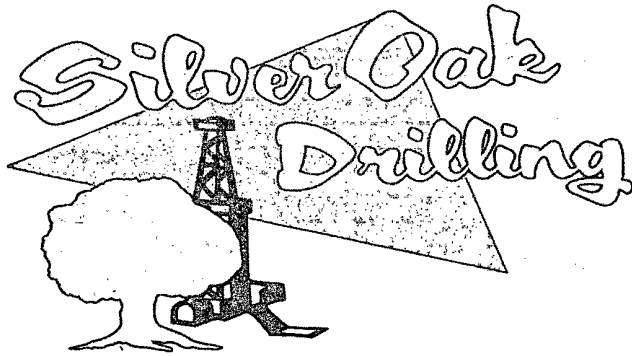
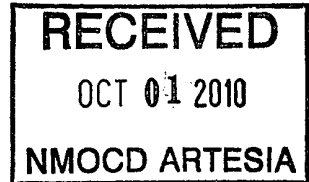




PO Box 1370
Artesia, NM 88211-1370
(505) 748-1288



30-015 - 35365

July 9, 2010

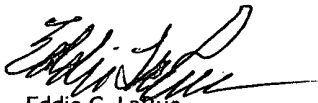
Mack Energy Corporation
PO Box 960
Artesia, NM 88211-0960

RE: Candy Cane St Com #1
660' FNL & 660' FWL
Sec. 15, T15S, R28E
Eddy County, New Mexico

Dear Sir,

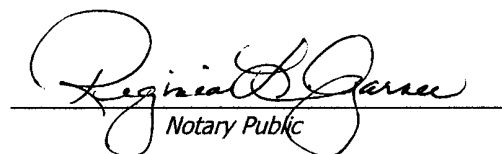
The attached is the Deviation Survey for the above captioned well.

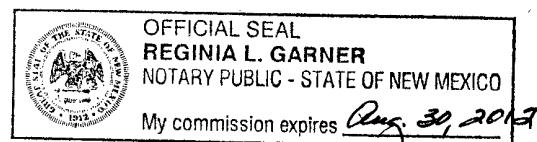
Very truly yours,


Eddie C. LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 9th day of July, 2010.


Regina L. Garner
Notary Public



Pason DataHub Deviation Survey
 # Well Dossier 1276577121 - CANDY CANE ST. COM. # 1
 #

# Date	Depth	Deviation	Direction	TVD
6/20/2010	5969	3.61	143.57	0.00
6/20/2010	6001	6.33	152.27	0.00
6/20/2010	6033	9.41	152.88	0.00
6/20/2010	6065	12.57	152.09	6119.29
6/20/2010	6096	15.83	152.38	6093.42
6/20/2010	6128	18.82	150.33	0.00
6/20/2010	6192	25.41	144.53	0.00
6/20/2010	6207	22.07	147.17	0.00
6/21/2010	6255	31.83	140.84	0.00
6/21/2010	6287	34.82	139.08	0.00
6/21/2010	6318	37.90	137.24	0.00
6/21/2010	6350	40.54	135.39	6360.94
6/24/2010	6410	45.26	130.79	6358.92
6/24/2010	6443	49.66	127.64	6381.23
6/24/2010	6479	54.35	123.51	6403.39
6/24/2010	6506	57.72	120.39	0.00
6/24/2010	6538	60.64	116.60	0.00
6/25/2010	5825	75.34	104.01	0.00
6/25/2010	6570	62.61	112.93	0.00
6/25/2010	6602	63.71	111.31	0.00
6/25/2010	6666	68.44	107.57	6490.62
6/25/2010	6698	70.46	106.73	6501.85
6/25/2010	6730	71.67	106.45	6512.23
6/25/2010	6762	73.07	105.37	6521.93
6/25/2010	6793	73.89	105.43	0.00
6/26/2010	6857	77.53	102.33	0.00
6/26/2010	6889	80.67	100.15	0.00
6/26/2010	6921	83.61	98.44	0.00
6/26/2010	6952	86.42	96.01	0.00
6/26/2010	6984	86.92	91.58	6561.00
6/26/2010	7016	87.15	89.65	6566.00
6/27/2010	7048	88.54	88.89	0.00
6/27/2010	7080	89.78	89.07	6565.05
6/27/2010	7112	89.94	89.12	6565.12
6/27/2010	7144	88.77	89.11	0.00
6/27/2010	7175	88.21	88.81	0.00
6/27/2010	7207	88.54	88.91	0.00
6/27/2010	7240	89.33	89.74	0.00
6/27/2010	7272	89.44	89.76	6568.16
6/27/2010	7304	89.38	88.32	0.00
6/27/2010	7335	89.38	87.72	0.00
6/27/2010	7366	89.55	88.06	0.00
6/28/2010	7398	89.78	88.09	0.00
6/28/2010	7430	89.94	88.37	0.00
6/28/2010	7494	89.72	86.79	0.00
6/28/2010	7525	89.83	86.69	6569.85
6/28/2010	7556	89.78	87.13	6569.95
6/28/2010	7589	89.61	87.95	6570.13
6/28/2010	7620	89.66	88.30	0.00

6/28/2010	7653	89.78	88.11	0.00
6/28/2010	7684	89.83	88.49	0.00
6/28/2010	7716	89.61	88.41	0.00
6/28/2010	7748	89.22	88.28	0.00
6/29/2010	7781	88.88	88.29	0.00
6/29/2010	7812	88.66	88.21	0.00
6/29/2010	7844	89.55	87.70	0.00
6/29/2010	7876	89.89	87.29	0.00
6/29/2010	7908	89.66	86.89	0.00
6/29/2010	7939	89.66	87.36	6573.25
6/29/2010	7972	90.34	87.23	6573.25
6/29/2010	8005	90.67	87.66	6572.96
6/29/2010	8036	89.66	87.94	6572.87
6/29/2010	8068	89.61	88.40	6573.08
7/1/2010	8100	90.22	87.98	6573.13
7/1/2010	8131	89.72	88.12	6573.14
7/1/2010	8163	89.50	88.17	6573.36
7/1/2010	8195	89.89	88.17	6573.53
7/1/2010	8227	89.83	88.38	6573.61
7/1/2010	8259	89.72	88.44	6573.73
7/1/2010	8291	89.78	88.48	6573.87
7/1/2010	8323	89.79	88.80	0.00
7/2/2010	8354	89.66	87.96	0.00
7/2/2010	8386	89.44	87.03	0.00
7/2/2010	8417	88.94	86.52	0.00
7/2/2010	8449	88.66	85.64	0.00
7/2/2010	8481	89.38	85.85	0.00
7/2/2010	8513	89.72	86.17	6576.30
7/2/2010	8544	90.78	86.74	6576.17
7/2/2010	8576	91.01	87.10	6575.67
7/2/2010	8608	90.45	87.00	6575.26
7/2/2010	8640	89.83	86.09	6575.18
7/2/2010	8672	89.61	86.28	6575.34
7/2/2010	8704	89.44	85.97	6575.60
7/2/2010	8737	89.33	86.31	6575.96
7/2/2010	8768	90.06	87.24	6576.12
7/2/2010	8800	90.22	87.17	6576.04
7/2/2010	8832	90.11	86.89	0.00
7/3/2010	8864	89.89	86.71	0.00
7/3/2010	8928	89.78	87.38	0.00
7/3/2010	8928	89.44	87.05	0.00
7/3/2010	8960	89.11	87.07	0.00
7/3/2010	8992	88.99	87.38	0.00
7/3/2010	9024	89.38	87.86	6577.65
7/3/2010	9056	89.38	88.01	6578.00
7/3/2010	9088	89.05	87.52	6578.44
7/3/2010	9120	88.71	87.86	6579.06
7/3/2010	9152	89.66	87.36	6579.52
7/3/2010	9183	89.94	87.69	6579.62
7/3/2010	9215	89.94	88.16	6579.66
7/3/2010	9247	90.34	88.54	6579.58
7/3/2010	9279	90.11	88.93	6579.45
7/3/2010	9311	89.83	88.60	6579.47
7/3/2010	9343	89.61	89.12	6579.63
7/3/2010	9375	89.27	88.67	6579.95

