District! - (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

NOV - 1 1999

ICA COUSERVATION DIVISION

Form C-142 Date 06/99

SUBMIT ORIGINAL PLUS 2 COPIES TO THE SANTA FE OFFICE

APPLICATION FOR NEW WELL STATUS Operator and Well Operator name & address OGRID Number **Mack Energy Corporation** P.O. Box 960 Artesia, NM 88211-0960 013837 Contact Party Phone Robert C. Chase (505)748-1288 Property Name Well Number API Number Melrose Federal 30-015-30649 Feet From The 1650 UL_E North/South Line North East/West Line West Section County Township Range 30F Eddy, NM Date/Time Information Spud Date 9/22/99 Spud Time 4:30 pm Date Completed 10/15/99 Pool Loco Hills Paddock 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. AFFIDAVIT: **New Mexico** State of Eddy County of Robert C. Chase being first duly sworn, upon oath states: am the Operator, or authorized representative of the Operator, of the above-referenced well.

FOR OIL CONSERVATION DIVISION USE ONLY:

SUBSCRIBED AND SWORN TO before me this

VI. GERTIFICATION OF APPROVAL:

2.

HOTIT

/ly Commission expires: 🚈

Signature

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.

Vice President

1999

October

Notary Public

Signature Mark John P.E. Spec. Date DEC 1 4 1999

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

To the best of my knowledge, this application is complete and correct.

Title

29th

12-9-99

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

10/29/99

Date

Form 3160-4 (October 1990)

35. LIST OF ATTACHMENTS

SIGNED

UNITED STATES

SUBMIT IN DUPLICATE* (See other instruction on reverse side)

FOR APPROVED OMB NO. 1004-0137 Expires: December 31,1991

10/29/99

'n

DATE

DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO BUREAU OF LAND MANAGEMENT LC-060528 6. IF INDIAN, ALLOTTEE OR TRIBE NAME WELL COMPLETION OR RECOMPLETION REPORT AND LOG* 1a. TYPE OF WELL: GAS 7. UNIT AGREEMENT NAME WELL DRY L Other b. TYPE OF COMPLETION: DIFE NEW X DEEPEN WORK PLUG | 8. FARM OR LEASE NAME, WELL NO OVER RESVR. 2. NAME OF OPERATOR Melrose Federal #2 9. API WELL NO. **Mack Energy Corporation** 3. ADDRESS AND TELEPHONE NO. 30-015-30649 P.O. Box 960, Artesia, NM 88211-0960 (505) 748-1288 IO. FIELD AND POOL, OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* Loco Hills Paddock At surface 1650 FNL 330 FWL 11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA At top prod. Interval reported below 1650 FNL 330 FWL 1650 FNL 330 FWL At total depth Sec 23-T17S-R30E 12. COUNTY OR PARISH Eddy 14. PERMIT NO. 13. STATE DATE ISSUED NM 15. DATE SPUDDED 16. DATE T.D. REACHED 19. ELEV. CASING HEAD 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RK8, RT, GR, ETC.)* 9/22/99 10/3/99 10/15/99 3680 RKB 3668 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., 23. INTERVALS ROTARY TOOLS CABLE TOOLS 20. TOTAL DEPTH, MD & TVD HOW MANY DRILLED BY 5185 5151 Yes 24. PRODUCING INTERVAL (S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE 4534-4837 Paddock Yes 27. WAS WELL CORED 26. TYPE ELECTRIC AND OTHER LOGS RUN Gamma Ray, Neutron, Density, Lateralog, Spectral Gamma Ray Nο CASING RECORD (Report all strings set in well) 28. CASING SIZE/GRADE WEIGHT, LB./FT DEPTH SET (MD) HOLE SIZE TOP OF CEMENT, CEMENTING RECORD AMOUNT PULLED 13 3/8 K-55 54 474 17 1/2 450 sx None 8 5/8 J-55 24 12 1/4 475 sx 1121 None 17 5 1/2 J-55 5164 7 7/8 1200 sx None LINER RECORD 30. TUBING RECORD 29. DEPTH SET (MD) SIZE TOP(MD) BOTTOM (MD) SACKS CEMENT SIZE PACKER SET (MD) SCREEN (MD) 2 7/8 4860 31. PERFORATION RECORD (interval, size and number) ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC AMOUNT AND KIND OF MATERIAL USED DEPTH INTERVAL (MD) 2500 gals 15% NEFE acid 4534-4837 32000 gals 20% HCL acid 4534-4837 4534-4837 54000 gals 40# gel 4534-4837, 1/2, 59 33. PRODUCTION DATE FIRST PRODUCTION WELL STATUS (Producing or PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of puri shut-in) Producing pumping 2 1/2 x 2 x 20' HVR 10/21/99 PROD'N FOR OIL-BBL. GAS-OIL RATIO DATE OF TEST HOURS TESTED CHOKE SIZE GAS-MCF. WATER-BBL TEST PERIOD 88 91 425 1034 10/28/99 24 None CALCULATED GAS-MCF. WATER - BBL OIL GRAVITY - API (CORR.) OIL-BBL. FLOW, TUBING PRESS. **CASING PRESSURE** 24-HOUR RATE 425 91 38 88 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold

*(See Instructions and spaces for Additional Data on Reverse Side)

Production Analyst

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

TITLE _

Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31,1993

LC-060528

F THE INTERIOR		1
THE INTERIOR		Expires: March 31,1993
D MANAGEMENT	UFERATOR'S CO	Lease Designation and Serial N

Do not use this form for proposals to dril Use "APPLICATION FOR	6. If Indian, Allottee or Tribe Name						
SUBMIT I Type of Well	7. If Unit or CA, Agreement Designation						
Oil Gas Well Other		8. Well Name and No.					
2. Name of Operator	Melrose Federal #2						
Mack En	9. API Well No.						
3. Address and Telephone No.	30-015-30649						
P.O. Box 960, A	10. Field and Pool, or Exploratory Area						
4. Location of Well (Footage, Sec., T. R., M. or Survey Des	Loco Hills Paddock						
Sec 23-T17S-R30E 1650 FNL & 330 FWL		11. County or Parish, State					
	•	Eddy, NM					
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	Abandonment	Change of Plans					
Subsequent Report	Recompletion	New Construction					
Suosequent Report	Plugging Back	Non-Routine Fracturing					
Final Abandonment Notice	Casing Repair Altering Casing	Conversion to Injection					
	Other Spud & Cement Casings	Dispose Water					
·		(Note: Report results of multiple completion on Well					
13 Describe Proposed or Completed Operations (Clearly state all	pertinent details, and give pertinent dates, including estimated date of startin	Completion or Recompletion Report and Log form.) ag any proposed work. If well is directionally drilled.					
9/22/1999 Spud 4:30pm called BLM. 9/23/1999 TD well at 4:30am @ 477', RIH with 11 jts 13 3/8" 54# ST&C Csg, set at 472', BJ C/w 450sx Class C 2% CaCl, plug down 7:30am 8yrds to fill, (Gene Hunt BLM witness both cement and ready mix job). WOC 12 hours. 9/25/1999 TD 12 1/4" hole 9:00am, Ran 28 jts 8 5/8" 24# K-55 1207' set at 1221', C/w 275sx 35/65 Lite 6%gel, 6#salt, 1/4# CF, tailed in with 200sx Class C 2% CaCl, plug down 2:30pm circ 70sx. 10/03/1999 TD well at 5185' at 4:30pm. 10/04/1999 RIH with 124 jts 5 1/2" 17# LT&C casing 5152' set at 5164', DV tool at 4279', Marker Jt @ 4611', 10.04' shoe jt with 20jt 17# sandblasted, circ casing, rig up BJ Service. 10/05/1999 Cemented 1st Stage w/250sx 50/50 Poz C 2%gel 5/10% FL25 5#salt, plug down 3:00am, open DV tool circ 91sx to pit, WOC 6hours, Cemented 2nd stage w/700sx 35/65 Lite 6%Gel, 1/4# CF 3#salt tail 250sx 50/50 Poz C 2%gel 5/10%FL25 5#salt, circ 134sx to pit, plug down 10:30am, release rig.							
14. I hereby certify that the foregoing is true and correct Signed	Title ACCEPTED FOR RECORD Title ACCEPTED FOR RECORD	Date					
Title 18 U.S.C. Section 1001, makes it a crime for any person ke or representations as to any matter within its jurisdiction.	nowingly and willfully to make to any department of agency of the United	States any false, fictitious or fraudulent statements					

WELR36

PROPERTY	DOI	MO/YR	PROPERTY NAME		INTEREST	LAST
		-	OWNER SQ OWNER NAME	INTEREST	TYPE	CHANGE
001303 002	J 1	06/98	MELROSE FEDERAL 2			
			999101 00 CHASE OIL CORPORATION	.65000000	1 WOR	3/09/99
			999104 00 RICHARD L. CHASE	.03000000	1 WOR	3/09/99
			999105 00 GERENE DIANNE CHASE CROUCH	.02000000	1 WOR	3/09/99
			999106 00 ROBERT C. CHASE	.05000000	1 WOR	3/09/99
			999107 00 MACK C. CHASE TRUST	.25000000	1 WOR	3/09/99
			TOTAL INTEREST	1.00000000		