

District I

1625 N French Dr, Hobbs, NM 88240

District II

1301 W Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101

May 27, 2004

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

JUL 17 2008

Submit to appropriate District Office

OCD-ARTESIA

☐ AMENDED REPORT

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

Operator Name and Address Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960		OGRID Number 013837
		API Number 30- 015-33779
Property Code 300207	Property Name Southern Cross 16 State	Well No. 4
Proposed Pool 1 Penasco Draw; Permo Penn		Proposed Pool 2

7 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	16	18S	24E		1980	North	1980	West	Eddy

8 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

Additional Well Information

Work Type Code D	Well Type Code G	" Cable/Rotary Rotary	Lease Type Code S	Ground Level Elevation 3776
Multiple No	" Proposed Depth 6850'	" Formation Pennsylvanian	Contractor	Spud Date 6/18/07
Depth to Groundwater 516'		Distance from nearest fresh water well 1000'		Distance from nearest surface water 1000'
Pit Liner. Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/>		Pit Volume 300 bbls		Drilling Method - Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>
Closed-Loop System <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	9 5/8	32	1206	1155sx	Circulated
8 3/4	7	23	6184	775sx	Surface
6 1/8	Open Hole	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 Deepen this well 400' to a depth of 6850' drilling will be done using an air package and reverse unit, this will be extending the open hole section of this well. No casing will be run, put well on production.

Note: Well to be drilled using closed loop system.

H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan. <input type="checkbox"/>		OIL CONSERVATION DIVISION	
Signature <i>Jerry W. Sherrell</i>		Approved <i>Jim W. Sherrell</i> District II Supervisor	
Printed name Jerry W. Sherrell		Title	
Title Production Clerk		Approval Date: 7/21/08	Expiration Date: 7/21/10
E-mail Address: jerrys@mackenergycorp.com			
Date: 7/17/08	Phone: (575)748-1288	Conditions of Approval Attached <input type="checkbox"/>	