7/3/2010	9406	88.83	88.87	6580.45
7/4/2010	9438	89.22	88.76	6581.00
7/4/2010	9470	89.38	88.67	6581.39
7/4/2010	9502	89.72	87.86	6581.64
7/4/2010	9534	89.61	87.59	6583.81
7/4/2010	9566	89.38	97.72	6582.11
7/4/2010	9598	89.66	87.60	6582.38
7/4/2010	9630	94.06	87.38	6582.46
7/4/2010	9662	90.34	87.46	6582.34
7/4/2010	9694	90.34	87.91	6582.15
7/4/2010	9727	90.06	87.38	6582.04
7/4/2010	9758	89.72	86.80	6582.10
7/4/2010	9790	89.44	86.82	6582.34
7/4/2010	9822	89.16	86.24	6582.73
7/5/2010	9855	89.44	86.36	6583.14
7/5/2010	9887	89.44	86.12	6583.13
7/5/2010	9919	90.06	86.28	6583.59
7/5/2010	9950	90.34	85.79	6583.48
7/5/2010	9983	90.84	86.55	6583.14
7/5/2010	10015	91.12	87.83	6582.89
7/5/2010	10047	91.06	88.87	6581.91
7/5/2010	10079	91.23	89.30	6581.34
7/5/2010	10111	90.78	89.37	6580.78
7/5/2010	10143	90.50	89.29	6580.42
7/5/2010	10175	89.89	88.38	6580.31
7/5/2010	10207	89.83	88.24	6580.40
7/5/2010	10235	90.34	88.75	6580.35
7/5/2010	10239	90.34	88.75	6580.35
7/6/2010	10271	89.44	89.53	6580.41
7/6/2010	10303	87.76	88.78	6581.24
7/6/2010	10335	86.76	87.86	6582.77
7/6/2010	10366	86.31	87.35	6584.65
7/6/2010	10398	87.54	87.30	6586.31
7/6/2010	10430	88.15	87.47	6587.51
7/6/2010	10462	88.15	87.23	6588.54
7/6/2010	10526	87.48	87.36	6591.04
7/6/2010	10558	87.42	87.25	6592.47
7/6/2010	10590	87.37	87.59	6593.92
7/6/2010	10605	87.20	87.54	6594.63

EOF

DIRECTIONAL SURVEY REPORT

MACK ENERGY CORPORATION

CANDY CANE STATE COM #1H

EDDY COUNTY, NM

PREPARED BY: PHIL LEBLANC





July 27, 2010

MACK ENERGY CORPORATION
Mr. Matt Brewer
11352 Lovington Hwy
Box 960
Artesia, NM 88211-1288

RE: MACK ENERGY CORPORATION
CANDY CANE STATE COM #1H
EDDY COUNTY, NM
RIG: SILVER OAK #2
API Well No.: 30-015-35365
PES Job No.: 101010713-GC-WT

Dear Mr. Brewer:

We hereby certify that the enclosed Original Field Survey Data contained in this report represents to the best of our knowledge, a true and accurate survey of the well at the time the survey was run.

DIRECTIONAL SURVEY DATA

1 – Original Directional Survey Report

1 – Email PDF to:

charless@mackenergycorp.com

leel@mackenergycorp.com

donaldarcher@mackenergycorp.com

jimkrogman@mackenergycorp.com

kevingarrett@mackenergycorp.com

mbrewer@mackenergycorp.com

We appreciate the opportunity to work with you and we look forward to your business support. If you have any questions, I can be reached at (337) 233-3982.

Sincerely,

Phil LeBlanc
M/LWD Service Coordinator
PathFinder Energy Services

PL:ll

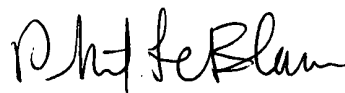


DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY:
 - A) STEWART ROBERTSON
 - B) JAKE NEWHOUSE
 - C) RICKY DELEON
3. POSITION OF SAID PERSON(S): (A-C) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 06/19/10 TO 07/06/10
5. STATE IN WHICH SURVEY WAS PERFORMED: NEW MEXICO
6. LOCATION OF WELL: EDDY COUNTY
7. TYPE OF SURVEY(S) PERFORMED: MWD
8. COMPLETE IDENTIFICATION OF WELL:

MACK ENERGY CORPORATION
CANDY CANE STATE COM #1H
EDDY COUNTY, NM
RIG: SILVER OAK #2
API Well No.: 30-015-35365
9. SURVEY(S) CERTIFIED FROM: 5,900 TO 10,663 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE DISPLACED AT 4,249.30 FEET ON A BEARING OF 91.62 DEGREES FROM THE CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 10,663 FEET, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



PHIL LEBLANC
M/LWD SERVICE COORDINATOR

PathFinder Energy Services, Inc.

BHL Report

Page 01/01
Tie-in Date: 06/19/2010
Date Completed: 07/06/2010

30-015-35365

MACK ENERGY CORPORATION
CANDY CANE STATE COM #1
EDDY COUNTY, NEW MEXICO
Rig:SILVEROAK 2
PathFinder Office Supervisor: PHIL LEBLANC
PathFinder Field Engineers:STEWART ROBERTSON
JAKE NEWHOUSE
PETE SENDEJO

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.55.42.3689 N LON:104.10.10.9462 W
GRID Reference:NAD27 new mexico east Transverse Mercator
Ref GRID Coor: X: 550205.5000 Y: 701515.8000
North Aligned To:GRID NORTH
Total Magnetic Correction: 7.95° EAST TO GRID
Vertical Section Plane: 91.62
Survey Vert. Reference: 19.00' Kelly Bushing To Ground
Altitude:3588.00' Ground To MSL

Measured Depth	10663.00	(feet)
Inclination	87.20	(deg)
Azimuth	87.54	(deg)
True Vertical Depth	6597.47	(feet)
Vertical Section	4249.30	(feet)
Survey X cord	554453.09	(feet)
Survey Y cord	701395.47	(feet)
Survey Lat	32.92808619 N	(deg)
Survey Lon	104.15586453 W	(deg)
Rectangular Corr. N/S	120.33 S	(feet)
Rectangular Corr. E/W	4247.59 E	(feet)
Closure Distance	4249.30	(feet)
Direction of Closure	91.62	(deg)
Dogleg Severity	0.00	(deg/100ft)

PathFinder Energy Services, Inc.

