

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

DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd, Aztec, NM 87410

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, New Mexico 87505

WELL API NO. 30-025-36370
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. OG-1999
7. Lease Name or Unit Agreement Name KG 35 State Com
8. Well No. 1
9. Pool name or Wildcat Vacuum;Morrow (Gas)

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS).	
1. Type Of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	
2. Name of Operator Mack Energy Corporation	
3. Address of Operator P.O. Box 960, Artesia, NM 88211-0960	
4. Well Location Unit Letter <u>I</u> : <u>1395</u> Feet From The <u>South</u> Line and <u>1255</u> Feet From The <u>East</u> Line Section <u>35</u> Township <u>17S</u> Range <u>33E</u> NMPM <u>Lea</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4120' GR	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER <u>Spud and Cement Casings</u> <input checked="" type="checkbox"/>

12. 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.

12/22/2003 Spud 17 1/2" hole 2:30 PM.  
12/24/2003 TD 17 1/2" hole @ 568', RIH w/13 joints 13 3/8" 42# H-40 ST&C set @ 568', Cemented w/600 sx Class C, 2% CC, circ 75 sx, plug down 3:30 AM. WOC 18 hours tested casing to 1800# for 30 minutes, held OK.  
01/16/2004 TD 12 1/4" hole @ 5500', RIH w/118 joints 9 5/8" K-55 40# LT&C set @ 5499', Cemented w/1700 sx 35-65-6, 3#salt, 1/4# CF, tail in w/975 sx 50-50-2, 5% salt, .1% BA-58, 1% FL25, .3% FL52, circ 300 sx, plug down 5:15 AM. WOC 12 hours tested casing to 600# for 20 minutes, held OK.  
02/27/2004 TD 8 3/4" hole @ 13820'.  
03/01/2004 TIH spotted 50 sx Class H from 12489-12,356' approved by OCD.  
03/02/2004 RIH w/270 joints 5 1/2" N-80 & P-110 LT&C set @ 11,416', Cemented 1st stage w/1100 sx 15-61-11 Poz C, .6% FL52, .6% FL25, 1% BA10, 2% KCL, 5# LCM-1, 2nd stage 675 sx 15-61-11 Poz C, plug down 2:53 AM. WOC 12 hours tested casing to 600# for 20 minutes, held OK.

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

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 4/6/2004

TYPE OR PRINT NAME

Jerry W. Sherrell

TELEPHONE NO (505)748-1288  
APR 13 2004

(This space for State Use)

OC FIELD REPRESENTATIVE II/STAFF MANAGER

APPROVED BY Harry W. Wink TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: