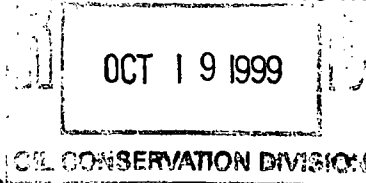


District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960						OGRID Number 013837	
Contact Party Robert C. Chase						Phone (505)748-1288	
Property Name Mesquite State					Well Number 1	API Number 30-015-30037	
UL L	Section 20	Township 17S	Range 29E	Feet From The 1650	North/South Line South	Feet From The 330	East/West Line West
							County Eddy, NM

II. Date/Time Information

Spud Date 8/9/99	Spud Time 8:00pm	Date Completed 9/7/99	Pool East Empire Yeso
---------------------	---------------------	--------------------------	--------------------------

III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of New Mexico)
County of Eddy) ss.
Robert C. Chase, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature [Signature] Title Vice President Date 9/21/99

SUBSCRIBED AND SWORN TO before me this 21st day of September, 1999

My Commission Expires 12-9-99 Notary Public [Signature]

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>[Signature]</u>	Title <u>P.E. Spee.</u>	Date <u>NOV 8 - 1999</u>
---------------------------------	----------------------------	-----------------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 11/9/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZV2007130816

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

WELL API NO. 30-015-30037
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-742
7. Lease Name or Unit Agreement Name Mesquite State
8. Well No. #1
9. Pool name or Wildcat East Empire Yeso
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3646

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS)

1. Type Of Well:
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. Name of Operator
Mack Energy Corporation

3. Address of Operator
P.O. Box 960 Artesia, NM 88211-0960

4. Well Location
Unit Letter L : 1650 Feet From The South Line and 330 Feet From The West Line
Section 20 Township 17S Range 29E NMPM Eddy, NM County

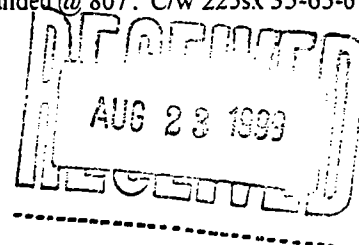
11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input checked="" type="checkbox"/> Spud & Cement Casings

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

08/09/1999 MIRU AFT #2 Spud 17 1/2" hole @ 4:00PM. TD 17 1/2" hole @ 8:00PM. RIH w/4 jts 13 3/8" 54.5# K-55 ST&C csg Landed @ 145'. C/w 125sx Class C 2% CC. Circ 31sx. Plug down 10:00PM.

08/10/1999 10:30AM Spud 12 1/4" hole.

08/11/1999 2:30PM TD 12 1/4" hole @ 812'. RIH w/18 jts new 8 5/8" J-55 24# ST&C csg Landed @ 807'. C/w 225sx 35-65-6 6# salt 1/4# CF & 200sx Class C 2% CC. Circ 71sx. Plug down @ 7:45PM



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

SIGNATURE Crissa D. Carter TITLE Production Analyst DATE 08/13/99

TYPE OR PRINT NAME Crissa D. Carter TELEPHONE NO. (505)748-1288

(This space for State Use)

APPROVED BY Jim W. Green TITLE District Supervisor DATE 8-16-99

CONDITIONS OF APPROVAL, IF ANY:

District Office
State Lease - 6 copies
Fee Lease - 3 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

Form C-105
Revised 1-1-89

WELL API NO. 30-015-30037
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-742

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		7. Lease Name or Unit Agreement Name Mesquite State	
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> Deepen <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____		8. Well No. 1	
2. Name of Operator Mack Energy Corporation		9. Pool name or Wildcat East Empire Yeso	
3. Address of Operator P.O. Box 960, Artesia, NM 88211-0960			
4. Well Location Unit Letter L : 1650 Feet From The South Line and 330 Feet From The West Line Section 20 Township 17S Range 29E NMPM Eddy County			
10. Date Spudded 8/9/1999	11. Date TD Reached 8/22/1999	12. Date Compl. (Ready to Prod.) 9/7/1999	13. Elevations (DF & RKB, RT, GR, etc.) 3658
14. Elev. Casinghead 3646 GR			
15. Total Depth 4218	16. Plug Back TD 4187	17. If Multiple Compl. How Many Zones? _____	18. Intervals Drilled By Rotary Tools Yes
19. Producing Interval(s), of this completion - Top, Bottom, Name 3874-4156.5, Paddock			20. Was Directional Survey Made Yes
21. Type Electric and Other Logs Run CSNG, DSN, SDL, GR, DLL, MSFL			22. Was Well Cored No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8, K-55	54.5	145	17 1/2	125	
8 5/8, K-55	24	807	12 1/4	425	
5 1/2 J-55	15.5	4211	7 7/8	1010	

LINER RECORD					TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	4181	

26. Perforation record (interval, size, and number) 3874-4156.5, .41, 69	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	3874-4156.5	2500 gals 15% NE acid
	3874-4156.5	32,000 gals 20% NE acid

28. PRODUCTION							
Date First Production 9/10/1999		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping, 2 X 1 1/2 X 10 HVR PAP				Well Status (Prod. or Shut-in) Prod	
Date of Test 9/18/1999	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl. 52	Gas - MCF 62	Water- Bbl. 289	Gas - Oil Ratio 1192
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl. 52	Gas - MCF 62	Water- Bbl. 289	Oil Gravity - API - (Corr.) 38	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold						Test Witnessed By Robert C. Chase	

30. List Attachments			
31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief			
Signature Crissa D. Carter	Printed Name Crissa D. Carter	Title Production Analyst	Date 9/21/1999

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____ 2076	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 2779	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____ 4206	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet

No. 2, from to feet

No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

PROPERTY	DOI MO/YR	PROPERTY NAME	OWNER SQ	OWNER NAME	INTEREST	INTEREST TYPE	LAST CHANGE
001308	001	JI	01/98	MESQUITE STATE 1			
			999 101 00	CHASE OIL CORPORATION	.65000000	1 WOR	8/18/98
			999 104 00	RICHARD L. CHASE	.03000000	1 WOR	8/18/98
			999 105 00	GERENE DIANNE CHASE CROUCH	.02000000	1 WOR	8/18/98
			999 106 00	ROBERT C. CHASE	.05000000	1 WOR	8/18/98
			999 107 00	MACK C. CHASE TRUST	.25000000	1 WOR	8/18/98
				TOTAL INTEREST	1.00000000		