Survey Report

Page 01/09
Tie-in Date: 06/19/2010
Date Completed: 07/06/2010

MACK ENERGY CORPORATION
CANDY CANE STATE COM #1
EDDY COUNTY, NEW MEXICO
Rig: SILVEROAK 2

PathFinder Office Supervisor: PHIL LEBLANC
PathFinder Field Engineers: STEWART ROBERTSON RICKY DELEON
JAKE NEWHOUSE
PETE SENDEJO

Survey Horiz. Reference: WELLHEAD
Ref Coordinates: LAT: 32.5542, 3689 N LON: 104.10.9462 W
GRID Reference: NAD27 new mexico east Transverse Mercator
Ref GRID Coord: X: 550205.5000 Y: 701515.8000
North Aligned To: GRID NORTH
Total Magnetic Correction: 7.95° EAST TO GRID
Vertical Section Plane: 91.62
Survey Vert. Reference: 19.00' Kelly Bushing To Ground
Altitude: 3588.00' Ground To MSL

Survey Calculations by RX5 V6.03A using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	Rectangular Offsets (ft)	TOTAL (ft)	Survey Latitude (deg)	Survey Longitude (deg)	Closure Dist (ft)	DLS (dg/100ft)
THE FOLLOWING SURVEYS ARE SCIENTIFIC DRILLING GYROSCOPIC MULTI-SHOT SURVEYS.											
100.00	0.47	334.85	100.00	0.00	-0.25	0.44 N	0.24 W	32.92843702 N	104.16970804 W	0.50@ 331.54	0.00
200.00	0.63	317.84	199.99	100.00	-0.82	1.22 N	0.78 W	32.92843917 N	104.16970981 W	1.45@ 327.32	0.23
300.00	0.83	302.86	299.98	100.00	-1.82	2.02 N	1.76 W	32.92844137 N	104.16971299 W	2.68@ 318.93	0.27
400.00	0.89	304.81	399.97	100.00	-3.08	2.85 N	3.00 W	32.92844368 N	104.16971704 W	4.14@ 313.53	0.07
500.00	0.99	309.40	499.96	100.00	-4.42	3.85 N	4.31 W	32.92844641 N	104.16972129 W	5.78@ 311.75	0.13
600.00	0.90	305.18	599.94	100.00	-5.75	4.85 N	5.62 W	32.92844916 N	104.16972556 W	7.42@ 310.78	0.11
700.00	0.65	314.80	699.94	100.00	-6.82	5.70 N	6.66 W	32.92845151 N	104.16972896 W	8.77@ 310.54	0.28
800.00	0.60	313.28	799.93	100.00	-7.63	6.46 N	7.45 W	32.92845360 N	104.16973151 W	9.86@ 310.93	0.05
900.00	0.52	301.67	899.92	100.00	-8.41	7.06 N	8.22 W	32.92845524 N	104.16973400 W	10.83@ 310.66	0.14
1000.00	0.52	313.71	999.92	100.00	-9.14	7.61 N	8.93 W	32.92845676 N	104.16973633 W	11.73@ 310.43	0.11
1100.00	0.61	316.68	1099.92	100.00	-9.85	8.31 N	9.62 W	32.92845869 N	104.16973858 W	12.71@ 310.81	0.09
1200.00	0.49	317.49	1199.91	100.00	-10.53	9.01 N	10.28 W	32.92846063 N	104.16974071 W	13.67@ 311.24	0.12
1300.00	0.59	318.67	1299.91	100.00	-11.18	9.71 N	10.91 W	32.92846256 N	104.16974276 W	14.60@ 311.69	0.10
1400.00	0.55	311.88	1399.90	100.00	-11.89	10.42 N	11.60 W	32.92846450 N	104.16974503 W	15.59@ 311.92	0.08
1500.00	0.61	285.10	1499.90	100.00	-12.78	10.88 N	12.47 W	32.92846577 N	104.16974787 W	16.55@ 311.09	0.27
1600.00	0.68	295.46	1599.89	100.00	-13.84	11.27 N	13.52 W	32.92846686 N	104.16975128 W	17.61@ 309.81	0.14
1700.00	0.65	279.24	1699.88	100.00	-14.94	11.62 N	14.62 W	32.92846781 N	104.16975485 W	18.67@ 308.47	0.19
1800.00	0.40	289.86	1799.88	100.00	-15.84	11.83 N	15.51 W	32.92846839 N	104.16975775 W	19.50@ 307.33	0.27
1900.00	0.20	312.77	1899.88	100.00	-16.30	12.07 N	15.96 W	32.92846905 N	104.16975923 W	20.01@ 307.08	0.23
2000.00	0.12	340.36	1999.88	100.00	-16.47	12.28 N	16.13 W	32.92846964 N	104.16975976 W	20.27@ 307.29	0.11
2100.00	0.12	335.80	2099.88	100.00	-16.55	12.48 N	16.21 W	32.92847018 N	104.16976002 W	20.45@ 307.59	0.01
2200.00	0.20	338.20	2199.88	100.00	-16.67	12.73 N	16.31 W	32.92847089 N	104.16976037 W	20.70@ 307.98	0.08
2300.00	0.53	344.82	2299.88	100.00	-16.87	13.34 N	16.50 W	32.92847256 N	104.16976097 W	21.22@ 308.96	0.33
2400.00	0.54	340.32	2399.87	100.00	-17.17	14.23 N	16.78 W	32.92847501 N	104.16976188 W	22.00@ 310.31	0.04
2500.00	0.43	324.60	2499.87	100.00	-17.57	14.98 N	17.16 W	32.92847707 N	104.16976310 W	22.78@ 311.13	0.17

PathFinder Energy Services, Inc.

