

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

Form C-101
Permit 14926

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MACK ENERGY CORP PO Box 960 Artesia, NM 88211-0960		OGRID Number 13837
		API Number 30-015-34279
Property Code 35026	Property Name BLUE QUAIL STATE	Well No. 001

Surface Location

UL or Lot O	Section 2	Township 16S	Range 30E	Lot Idn O	Feet From 990	N/S Line S	Feet From 2310	E/W Line E	County Eddy
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Proposed Pools

WILDCAT;SAN ANDRES (OIL) 96077

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 3902
Multiple N	Proposed Depth 4000	Formation San Andres	Contractor	Spud Date 08/25/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	300	300	0
Int1	12.25	8.625	24	1500	1000	0
Prod	7.875	5.5	17	4000	1000	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 17 1/2 hole to 300 run 13 3/8 casing and cement. Drill a 12 1/4 hole to 1500 run 8 5/8 casing and cement. Drill a 7 7/8 hole to 4000 evaluate San Andres formation, run 5 1/2 casing and cement. Note: On production string a fluid caliper will be run and will figure cement with 25% excess, attempt to circulate.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Jerry Sherrell

Title: Production Clerk

Date: 08/23/2005

Phone: 505-748-1288

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 08/25/2005

Expiration Date: 08/25/2006

Conditions of Approval:

There are conditions. See Attached.