 Permit 87570

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

| 3 | Operator Name and Address MACK ENERGY CORP PO BOX 960 | 2. OGRID Number 13837 | | |
|------------------|---|-------------------------------|--|--|
| | ARTESIA, NM 88211 | 3. API Number 30-015-36859 | | |
| 4. Property Code | 5. Property Name | 6. Well No. | | |
| 37538 | HOG STATE COM | 001 | | |

7. Surface Location

| UI | L - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----|---------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| | I | 27 | 16S | 29E | I | 2285 | S | 330 | E | EDDY |

8. Pool Information

| WILDCAT ABO | 97019 |
|-------------|-------|
| | |

Additional Well Information

| 9. Work Type 10. Well Type New Well OIL | | | 11. Cable/Rotary 12. Lease Type State | | | 13. Ground Level Elevation 3668 | | |
|---|-----------------------|--|--|--|--|---------------------------------------|-----------------------------------|--|
| 14. Multiple N | | | epth 16. Formation Abo | | | 17. Contractor | 18. Spud Date 1/10/2009 | |
| Depth to Ground | Depth to Ground water | | | Distance from nearest fresh water well | | | Distance to nearest surface water | |
| Pit: Liner: Synthetic mils thick Closed Loop System | | | Clay | Pit Volume: | | illing Method: esh Water 🔀 Brine 🗀 | 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 | 380 | 400 | 0 |
| Int1 | 12.25 | 8.625 | 32 | 1800 | 650 | 0 |
| Prod | 7.875 | 5.5 | 17 | 6200 | 1100 | 0 |
| Prod | 6.125 | 4.5 | 11.6 | 11300 | 0 | 0 |

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 17 1/2 hole to 380, run 13 3/8 casing and cement. Drill a 12 1/4 hole to 1800, run 8 5/8 casing and cement. Drill a pilot hole to 7500 plug back and kick off at + or - 6550'. reduce hole to 6 1/8 @ 6800' to TD. run split string. 4 1/2 from 11,300-6200' set with Isolation packers, 5 1/2 from 6200-0' with external casing packer and ported collar @ 6100' and cement to surface.

Proposed Blowout Prevention Program

| Туре | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 3000 | 3000 | |

| of my knowledge and belief. | on given above is true and complete to the be or pit will be constructed according to | OIL CONSERVATION DIVISION | | | |
|-----------------------------|--|----------------------------|---------------------------|--|--|
| | ral permit , or an (attached) alternative | Approved By: Tim Gum | | | |
| Printed Name: Electronical | ly filed by Jerry Sherrell | Title: District Supervisor | | | |
| Title: Production Clerk | | Approved Date: 1/5/2009 | Expiration Date: 1/5/2011 | | |
| Email Address: jerrys@ma | ckenergycorp.com | | | | |
| Date: 12/29/2008 | Phone: 505-748-1288 | 1 | | | |

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

District III 1000 Rio Brazos Rd., Azzec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

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 87570

Energy, Minerals and Natural Resources Oil Conservation Division

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 10.5 | | - DEDICITION I DITT | | | |
|------------------|------------------|---------------------|--|--|--|
| 1. API Number | 2. Pool Code | 3. Pool Name | | | |
| 30-015-36859 | 97019 | WILDCAT ABO | | | |
| 4. Property Code | 5. Property Name | 6. Well No. | | | |
| 37538 | HOG STATE CO | M 001 | | | |
| 7. OGRID No. | 8. Operator Name | 9. Elevation | | | |
| 13837 | MACK ENERGY O | ORP 3668 | | | |

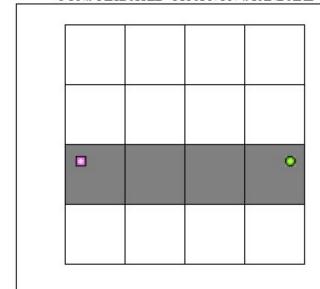
10. Surface Location

| ò | UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|---|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| | I | 27 | 16S | 29E | | 2285 | S | 330 | E | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|------------|-------------|----------|----------------|---------|-----------------|----------|-----------|---------------|--------|
| L | 27 | 16S | 29E | L | 2285 | S | 330 | W | EDDY |
| 0070100000 | cated Acres | 13. J | oint 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: 12/29/2008

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: Ronald Eidson Date of Survey: 12/10/2008 Certificate Number: 3239

Permit Comments

Operator: MACK ENERGY CORP , 13837 Well: HOG STATE COM #001

API: 30-015-36859

| Created By | Comment | Comment Date |
|---------------|--|-----------------|
| DWSHERRELL | H2S concentrations of wellls in this area from surface to TD are low enough that a contingency plan is not required. | 12/29/2008 |