Survey Report

MACK ENERGY CORPORATION
CANDY CANE STATE COM #1
EDDY COUNTY, NEW MEXICO
RIG:SILVEROAK 2

Page 02/09

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	Survey Latitude (deg)	Survey Longitude (deg)	Closure Dist Dir (ft) (deg)	DLS (dg/100ft)
2600.00	0.51	332.00	2599.86	100.00	-18.02	15.68 N 17.58 W	32.92847899 N	104.16976449 W	23.56@ 311.73	0.10
2700.00	0.46	331.45	2699.86	100.00	-18.44	16.43 N 17.98 W	32.92848104 N	104.16976579 W	24.36@ 312.41	0.05
2800.00	0.57	335.93	2799.86	100.00	-18.86	17.23 N 18.38 W	32.92848326 N	104.16976707 W	25.19@ 313.16	0.12
2900.00	0.74	324.08	2899.85	100.00	-19.47	18.21 N 18.96 W	32.92848595 N	104.16976896 W	26.29@ 313.85	0.22
3000.00	0.93	324.61	2999.84	100.00	-20.35	19.39 N 19.81 W	32.92848921 N	104.16977172 W	27.72@ 314.40	0.19
3100.00	0.96	322.61	3099.83	100.00	-21.36	20.72 N 20.79 W	32.92849286 N	104.16977491 W	29.35@ 314.91	0.05
3200.00	1.10	332.55	3199.81	100.00	-22.36	22.24 N 21.74 W	32.92849704 N	104.16977800 W	31.10@ 315.65	0.23
3300.00	1.10	333.27	3299.79	100.00	-23.28	23.95 N 22.61 W	32.92850174 N	104.16978084 W	32.94@ 316.64	0.01
3400.00	1.21	332.85	3399.77	100.00	-24.24	25.75 N 23.53 W	32.92850668 N	104.16978381 W	34.88@ 317.58	0.11
3500.00	1.26	330.98	3499.75	100.00	-25.31	27.65 N 24.54 W	32.92851191 N	104.16978711 W	36.97@ 318.41	0.06
3600.00	1.33	332.79	3599.72	100.00	-26.43	29.64 N 25.60 W	32.92851739 N	104.16979056 W	39.17@ 319.18	0.08
3700.00	1.42	322.57	3699.69	100.00	-27.77	31.66 N 26.89 W	32.92852294 N	104.16979474 W	41.53@ 319.66	0.26
3800.00	1.35	320.20	3799.66	100.00	-29.33	33.54 N 28.40 W	32.92852814 N	104.16979964 W	43.95@ 319.75	0.09
3900.00	1.27	319.73	3899.64	100.00	-30.85	35.30 N 29.87 W	32.92853296 N	104.16980442 W	46.24@ 319.76	0.08
4000.00	1.11	322.72	3999.62	100.00	-32.20	36.91 N 31.17 W	32.92853741 N	104.16980866 W	48.31@ 319.82	0.17
4100.00	1.06	328.80	4099.60	100.00	-33.31	38.47 N 32.23 W	32.92854170 N	104.16981213 W	50.19@ 320.04	0.13
4200.00	1.01	326.74	4199.58	100.00	-34.31	40.00 N 33.20 W	32.92854591 N	104.16981526 W	51.98@ 320.31	0.06
4300.00	0.85	322.53	4299.57	100.00	-35.29	41.33 N 34.13 W	32.92854956 N	104.16981830 W	53.60@ 320.45	0.17
4400.00	0.77	321.54	4399.56	100.00	-36.19	42.44 N 35.00 W	32.92855262 N	104.16982112 W	55.01@ 320.49	0.08
4500.00	0.73	319.96	4499.55	100.00	-37.04	43.46 N 35.83 W	32.92855541 N	104.16982382 W	56.32@ 320.50	0.05
4600.00	0.79	312.69	4599.54	100.00	-37.99	44.41 N 36.75 W	32.92855804 N	104.16982680 W	57.64@ 320.40	0.11
4700.00	0.79	317.06	4699.53	100.00	-38.99	45.38 N 37.72 W	32.92856072 N	104.16982997 W	59.01@ 320.27	0.06
4800.00	0.71	315.08	4799.52	100.00	-39.92	46.33 N 38.63 W	32.92856332 N	104.16983293 W	60.32@ 320.18	0.08
4900.00	0.65	304.03	4899.52	100.00	-40.85	47.08 N 39.54 W	32.92856540 N	104.16983588 W	61.48@ 319.98	0.14
5000.00	0.44	304.43	4999.51	100.00	-41.65	47.62 N 40.32 W	32.92856687 N	104.16983844 W	62.40@ 319.74	0.21
5100.00	0.35	320.16	5099.51	100.00	-42.18	48.07 N 40.84 W	32.92856812 N	104.16984011 W	63.07@ 319.65	0.14

PathFinder Energy Services, Inc.

Survey Report

MACK ENERGY CORPORATION
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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	Survey Latitude (deg)	Survey Longitude (deg)	Closure Dist Dir (ft) (deg)	DLS (dg/100ft)
5199.99	0.27	313.80	5199.50	99.99	-42.55	48.47 N 41.20 W	32.92856921 N	104.16984130 W	63.61@ 319.63	0.09
5299.99	0.42	72.64	5299.50	100.00	-42.38	48.74 N 41.02 W	32.92856996 N	104.16984071 W	63.70@ 319.91	0.60
5399.99	0.71	128.34	5399.49	100.00	-41.54	48.46 N 40.19 W	32.92856920 N	104.16983799 W	62.96@ 320.34	0.59
5499.99	0.80	144.40	5499.48	100.00	-40.62	47.51 N 39.29 W	32.92856658 N	104.16983509 W	61.66@ 320.41	0.23
5599.99	0.76	158.04	5599.47	100.00	-39.93	46.33 N 38.64 W	32.92856332 N	104.16983296 W	60.33@ 320.17	0.19
5699.99	0.66	153.18	5699.47	100.00	-39.39	45.20 N 38.13 W	32.92856022 N	104.16983131 W	59.14@ 319.85	0.12
5799.99	0.79	124.38	5799.46	100.00	-38.54	44.30 N 37.30 W	32.92855773 N	104.16982861 W	57.91@ 319.90	0.38
** TIED INTO SCIENTIFIC DRILLING GYROSCOPIC MULTI-SHOT SURVEYS AT 5900' MD.										
5900.00	1.45	93.52	5899.45	100.01	-36.69	43.83 N 35.47 W	32.92855644 N	104.16982264 W	56.38@ 321.02	0.87
THE FOLLOWING SURVEYS ARE PATHFINDER MWD SURVEYS.										
5969.00	3.61	143.57	5968.39	69.00	-34.48	42.03 N 33.31 W	32.92855148 N	104.16981561 W	53.63@ 321.60	4.20
6001.00	6.33	152.27	6000.26	32.00	-33.00	39.66 N 31.89 W	32.92854495 N	104.16981099 W	50.89@ 321.20	8.80
6033.00	9.41	152.88	6031.96	32.00	-30.87	35.76 N 29.87 W	32.92853425 N	104.16980445 W	46.60@ 320.13	9.63
6065.00	12.57	152.09	6063.37	32.00	-27.90	30.36 N 27.05 W	32.92851938 N	104.16979528 W	40.66@ 318.30	9.89
6096.00	15.83	152.35	6093.42	31.00	-24.17	23.63 N 23.51 W	32.92850087 N	104.16978377 W	33.33@ 315.15	10.52
6128.00	18.82	150.33	6123.96	32.00	-19.35	15.28 N 18.93 W	32.92847789 N	104.16976888 W	24.32@ 308.91	9.53
6160.00	22.07	147.17	6153.94	32.00	-13.27	5.74 N 13.11 W	32.92845164 N	104.16974997 W	14.31@ 293.63	10.72
6192.00	25.41	144.53	6183.23	32.00	-5.73	4.91 S 5.87 W	32.92842235 N	104.16972641 W	7.65@ 230.08	10.95
6223.00	28.67	142.16	6210.84	31.00	3.01	16.20 S 2.56 E	32.92839127 N	104.16969901 W	16.40@ 171.03	11.07
6255.00	31.83	140.84	6238.48	32.00	13.41	28.81 S 12.60 E	32.92835657 N	104.16966635 W	31.44@ 156.38	10.09
6287.00	34.82	139.08	6265.21	32.00	25.10	42.26 S 23.91 E	32.92831956 N	104.16962954 W	48.56@ 150.50	9.82
6318.00	37.90	137.24	6290.18	31.00	37.75	55.94 S 36.18 E	32.92828190 N	104.16958964 W	66.62@ 147.11	10.54
6350.00	40.54	135.39	6314.97	32.00	52.13	70.56 S 50.16 E	32.92824164 N	104.16954415 W	86.57@ 144.59	9.02
6410.00	45.26	130.79	6358.92	60.00	82.76	98.39 S 80.01 E	32.92816503 N	104.16944701 W	126.81@ 140.88	9.44
6443.00	49.66	127.64	6381.23	33.00	102.03	113.74 S 98.85 E	32.92812277 N	104.16938567 W	150.69@ 139.00	15.07
6479.00	54.35	123.57	6403.39	36.00	125.56	130.22 S 121.92 E	32.92807737 N	104.16931056 W	178.39@ 136.88	15.78
6507.00	57.72	120.39	6419.03	28.00	145.59	142.50 S 141.62 E	32.92804352 N	104.16924643 W	200.91@ 135.18	15.28

PathFinder Energy Services, Inc.

