

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. LC-029342-H		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR Mack Energy Corporation			7. UNIT AGREEMENT NAME 18386		
3. ADDRESS AND TELEPHONE NO. P.O. Box 960, Artesia, NM 88211-0960 (505) 748-1288			8. FARM OR LEASE NAME, WELL NO. Brigham H #5		
4. LOCATION OF WELL (Report location clearly and in accordance with any state requirement.*) At surface 2601 FSL & 639 FWL At proposed prod. zone Unit L 2310 FSL & 330 FWL			9. API WELL NO. 30-015-31662		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 1/10 mile North of Loco Hills			10. FIELD AND POOL, OR WILDCAT Loco Hills Paddock		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 39'		16. NO. OF ACRES IN LEASE 40		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. 435		19. PROPOSED DEPTH 5100		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3641			22. APPROX. DATE WORK WILL START* 2/24/01		

23. PROPOSED CASING AND CEMENTING PROGRAM

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	Circ
12 1/4	K-55, 8 5/8	24	1200	Suff to Circ
7 7/8	J-55, 5 1/2	17	5100	Suff to Circ

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:

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| 1. <u>Surveys</u>
Exhibit #1- Well Location Plat
Exhibit #2- Vicinity Map
Exhibit #3- Location Verification Map | 4. <u>Certification</u> | 7. <u>Responsibility Statement</u> |
| 2. <u>Drilling Program</u> | 5. <u>Hydrogen Sulfide Drilling Operation Plan</u>
Exhibit #7- H2S Warning Sign
Exhibit #8- H2S Safety Equipment | |
| 3. <u>Surface Use & Operating Plan</u>
Exhibit #4- One Mile Radius Map
Exhibit #5- Production Facilities Layout
Exhibit #6- Location Layout | 6. <u>Blowout Preventers</u>
Exhibit #9- BOPE Schematic
Exhibit #10- Blowout Preventer Requirements
Exhibit #11- Choke Manifold | |

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 Crista D. Carr TITLE Production Analyst DATE 1/24/01

(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 to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE MAR 22 2001

*See Instructions On Reverse Side

RECEIVED

JAN 26 '01

BLM
ROSWELL, NM