

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Permit 28981

|                                                                                                                                                                                                                                                                                                                                         |                                                       |                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)<br>1. Type of Well: <input type="radio"/>                                                                                 |                                                       | WELL API NUMBER<br>30-025-37477 |
|                                                                                                                                                                                                                                                                                                                                         |                                                       | 5. Indicate Type of Lease<br>S  |
|                                                                                                                                                                                                                                                                                                                                         |                                                       | 6. State Oil & Gas Lease No.    |
| 2. Name of Operator<br>MACK ENERGY CORP                                                                                                                                                                                                                                                                                                 | 7. Lease Name or Unit Agreement Name<br>SNAPPER STATE | 8. Well Number<br>012           |
| 3. Address of Operator<br>PO BOX 960 , , 11352 LOVINGTON HWY ARTESIA , NM 882110960                                                                                                                                                                                                                                                     | 9. OGRID Number<br>13837                              | 10. Pool name or Wildcat        |
| 4. Well Location<br>Unit Letter <u>M</u> : <u>990</u> feet from the <u>S</u> line and <u>330</u> feet from the <u>W</u> line<br>Section <u>14</u> Township <u>16S</u> Range <u>33E</u> NMPM Lea County                                                                                                                                  |                                                       |                                 |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>4192 GR                                                                                                                                                                                                                                                                            |                                                       |                                 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ |                                                       |                                 |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐  
CASING/CEMENT JOB ☐  
Other: **Drilling/Cement** ☒

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.

4/13/2006 Spud 12 1/4" hole.

4/15/2006 TD 12 1/4" hole @ 1502', Ran 34 joints 8 5/8" 24# J-55 set @ 1502', Cemented w/700sx 35/65/6 C, 200sx C.

4/16/2006 Plug down 1:15am, circ 120sx. WOC 18 hours tested to 1800# for 30 minutes, OK.

4/22/2006 TD 7 7/8 hole @ 4530'.

4/23/2006 Ran 102 joints 5 1/2" J-55 15.50# set @ 4523', Cemented w/580sx 35/65/6 C, 285sx 50/50/2 C, plug down @ 2:15am, circ 99sx. WOC 12 hours tested to 600# for 20 minutes, OK. 4/13/2006 Spudded well.

Casing and Cement Program

| Date     | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class | 1" Dpth | Pres Held | Pres Drop | Open Hole |
|----------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|-------|---------|-----------|-----------|-----------|
| 04/15/06 | Surf   | FreshWater | 12.25     | 8.625    | 24           | J-55  | 0       | 1502     | 900   |       | C     |         | 1800      | 0         | Y         |
| 04/22/06 | Prod   | CutBrine   | 7.875     | 5.5      | 15.5         | J-55  | 0       | 4523     | 865   |       | C     |         | 600       | 0         | Y         |

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 Electronically Signed

TITLE Production Clerk

DATE 5/2/2006

Type or print name Jerry Sherrell

E-mail address jerrys@mackenergycorp.com

Telephone No. 505-748-1288

For State Use Only:

APPROVED BY: Paul Kautz

TITLE Geologist

DATE 5/3/2006 7:28:20 AM