Survey Report

MACK ENERGY CORPORATION
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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	Survey Latitude (deg)	Survey Longitude (deg)	Closure Dist Dir (ft) (deg)	DLS (dg/100ft)
6538.00	60.64	116.60	6434.92	31.00	169.34	155.18 S	32.92800856 N	104.16917025 W	226.52@ 133.24	14.10
6570.00	62.61	112.93	6450.13	32.00	195.22	166.97 S	32.92797606 N	104.16908700 W	253.37@ 131.22	11.82
6602.00	63.71	111.31	6464.58	32.00	221.97	177.72 S	32.92794640 N	104.16900085 W	280.51@ 129.31	5.68
6634.00	65.88	109.25	6478.20	32.00	249.39	187.75 S	32.92791872 N	104.16891239 W	308.02@ 127.56	8.94
6666.00	68.45	107.57	6490.62	32.00	277.63	197.06 S	32.92789301 N	104.16882125 W	336.01@ 125.91	9.38
6698.00	70.46	106.73	6501.85	32.00	306.50	205.89 S	32.92786860 N	104.16872798 W	364.51@ 124.39	6.74
6730.00	71.67	106.45	6512.24	32.00	335.74	214.53 S	32.92784473 N	104.16863349 W	393.44@ 123.04	3.87
6762.00	73.07	105.37	6521.93	32.00	365.29	222.89 S	32.92782163 N	104.16853795 W	422.68@ 121.83	5.43
6793.00	73.89	105.43	6530.74	31.00	394.15	230.78 S	32.92779981 N	104.16844461 W	451.26@ 120.76	2.65
6825.00	75.34	104.01	6539.23	32.00	424.20	238.62 S	32.92777814 N	104.16834740 W	480.99@ 119.74	6.23
6857.00	77.53	102.33	6546.74	32.00	454.68	245.71 S	32.92775853 N	104.16824873 W	510.88@ 118.75	8.54
6889.00	80.67	100.15	6552.79	32.00	485.65	251.83 S	32.92774158 N	104.16814833 W	540.92@ 117.75	11.88
6921.00	83.61	98.44	6557.16	32.00	517.06	256.94 S	32.92772738 N	104.16804642 W	571.07@ 116.74	10.60
6952.00	86.42	96.01	6559.86	31.00	547.79	260.83 S	32.92771657 N	104.16794660 W	600.26@ 115.75	11.96
6984.00	86.92	91.58	6561.72	32.00	579.71	262.94 S	32.92771063 N	104.16784275 W	630.00@ 114.67	13.91
7016.00	87.15	89.65	6563.37	32.00	611.66	263.28 S	32.92770955 N	104.16773862 W	659.31@ 113.54	6.07
7048.00	88.54	88.89	6564.58	32.00	643.61	262.87 S	32.92771053 N	104.16763441 W	688.58@ 112.44	4.95
7080.00	89.78	89.07	6565.05	32.00	675.57	262.30 S	32.92771195 N	104.16753015 W	718.05@ 111.43	3.92
7112.00	89.94	89.12	6565.12	32.00	707.54	261.80 S	32.92771321 N	104.16742586 W	747.75@ 110.49	0.52
7144.00	88.77	89.11	6565.48	32.00	739.51	261.31 S	32.92771443 N	104.16732159 W	777.63@ 109.64	3.66
7175.00	88.21	88.81	6566.30	31.00	770.46	260.74 S	32.92771584 N	104.16722061 W	806.70@ 108.86	2.05
7207.00	88.54	88.91	6567.21	32.00	802.41	260.11 S	32.92771745 N	104.16711638 W	836.83@ 108.11	1.08
7240.00	89.33	89.74	6567.82	33.00	835.38	259.72 S	32.92771837 N	104.16700885 W	868.13@ 107.41	3.47
7272.00	89.44	89.76	6568.17	32.00	867.36	259.58 S	32.92771862 N	104.16690457 W	898.67@ 106.79	0.35
7304.00	89.38	88.32	6568.50	32.00	899.33	259.04 S	32.92771995 N	104.16680030 W	929.20@ 106.19	4.50
7335.00	89.38	87.72	6568.83	31.00	930.26	257.97 S	32.92772276 N	104.16669933 W	958.70@ 105.61	1.93

PathFinder Energy Services, Inc.

Survey Report

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	Rectangular Offsets (ft)	TOTAL (ft)	Survey Latitude (deg)	Survey Longitude (deg)	Closure Dist (ft)	DLS (dg/100ft)
7366.00	89.55	88.02	6569.12	31.00	961.19	256.82 S	954.32 E	32.92772579 N	104.16659837 W	988.27@	105.06
7398.00	89.78	88.09	6569.31	32.00	993.13	255.73 S	986.30 E	32.92772864 N	104.16649413 W	1018.91@	104.54
7430.00	89.94	88.37	6569.39	32.00	1025.08	254.74 S	1018.28 E	32.92773122 N	104.16638988 W	1049.66@	104.05
7462.00	89.55	87.22	6569.53	32.00	1057.00	253.51 S	1050.26 E	32.92773446 N	104.16628567 W	1080.42@	103.57
7494.00	89.72	86.79	6569.73	32.00	1088.90	251.84 S	1082.21 E	32.92773892 N	104.16618151 W	1111.13@	103.10
7525.00	89.83	86.69	6569.85	31.00	1119.79	250.08 S	1113.16 E	32.92774363 N	104.16608064 W	1140.91@	102.66
7556.00	89.78	87.13	6569.96	31.00	1150.68	248.41 S	1144.12 E	32.92774809 N	104.16597974 W	1170.77@	102.25
7589.00	89.61	87.95	6570.13	33.00	1183.60	246.99 S	1177.09 E	32.92775184 N	104.16587229 W	1202.72@	101.85
7620.00	89.66	88.30	6570.33	31.00	1214.54	245.98 S	1208.07 E	32.92775449 N	104.16577131 W	1232.86@	101.51
7653.00	89.78	88.11	6570.49	33.00	1247.48	244.94 S	1241.05 E	32.92775719 N	104.16566381 W	1264.99@	101.16
7684.00	89.83	88.48	6570.60	31.00	1278.43	244.02 S	1272.04 E	32.92775959 N	104.16556281 W	1295.23@	100.86
7717.00	89.61	88.41	6570.76	33.00	1311.38	243.13 S	1305.03 E	32.92776190 N	104.16545530 W	1327.48@	100.55
7748.00	89.22	88.28	6571.08	31.00	1342.32	242.23 S	1336.01 E	32.92776423 N	104.16535431 W	1357.79@	100.28
7781.00	88.88	88.29	6571.62	33.00	1375.26	241.24 S	1368.99 E	32.92776680 N	104.16524682 W	1390.08@	99.99
7812.00	88.66	88.21	6572.29	31.00	1406.20	240.30 S	1399.97 E	32.92776926 N	104.16514585 W	1420.44@	99.74
7844.00	89.55	87.70	6572.79	32.00	1438.13	239.15 S	1431.94 E	32.92777226 N	104.16504164 W	1451.78@	99.48
7876.00	89.89	87.29	6572.95	32.00	1470.05	237.76 S	1463.91 E	32.92777597 N	104.16493744 W	1483.09@	99.22
7908.00	89.66	86.89	6573.07	32.00	1501.95	236.13 S	1495.87 E	32.92778029 N	104.16483328 W	1514.39@	98.97
7939.00	89.66	87.36	6573.26	31.00	1532.85	234.58 S	1526.83 E	32.92778443 N	104.16473237 W	1544.75@	98.73
7972.00	90.34	87.23	6573.26	33.00	1565.76	233.02 S	1559.80 E	32.92778856 N	104.16462493 W	1577.10@	98.50
8005.00	90.67	87.66	6572.96	33.00	1598.67	231.55 S	1592.76 E	32.92779246 N	104.16451748 W	1609.50@	98.27
8036.00	89.66	87.94	6572.87	31.00	1629.60	230.36 S	1623.74 E	32.92779560 N	104.16441652 W	1640.00@	98.07
8068.00	89.61	88.40	6573.08	32.00	1661.54	229.34 S	1655.72 E	32.92779826 N	104.16431228 W	1671.53@	97.89
8100.00	90.22	87.98	6573.13	32.00	1693.48	228.33 S	1687.70 E	32.92780090 N	104.16420804 W	1703.08@	97.70
8131.00	89.72	88.12	6573.14	31.00	1724.42	227.27 S	1718.69 E	32.92780366 N	104.16410706 W	1733.65@	97.53
8163.00	89.50	88.17	6573.36	32.00	1756.36	226.23 S	1750.67 E	32.92780637 N	104.16400282 W	1765.23@	97.36

