

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1 000 Rio Brazos Road, 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-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960		OGRID Number 013837 ✓
		API Number 30- 025-28999 ✓
Property Code 36929	Property Name Arkansas State	Well No 1
Proposed Pool 1 Arkansas Junction; Bone Spring/2340 ✓		Proposed Pool 2

7 Surface Location

UL or lot no A	Section 35	Township 18S	Range 36E	Lot Idn	Feet from the 660	North/South line North	Feet from the 660	East/West line East	County Lea ✓
-------------------	---------------	-----------------	--------------	---------	----------------------	---------------------------	----------------------	------------------------	-----------------

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
--------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

Additional Well Information

Work Type Code E ✓	Well Type Code O	Cable/Rotary Rotary	Lease Type Code S ✓	Ground Level Elevation 3766'
Multiple No	Proposed Depth 6698	Formation Bone Spring	Contractor	Spud Date 1/15/08
Depth to Groundwater 70'		Distance from nearest fresh water well 1000'		Distance from nearest surface water 1000'
Pit Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/>		Pit Volume: _____ bbls		
Closed-Loop System <input checked="" type="checkbox"/> ✓		Drilling Method - Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	54.5	459	600sx	Circulated
12 1/4	9 5/8	36	4500	3000sx	Circulated
7 7/8	5 1/2	15.5	6698	800sx	2000'

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone
Describe the blowout prevention program, if any. Use additional sheets if necessary
Mack Energy Corporation proposes to Re-enter this well to a depth of 6698'. Perforate the Bone Spring formation and put well on production. The name of this well will change to the Arkansas State #1.

Note: Workover operations will be done in steel pits, no underground pits will be used.

RECEIVED

JAN - 8 2008

HOBBS OCD

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Re-Entry

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan. <input type="checkbox"/>		OIL CONSERVATION DIVISION	
Signature <i>Jerry W. Sherrell</i>		Approved by: <i>Chris Williams</i>	
Printed name: Jerry W. Sherrell		Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER	
Title: Production Clerk		Approval Date: JAN 09 2008	
E-mail Address: jerrys@mackenergycorp.com		Expiration Date:	
Date: 1/7/08	Phone: (575)748-1288	Conditions of Approval Attached <input type="checkbox"/>	