

Submitt 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

| |
|---|
| WELL API NO. 30-025-37337 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. VB-638 |
| 7. Lease Name or Unit Agreement Name Gar State |
| 8. Well Number 3 |
| 9. OGRID Number 013837 |
| 10. Pool name or Wildcat Hume Grayburg West |

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 A 330 feet from the North line and 990 feet from the East line
 Section 23 Township 16S Range 33E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4179' GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bb1s; Construction Material _____

12. 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"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| OTHER: _____ <input type="checkbox"/> | | OTHER: <u>Completion</u> <input checked="" type="checkbox"/> | |

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

6/28/2006 Perforated from 4867-5105' 50 holes. Acidized w/2500 gals 15% HCL.
 6/29/2006 Perforated from 4388-4408' 32 holes. Acidized w/2000 gals 15% HCL.
 6/30/2006 Frac w/8000# LiteProp, 89,980# 16/30 sand, 96,852 gals 30 & 40# gel.
 7/1/2006 RIH w/141 joints 2 3/8" J-55 tubing SN @ 4420', RIH w/2 x 1 1/2" x 16' pump.
 7/4/2006 Set CIBP @ 4800' w/35' cement cap. Perforated from 3936-3958', acidized w/1500 gals 15% HCL.
 7/5/2006 Frac w/28,540# 16/30 sand, 35,614 gals 40# gel. RIH w/141 joints 2 3/8" J-55 tubing SN @ 4420', RIH w/2 x 1 1/2" x 16' pump.

Mack Energy will use allocation percentages as follows: Total test O/G/W, 63/60/255

Grayburg test 20% Queen test 80%
 Wildcat Grayburg 13-Oil, 12-Gas Hume Queen West 50-Oil, 48-Gas

OHC-3800

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 8/31/2006

Type or print name Jerry W. Sherrell E-mail address: jerrys@mackenergycorp.com Telephone No. (505)748-1288

APPROVED BY: Jerry W. Wink TITLE FIELD REPRESENTATIVE II/STAFF MANAGER DATE SEP 25 2006
 Conditions of Approval (if any): _____