

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ARTESIA, NM 88210-2834

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL Gas Well OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Mack Energy Corporation *13827*

3. ADDRESS AND TELEPHONE NO.
 P.O. Box 960, Artesia, NM 88211-0960 (505) 748-1288

4. LOCATION OF WELL (Report location clearly and in accordance with any applicable regulations)
 At surface: 1550 FSL 2310 FWL
 At proposed prod. zone: *1/2 K* 1550 FSL 2310 FWL

5. LEASE DESIGNATION AND SERIAL NO.
 LC-029342-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
 Woolley Federal #5 *17381*

9. API WELL NO.
 30-015-30502

10. FIELD AND POOL, OR WILDCAT
 Loco Hills Paddock *96718*

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec 21 T17S R30E

12. COUNTY OR PARISH
 Eddy

13. STATE
 NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 .25 miles South Loco Hills *UNORTHODOX LOCATION*

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 230

16. NO. OF ACRES IN LEASE
 120

17. NO OF ACRES IN LEASE TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.
 330

19. PROPOSED DEPTH
 5500

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3641 GR

22. APPROX. DATE WORK WILL START*
 5/31/98

**SUBJECT TO
LIKE APPROVAL
BY STATE FOR
UNORTHODOX LOCATION**

23. PROPOSED CASING AND CEMENTING SCHEDULE

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	K-55, 13 3/8	48	425	<i>Witness</i> Circ <i>Post 7D-1</i>
12 1/4	K-55, 8 5/8	24	1040	Circ <i>11-21-98</i>
7 7/8	J-55, 5 1/2	17	5500	Suff to Circ <i>APL + Loc</i>

Mack Energy proposes to drill to a depth sufficient to test the Paddock and San Andres formation for oil. If productive, 5 1/2" casing will be cemented. If non-productive, the well will be plugged and abandoned in a manor consistent with federal regulation. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

- APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**
- Drilling Program
 - Surface Use & Operating Plan
 - Exhibit #1 & 1A - Blowout Preventer Equipment
 - Exhibit #2 - Location and Elevation Plat
 - Exhibit #3 - Planned Access Road
 - Exhibit #4 - One- Mile Radius Map
 - Exhibit #5 - Production Facilities Layout
 - Exhibit #6 - Location Layout
 - Exhibit #7 - H2S Drilling Operations Plan



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Cristina D. Carter TITLE Production Clerk DATE 4/7/98

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title or **Acting** rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY (ORIG. SGD.) ARMANDO A. LOPEZ TITLE Assistant Field Office Manager, Lands and Minerals DATE NOV 09 1998

*See Instructions On Reverse Side