

Box 1980, Hobbs, NM 88241-1980  
District II  
811 S. 1st Street Artesia, NM 88210-1404  
District III  
1000 Rio Brazos Rd, Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-101  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

|  |                               |                            |
|--|-------------------------------|----------------------------|
| Operator Name and Address<br>Mack Energy Corporation<br>P.O. Box 960<br>Artesia, NM 88211-0960 |                               | OGRID Number<br>013837     |
|  |                               | API Number<br>30-015-30852 |
| Property Code<br>25116   | Property Name<br>Marlin State | Well No.<br>1              |

**RECEIVED**  
APR 19 2005  
~~OOD-ARTERIA~~

**Surface Location**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J             | 24      | 16S      | 31E   |         | 1500          | South            | 1800          | East           | Eddy   |

**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 |
|----------------------------|---------|----------|-------|---------|-----------------|------------------|---------------|----------------|--------|
| Proposed Pool 1            |         |          |       |         | Proposed Pool 2 |                  |               |                |        |
| Grayburg Jackson SR Q G SA |         |          |       |         |                 |                  |               |                |        |

| Work Type Code | Well Type Code | Cable/Rotary | Lease Type Code | Ground Level Elevation |
|----------------|----------------|--------------|-----------------|------------------------|
| E              | O              | R            | S               | 4379'                  |
| Multiple       | Proposed Depth | Formation    | Contractor      | Spud Date              |
| No             | 4500           | GB/SA        |                 | 4/30/2005              |

**Proposed Casing and Cement Program**

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 14 3/4    | 11 3/4      | 42                 | 550           | 350             | Circulated    |
| 11        | 8 5/8       | 32                 | 4500          | 2200            | Circulated    |
| 7 7/8     | N/A         | N/A                | N/A           | N/A             | N/A           |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |

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 the formerly Texmack 24 State Com #1 now Marlin State #1 to a depth of 4500' log well and evaluate the GB/SA formation, attempt to produce. Put well on production.

Well will be drilled out and completed using steel tanks. No pits will be dug at this well location.

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

Printed name:

Jerry W. Sherrell

Title:

Production Clerk

Date:

4/18/2005

Phone:

(505)748-1288

**OIL CONSERVATION DIVISION**

Approval by:

TIM W. GUM

Title:

DISTRICT II SUPERVISOR

Approval Date: MAY 20 2005

Expiration Date

MAY 20 2006

Conditions of Approval:

Attached ☐

1156 - 5200

DISTRICT I  
P. O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P. O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV  
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Fee Lease-3 copies

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WELL LOCATION AND ACREAGE DEDICATION PLAT

|   |                      |   |                      |  |  |
|---|----------------------|---|----------------------|--|--|
| 1 API Number<br><b>30-015-30852</b>               |                      | 2 Pool Code<br><b>28509</b>                       |                      | 3 Pool Name<br><b>Grayburg Jackson SR-Q-G-SA</b> |  |
| Property Code<br><b>013837</b>                    |                      | 4 Property Name<br><b>Marlin State</b>            |                      |  | 5 Well Number<br><b>1</b>                      |
| 6 Tract No.<br><b>013837</b>                      |                      | 7 Operator Name<br><b>Mack Energy Corporation</b> |                      |  | 8 Elevation<br><b>4379'</b>                    |
| 9 Surface Location                                |                      |   |                      |  |  |
| UL or lot no.<br><b>J</b>                         | Section<br><b>24</b> | Township<br><b>16-S</b>                           | Range<br><b>31-E</b> | Lot Idn<br><b>1500</b>                           | Feet from the North/South line<br><b>South</b> |
|   |                      |   |                      | Feet from the East/West line<br><b>1800</b>      | County<br><b>Eddy</b>                          |
| 10 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   |
| 11 Dedicated Acres<br><b>40</b>                   |                      | 12 Joint or Infill                                |                      | 13 Consolidation Code                            |  |
| 14 Order No.                                      |                      |   |                      |  |  |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.

|  |   |
|--|---|
|  | <p>15 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>Jerry W. Sherrell</i></p> <p>Printed Name: <b>Jerry W. Sherrell</b></p> <p>Position: <b>Production Clerk</b></p> <p>Company: <b>Mack Energy Corp.</b></p> <p>Date: <b>4/18/2005</b></p>  |
|  | <p>16 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat has plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed: <b>November 17, 1999</b></p> <p>Signature &amp; Seal of Professional Surveyor: <i>John S. Piper</i></p> <p>Certificate No.: <b>7254 John S. Piper</b></p> |
|  | <p>Sheet 1 of 1</p>   |
|  | <p>Legend:</p> <p>○ = Staked Location    ● = Producing Well    ■ = Injection Well    ◇ = Water Supply Well    ✖ = Plugged &amp; Abandon Well</p> <p>⊙ = Found Section Corner, 2 or 3" Iron Pipe &amp; GLO B.C.    ○ = Found 1/4 Section Corner, 1" Iron Pipe &amp; GLO B.C.</p>   |

ADDITIONAL INFORMATION ON THE LOCATION

|                              |                      |                                |                 |
|------------------------------|----------------------|--------------------------------|-----------------|
| State Plane Coordinates      |                      |                                |                 |
| Northing <b>693028.94</b>    |                      | Easting <b>698756.22</b>       |                 |
| Latitude <b>32°54'14.76"</b> |                      | Longitude <b>103°49'13.50"</b> |                 |
| Zone                         | North American Datum | Combined Grid Factor           | Coordinate File |
| East                         | 1983                 | 0.9997675                      | Texmack6.cr5    |
| Drawing File                 |                      | Field Book                     |                 |
|                              |                      | Eddy County 7 Pg. 31           |                 |