PathFinder Energy Services, Inc.

Survey Report

MACK ENERGY CORPORATION
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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	Survey Latitude (deg)	Survey Longitude (deg)	Closure Dist Dir (ft) (deg)	DLS (dg/100ft)
8195.00	89.89	88.17	6573.53	32.00	1788.31	225.21 S 1782.65 E	32.92780904 N	104.16389858 W	1796.82@ 97.20	1.22
8227.00	89.83	88.38	6573.61	32.00	1820.25	224.25 S 1814.64 E	32.92781154 N	104.16379433 W	1828.44@ 97.04	0.68
8259.00	89.72	88.44	6573.73	32.00	1852.20	223.36 S 1846.63 E	32.92781384 N	104.16369007 W	1860.08@ 96.90	0.39
8291.00	89.78	88.48	6573.87	32.00	1884.15	222.50 S 1878.61 E	32.92781607 N	104.16358582 W	1891.74@ 96.75	0.23
8323.00	89.78	88.80	6574.00	32.00	1916.11	221.74 S 1910.60 E	32.92781801 N	104.16348155 W	1923.43@ 96.62	1.00
8354.00	89.66	87.96	6574.15	31.00	1947.06	220.87 S 1941.59 E	32.92782028 N	104.16338056 W	1954.11@ 96.49	2.74
8386.00	89.44	87.03	6574.40	32.00	1978.97	219.47 S 1973.56 E	32.92782399 N	104.16327637 W	1985.72@ 96.35	2.99
8417.00	88.94	86.52	6574.84	31.00	2009.86	217.72 S 2004.51 E	32.92782864 N	104.16317550 W	2016.30@ 96.20	2.30
8449.00	88.66	85.62	6575.51	32.00	2041.70	215.53 S 2036.42 E	32.92783453 N	104.16307146 W	2047.80@ 96.04	2.94
8481.00	89.38	85.85	6576.06	32.00	2073.53	213.15 S 2068.33 E	32.92784093 N	104.16296746 W	2079.28@ 95.88	2.36
8513.00	89.72	86.17	6576.31	32.00	2105.38	210.92 S 2100.25 E	32.92784690 N	104.16286342 W	2110.82@ 95.73	1.46
8544.00	90.78	86.74	6576.17	31.00	2136.25	209.01 S 2131.19 E	32.92785203 N	104.16276257 W	2141.42@ 95.60	3.88
8576.00	91.01	87.10	6575.67	32.00	2168.14	207.29 S 2163.14 E	32.92785662 N	104.16265843 W	2173.05@ 95.47	1.33
8608.00	90.45	87.00	6575.26	32.00	2200.03	205.64 S 2195.10 E	32.92786100 N	104.16255428 W	2204.71@ 95.35	1.78
8640.00	89.83	86.09	6575.19	32.00	2231.91	203.71 S 2227.04 E	32.92786616 N	104.16245017 W	2236.33@ 95.23	3.44
8672.00	89.61	86.28	6575.34	32.00	2263.76	201.58 S 2258.97 E	32.92787187 N	104.16234610 W	2267.94@ 95.10	0.91
8704.00	89.44	85.97	6575.61	32.00	2295.61	199.42 S 2290.89 E	32.92787767 N	104.16224204 W	2299.56@ 94.98	1.11
8737.00	89.33	86.31	6575.96	33.00	2328.46	197.20 S 2323.81 E	32.92788363 N	104.16213473 W	2332.17@ 94.85	1.08
8768.00	90.06	87.24	6576.13	31.00	2359.35	195.46 S 2354.76 E	32.92788829 N	104.16203385 W	2362.86@ 94.74	3.81
8800.00	90.22	87.17	6576.05	32.00	2391.25	193.90 S 2386.73 E	32.92789243 N	104.16192968 W	2394.59@ 94.64	0.54
8832.00	90.11	86.89	6575.96	32.00	2423.15	192.24 S 2418.68 E	32.92789685 N	104.16182552 W	2426.31@ 94.54	0.94
8864.00	89.89	86.71	6575.96	32.00	2455.04	190.45 S 2450.63 E	32.92790161 N	104.16172138 W	2458.02@ 94.44	0.89
8896.00	89.78	87.38	6576.05	32.00	2486.94	188.80 S 2482.59 E	32.92790600 N	104.16161722 W	2489.76@ 94.35	2.12
8928.00	89.44	87.05	6576.27	32.00	2518.84	187.25 S 2514.55 E	32.92791013 N	104.16151305 W	2521.51@ 94.26	1.48
8960.00	89.11	87.07	6576.67	32.00	2550.74	185.61 S 2546.51 E	32.92791450 N	104.16140889 W	2553.26@ 94.17	1.03
8992.00	88.99	87.49	6577.20	32.00	2582.64	184.09 S 2578.47 E	32.92791853 N	104.16130473 W	2585.03@ 94.08	1.37

PathFinder Energy Services, Inc.

