New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Brett F. Woods, Ph.D. Acting Cabinet Secretary

Daniel Sanchez Acting Division Director Oil Conservation Division



February 28, 2011

Mack Energy Corp ATT: Jerry Sherrell 11352 Lovington Hwy Artesia, NM 88211

RE:

CANCELLATION OF INTENT TO DRILL

RECEIVED

MAR 0 2 2011 **HOBBSOCD**

See Attached List

Gentlemen:

Twenty-four months or more have elapsed since Division Form C-101, Notice of Intent to Drill the Subject well was approved. To date no progress reports, form C-103, have not been received. Therefore, approval of your permit to drill this well has now expired and no drilling operations are to be initiated without further notice to and approval by the Oil Conservation Division. Pending such approval, this location will be considered as an abandoned location.

If drilling has been done, please file subsequent reports of this work immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION

Larry/Hill

District I Supervisor

CC:

OCD /Santa Fe

OCD/Hobbs

BLM

State Land Office

Cancel 30-025-38963

* Phone: (575) 393-6161 * Fax (575) 392-0720* http://www.emnrd.state.nm.us



Mack Energy Corp

Snapper State #7-C, 14-16s-33e, 30-025-38958 DOGZ SWD #1-I, 17-18s-37e, 30-025-38963 Ohio State #3-N, 7-18s-35e, 30-025-38991 Arkansas State #3-H, 35-18s-36e, 30-025-39155 Arkansas State #4-B, 35-18s-36e, 30-025-39156 Bøyz Fee #4-M. 19-18s-37e, 30-025-39238