

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. 30-015-33166
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-1111
7. Lease Name or Unit Agreement Name Red Lake Sand Unit
8. Well No. 40
9. Pool name or Wildcat Wildcat, Grayburg
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3616' GR

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> 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 <u>D</u> : <u>990</u> Feet From The <u>North</u> Line and <u>330</u> Feet From The <u>West</u> Line Section <u>28</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>Eddy</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3616' GR	

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"/> Completion

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.

02/02/2004 Perforated from 1883.5-1914' 12 holes.
02/03/2004 Acidized w/1000 gals 15% NEFE.
02/05/2004 Frac w/41,240 gals 40# gel, 40,870# 16/30 sand.
02/06/2004 RIH w/2 3/8" tubing SN @ 1938' 62 joints, RIH w/2 x 1 1/2 x 12' pump.

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 2/25/2004

TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. (505)748-1288

(This space for State Use)

FOR RECORDS ONLY

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

FEB 26 2004

L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS

PO BOX 1370 ARTESIA, NEW MEXICO 88211-1370
(505) 746-4405 746-3518 748-2205

January 31, 2004

Mack Energy Corporation
PO Drawer 960
Artesia, NM 88211-0960

RE: Red Lake Sand Unit #40
990' FNL & 330' FWL
Sec. 28, T17S, R28E
Eddy County, New Mexico

Gentlemen:

The following is a Deviation Survey for the above captioned well.

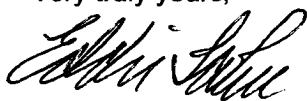
DEPTH	DEVIATION
178'	1/2°
370'	1/2°
586'	1/2°
851'	1/2°
1252'	1 1/4°
1498'	1 3/4°
1806'	1°
1990'	1 1/4°
2111'	1 1/4°

RECEIVED

FEB 2 6 2004

OCD-ARTESIA

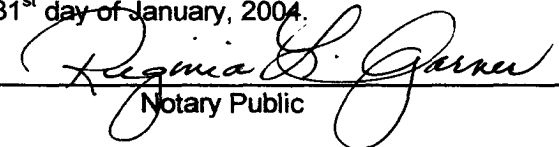
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 31st day of January, 2004.



Notary Public