Survey Report

MAC K ENERGY CORPORATION
CANDY CANE STATE COM #1
EDDY COUNTY, NEW MEXICO
RIG:SILVEROAK 2

Page 07/09

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	Survey Latitude (deg)	Survey Longitude (deg)	Closure Dist Dir (ft) (deg)	DLS (dg/100ft)
9024.00	89.38	87.86	6577.66	32.00	2614.56	182.79 S 2610.44 E	32.92792196 N	104.16120053 W	2616.83@ 94.01	1.68
9056.00	89.38	88.01	6578.00	32.00	2646.49	181.64 S 2642.41 E	32.92792498 N	104.16109630 W	2648.65@ 93.93	0.47
9088.00	89.05	87.52	6578.44	32.00	2678.42	180.39 S 2674.39 E	32.92792827 N	104.16099209 W	2680.46@ 93.86	1.85
9120.00	88.71	87.40	6579.07	32.00	2710.33	178.97 S 2706.35 E	32.92793202 N	104.16088792 W	2712.26@ 93.78	1.13
9152.00	89.66	87.36	6579.52	32.00	2742.24	177.51 S 2738.31 E	32.92793590 N	104.16078374 W	2744.06@ 93.71	2.97
9183.00	89.94	87.69	6579.63	31.00	2773.16	176.17 S 2769.28 E	32.92793944 N	104.16068280 W	2774.88@ 93.64	1.40
9215.00	89.94	88.16	6579.66	32.00	2805.09	175.01 S 2801.26 E	32.92794248 N	104.16057857 W	2806.72@ 93.57	1.47
9247.00	90.34	88.54	6579.59	32.00	2837.04	174.09 S 2833.25 E	32.92794487 N	104.16047432 W	2838.59@ 93.52	1.72
9279.00	90.11	88.93	6579.46	32.00	2869.00	173.38 S 2865.24 E	32.92794667 N	104.16037005 W	2870.48@ 93.46	1.41
9311.00	89.83	88.60	6579.48	32.00	2900.96	172.69 S 2897.23 E	32.92794842 N	104.16026578 W	2902.37@ 93.41	1.35
9343.00	89.61	89.12	6579.63	32.00	2932.92	172.06 S 2929.23 E	32.92795002 N	104.16016151 W	2934.27@ 93.36	1.76
9375.00	89.27	88.67	6579.95	32.00	2964.88	171.44 S 2961.22 E	32.92795157 N	104.16005724 W	2966.18@ 93.31	1.76
9406.00	88.83	88.87	6580.46	31.00	2995.84	170.77 S 2992.21 E	32.92795326 N	104.15995624 W	2997.08@ 93.27	1.56
9438.00	89.22	88.76	6581.00	32.00	3027.80	170.11 S 3024.20 E	32.92795494 N	104.15985198 W	3028.98@ 93.22	1.27
9470.00	89.38	88.67	6581.40	32.00	3059.75	169.40 S 3056.19 E	32.92795676 N	104.15974772 W	3060.88@ 93.17	0.57
9502.00	89.72	87.86	6581.65	32.00	3091.70	168.43 S 3088.17 E	32.92795928 N	104.15964348 W	3092.76@ 93.12	2.75
9534.00	89.61	87.59	6581.83	32.00	3123.62	167.16 S 3120.14 E	32.92796263 N	104.15953926 W	3124.62@ 93.07	0.91
9566.00	89.38	87.72	6582.12	32.00	3155.54	165.85 S 3152.12 E	32.92796608 N	104.15943505 W	3156.48@ 93.01	0.83
9598.00	89.66	87.60	6582.38	32.00	3187.47	164.54 S 3184.09 E	32.92796953 N	104.15933085 W	3188.34@ 92.96	0.95
9630.00	90.06	87.38	6582.46	32.00	3219.38	163.14 S 3216.06 E	32.92797324 N	104.15922665 W	3220.19@ 92.90	1.43
9662.00	90.34	87.46	6582.35	32.00	3251.30	161.70 S 3248.02 E	32.92797705 N	104.15912246 W	3252.05@ 92.85	0.91
9694.00	90.34	87.91	6582.16	32.00	3283.22	160.41 S 3280.00 E	32.92798046 N	104.15901825 W	3283.92@ 92.80	1.41
9726.00	90.06	87.38	6582.05	32.00	3315.14	159.09 S 3311.97 E	32.92798393 N	104.15891404 W	3315.79@ 92.75	1.87
9758.00	89.72	86.80	6582.11	32.00	3347.04	157.47 S 3343.93 E	32.92798825 N	104.15880987 W	3347.63@ 92.70	2.10
9790.00	89.44	86.82	6582.35	32.00	3378.93	155.69 S 3375.88 E	32.92799300 N	104.15870574 W	3379.47@ 92.64	0.88
9822.00	89.16	86.24	6582.74	32.00	3410.80	153.75 S 3407.82 E	32.92799817 N	104.15860163 W	3411.28@ 92.58	2.01

PathFinder Energy Services, Inc.

Survey Report

MACK ENERGY CORPORATION
CANDY CANE STATE COM #1
EDDY COUNTY, NEW MEXICO
RIG:SILVEROAK 2

Page 08/09

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	Survey Latitude (deg)	Survey Longitude (deg)	Closure Dist Dir (ft) (deg)	DLS (dg/100ft)
9855.00	89.44	86.36	6583.14	33.00	3443.66	151.62 S 3440.75 E	32.92800388 N	104.15849431 W	3444.08@ 92.52	0.92
9887.00	89.44	86.12	6583.45	32.00	3475.51	149.52 S 3472.68 E	32.92800950 N	104.15839023 W	3475.89@ 92.47	0.75
9919.00	90.06	86.28	6583.59	32.00	3507.37	147.40 S 3504.60 E	32.92801518 N	104.15828616 W	3507.70@ 92.41	2.00
9950.00	90.34	85.79	6583.48	31.00	3538.22	145.26 S 3535.53 E	32.92802093 N	104.15818536 W	3538.51@ 92.35	1.82
9983.00	90.84	86.55	6583.14	33.00	3571.07	143.05 S 3568.45 E	32.92802684 N	104.15807804 W	3571.32@ 92.30	2.76
10015.00	91.12	87.83	6582.60	32.00	3602.97	141.48 S 3600.41 E	32.92803101 N	104.15797389 W	3603.19@ 92.25	4.09
10047.00	91.06	88.87	6581.99	32.00	3634.91	140.56 S 3632.39 E	32.92803339 N	104.15786965 W	3635.11@ 92.22	3.26
10079.00	91.23	89.30	6581.35	32.00	3666.87	140.05 S 3664.38 E	32.92803465 N	104.15776540 W	3667.05@ 92.19	1.44
10111.00	90.78	89.37	6580.79	32.00	3698.84	139.68 S 3696.37 E	32.92803552 N	104.15766113 W	3699.01@ 92.16	1.42
10143.00	90.50	89.28	6580.43	32.00	3730.82	139.30 S 3728.37 E	32.92803641 N	104.15755685 W	3730.97@ 92.14	0.92
10175.00	89.89	88.38	6580.32	32.00	3762.78	138.65 S 3760.36 E	32.92803806 N	104.15745258 W	3762.92@ 92.11	3.40
10207.00	89.83	88.24	6580.40	32.00	3794.72	137.71 S 3792.35 E	32.92804051 N	104.15734833 W	3794.85@ 92.08	0.48
10239.00	90.34	88.75	6580.35	32.00	3826.68	136.87 S 3824.34 E	32.92804267 N	104.15724407 W	3826.78@ 92.05	2.25
10271.00	89.44	89.53	6580.41	32.00	3858.65	136.39 S 3856.33 E	32.92804385 N	104.15713979 W	3858.74@ 92.03	3.72
10303.00	87.76	88.78	6581.19	32.00	3890.61	135.91 S 3888.32 E	32.92804500 N	104.15703554 W	3890.69@ 92.00	5.75
10335.00	86.76	87.86	6582.72	32.00	3922.51	134.98 S 3920.27 E	32.92804742 N	104.15693141 W	3922.59@ 91.97	4.24
10366.00	86.31	87.35	6584.60	31.00	3953.38	133.68 S 3951.18 E	32.92805084 N	104.15683064 W	3953.44@ 91.94	2.19
10398.00	87.54	87.30	6586.31	32.00	3985.25	132.19 S 3983.10 E	32.92805479 N	104.15672661 W	3985.29@ 91.90	3.85
10430.00	88.15	87.47	6587.52	32.00	4017.14	130.73 S 4015.04 E	32.92805865 N	104.15662249 W	4017.17@ 91.86	1.98
10462.00	88.15	87.23	6588.55	32.00	4049.03	129.26 S 4046.99 E	32.92806257 N	104.15651836 W	4049.06@ 91.83	0.75
10494.00	87.71	87.57	6589.71	32.00	4080.92	127.81 S 4078.94 E	32.92806641 N	104.15641424 W	4080.94@ 91.79	1.74
10526.00	87.48	87.36	6591.05	32.00	4112.81	126.39 S 4110.88 E	32.92807015 N	104.15631013 W	4112.82@ 91.76	0.97
10558.00	87.42	87.25	6592.47	32.00	4144.69	124.89 S 4142.81 E	32.92807413 N	104.15620605 W	4144.70@ 91.73	0.39
10590.00	87.37	87.59	6593.93	32.00	4176.57	123.45 S 4174.75 E	32.92807794 N	104.15610197 W	4176.57@ 91.69	1.07
10605.00	87.20	87.54	6594.64	15.00	4191.51	122.81 S 4189.72 E	32.92807962 N	104.15605317 W	4191.52@ 91.68	1.18
10663.00	87.20	87.54	6597.47	58.00	4249.30	120.33 S 4247.59 E	32.92808619 N	104.15586453 W	4249.30@ 91.62	0.00

STRAIGHT LINE PROJECTION TO BIT DEPTH AT 10663' MD.

Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 July 17, 2008 1. WELL API NO. 30-015-35365 2. Type of Lease ☒ STATE ☐ FEE ☐ FED/INDIAN 3. State Oil & Gas Lease No. NMNM-117550																														
WELL COMPLETION OR RECOMPLETION REPORT AND LOG																																
4. Reason for filing: ☒ COMPLETION REPORT (Fill in boxes # 1 through #31 for State and Fee wells only) ☐ C-144 CLOSURE ATTACHMENT (Fill in boxes # 1 through #9, # 15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)		5. Lease Name or Unit Agreement Name Candy Cane State Com 6. Well Number: 1																														
7. Type of Completion: ☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER		RECEIVED OCT 01 2010 NMOCD ARTESIA																														
8. Name of Operator Mack Energy Corporation																																
10. Address of Operator P.O. Box 960 Artesia, NM 88210																																
12. Location <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Unit Ltr</th> <th>Section</th> <th>Township</th> <th>Range</th> <th>Lot</th> <th>Feet from the</th> <th>N/S Line</th> <th>Feet from the</th> <th>E/W Line</th> <th>County</th> </tr> <tr> <td>Surface:</td> <td>D</td> <td>15</td> <td>16S</td> <td>28E</td> <td>662</td> <td>North</td> <td>660</td> <td>West</td> <td>Eddy</td> </tr> <tr> <td>BH:</td> <td>A</td> <td>15</td> <td>16S</td> <td>28E</td> <td>782</td> <td>North</td> <td>372</td> <td>East</td> <td>Eddy</td> </tr> </table>	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County	Surface:	D	15	16S	28E	662	North	660	West	Eddy	BH:	A	15	16S	28E	782	North	372	East	Eddy	9. OGRID 013837 11. Pool name or Wildcat Crow Flats; Wolfcamp	
Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County																							
Surface:	D	15	16S	28E	662	North	660	West	Eddy																							
BH:	A	15	16S	28E	782	North	372	East	Eddy																							
13. Date Spudded 6/16/2010	14. Date T.D. Reached 7/7/2010	15. Date Rig Released 7/9/2010	16. Date Completed (Ready to Produce) 9/18/2010	17. Elevations (DF and RKB, RT, GR, etc.) 3588' GR																												
18. Total Measured Depth of Well 10,663'		19. Plug Back Measured Depth 10,525'		20. Was Directional Survey Made? Yes	21. Type Electric and Other Logs Run																											
22. Producing Interval(s), of this completion - Top, Bottom, Name 6679-10,444' Strata Port																																
23. CASING RECORD (Report all strings set in well)																																
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED																											
13 3/8", H-40	48#	435'	17 1/2"	382 sx	None																											
8 5/8", J-55	24#	1800'	11"	600sx	None																											
7", P-110	26#	6391'	7 7/8"	375sx	None																											
4 1/2", P-110	11.6#	5691-10,525'	6 1/8"																													
24. LINER RECORD					25. TUBING RECORD																											
SIZE	TOP	BOTTOM	SACKCEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET																									
					2 7/8	5,480'																										
26. Perforation record (interval, size, and number) 6,679-10,444' Strata Ports					27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>6,679-10,444' Strata Ports</td> <td>See C-103 for details</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </table>		DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	6,679-10,444' Strata Ports	See C-103 for details																						
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED																															
6,679-10,444' Strata Ports	See C-103 for details																															
28. PRODUCTION																																
Date First Production 9/18/2010		Production Method (Flowing, gas lift, pumping - Size and type pump) 2 1/2 x 2 x 20' pump			Well Status (Prod or Shut-in) Producing																											
Date of Test 9/22/2010	Hours Tested 24 hours	Choke Size	Prod'n For Test Period	Oil - Bbl 334	Gas - MCF 303	Water - Bbl. 442	Gas - Oil Ratio 907																									
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl. 334	Gas - MCF 303	Water - Bbl. 442	Oil Gravity - API - (Corr.) 41.000																										
29. Disposition of Gas (Sold, used for fuel, vented, etc) Sold					30. Test Witnessed By Robert C. Chase																											
31. List Attachments Directional and Deviation Survey																																
32. If a temporary pit was used at the well, attach a plat with the location of temporary pit.																																
33. If an on-site burial was used at the well, report the exact location of the on-site burial:																																
Latitude _____ Longitude _____ NAD 1927 1983																																
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																																
Signature <u>Deanna Weaver</u>			Printed Name <u>Deanna Weaver</u>		Title <u>Production Clerk</u>																											
E-mail Address <u>dweaver@mec.com</u>			Date <u>9/30/10</u>																													

DISTRICT I
1623 N. FRENCH DR., HOHHS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTHUR, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
1662 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1662 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

RECEIVED

MAR 11 2010

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

APT Number 30-015-35365	Pool Code 97102	Pool Name Crow Flats:Wolfcamp
Property Code 38189	Property Name CANDY CANE STATE COM	Well Number 1
OGRIID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3588'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	15	16-S	28-E		662	NORTH	660	WEST	EDDY

#1 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
D	15	16-S	28-E		965	NORTH	1202	WEST	EDDY

#2 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
A	15	16-S	28-E		782	NORTH	372	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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

	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Jerry W. Sherrell</i> 10/25/2010 Signature Date Jerry W. Sherrell Printed Name SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was 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 belief. FEBRUARY 25 2010 Date Surveyed Signature & Seal of Professional Surveyor 12641 10.11.0272 Certificate No. 12641 RONALD J. EIDSON 3239
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