

6/28/05  
District I  
1521 N. French Drive, Hobbs, NM 88240

WVJ  
State of New Mexico  
Energy, Minerals and Natural Resources Department

DHC-3498

Form C-107A  
Revised June 10, 2003

PWJ 0517968440

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

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

APPLICATION FOR DOWNHOLE COMMINGLING

Mack Energy Corporation P.O. Box 960, Artesia, NM 88211-0960  
Operator Address  
Snapper State #3 E.G.K.P.A-14-16S-33E Lea  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. 013837 Property Code 34552 API No. Multiple see attached Lease Type: Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Hume Queen West		Wildcat Grayburg
PoolCode	33560		N/A 9609 77444
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	(+)(-) 3900-4000'		(+)(-) 4350-4500'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	36.8		36.8
Producing, Shut-In or New Zone	New Zone		New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: _____ Rates: _____	Date: _____ Rates: _____	Date: _____ Rates: _____
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No \_\_\_\_\_  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes \_\_\_\_\_ No \_\_\_\_\_  
Are all produced fluids from all commingled zones compatible with each other? Yes  No \_\_\_\_\_  
Will commingling decrease the value of production? Yes \_\_\_\_\_ No   
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes \_\_\_\_\_ No \_\_\_\_\_  
NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:  
C- 1 02 for each zone to be commingled showing its spacing unit and acreage dedication.  
Production curve for each zone for at least one year. (If not available, attach explanation.)  
For zones with no production history, estimated production rates and supporting data.  
Data to support allocation method or formula.  
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.  
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools  
List of all operators within the proposed Pre-Approved Pools  
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.  
Bottomhole pressure data.

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

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 6/22/2005  
TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. ( 505 ) 748-1288  
E-MAIL ADDRESS jerrys@mackenergycorp.com

*Snapper State #2*  
*1650 FNL 330 FWL*  
*Sec. 14 T16S R33E*  
*API 30-025-37300*

*Snapper State #3*  
*1650 FNL 2310 FEL*  
*Sec. 14 T16S R33E*  
*API 30-025-37301*

*Snapper State #4*  
*2310 FSL 1650 FWL*  
*Sec. 14 T16S R33E*  
*API 30-025-37302*

*Snapper State #5*  
*660 FSL 660 FEL*  
*Sec. 14 T16S R33E*  
*API 30-025-20427*

*Snapper State #6*  
*660 FNL 660 FEL*  
*Sec. 14 T16S R33E*  
*API 30-025-01257*

DISTRICT I  
1625 N. FRENCH DR., HOBBES, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised JUNE 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-37301	Pool Code 33560	Pool Name Hume Queen West
Property Code 34552	Property Name SNAPPER STATE	Well Number 3
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 4183'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	14	16-S	33-E		1650	NORTH	2310	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Jerry W. Sherrell</i> Signature</p> <p>Jerry W. Sherrell Printed Name</p> <p>Production Clerk Title</p> <p>6/23/2005 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MARCH 30, 2005</p> <p>Date Surveyed _____ DEL</p> <p>Signature &amp; Seal of Professional Surveyor <i>Gary E. Edson</i> GARY E. EDSON NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 05.11.0519 4/8/05</p> <p>Certificate No. GARY EDSON 12641</p>
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=700731.9 N X=715128.6 E</p> <p>LAT.=32°55'27.92" N LONG.=103°37'56.07" W</p>	

DISTRICT I  
1625 N. FRENCH DR., HOBBES, NM 86240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 86210

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Revised JUNE 10, 2003  
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DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

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Property Code 34552	Property Name SNAPPER STATE	Well Number 3
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 4183'

Surface Location

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Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=700731.9 N X=715128.6 E</p> <p>LAT.=32°55'27.92" N LONG.=103°37'56.07" W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Jerry W. Sherrell</i> Signature Jerry W. Sherrell Printed Name Production Clerk Title 6/23/2005 Date</p> <hr/> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MARCH 30, 2005</p> <p>Date Surveyed _____ DEL Signature and Seal of Professional Surveyor <i>Gary E. Edson</i> NEW MEXICO GARY E. EDSON 05.11.0519 4/8/05 Certificate No. GARY EDSON 12641</p>
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