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New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-3
(April 2004)

OCT 15 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OIL

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5 Lease Serial No.
NMNM-119274

6 If Indian, Allottee or Tribe Name

7 If Unit or CA Agreement, Name and No.

8 Lease Name and Well No.
Peery Federal #4

9 API Well No.
30-005-20333

10 Field and Pool, or Exploratory
SWD; Devonian

11 Sec, T, R. M. or Blk. and Survey or Area

Sec. 29 T15S R30E

12 County or Parish
Chaves

13 State
NM

1a Type of work- ☐ DRILL

☒ REENTER

1b Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator

Mack Energy Corporation

3a Address

P.O. Box 960 Artesia, NM 88211-0960

3b Phone No. (include area code)
(575) 748-1288

4 Location of Well (Report location clearly and in accordance with any State requirements*)

At surface

660 FNL & 990 FEL

At proposed prod. zone

Unit A

14 Distance in miles and direction from nearest town or post office*

11 miles north of Loco Hills, NM

15. Distance from proposed*
location to nearest
property or lease line, ft
(Also to nearest drlg. unit line, if any) 455

16 No. of acres in lease

640

17. Spacing Unit dedicated to this well

40

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft

1320

19. Proposed Depth

11,976'

20. BLM/BIA Bond No. on file

NMB000286

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

3987" GR

22 Approximate date work will start*

6/23/08

23 Estimated duration

3 days

24. Attachments

ROSWELL CONTROLLED WATER BASIN

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1 Well plat certified by a registered surveyor

2 A Drilling Plan.

3 A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office)

4 Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above),

5 Operator certification

6 Such other site specific information and/or plans as may be required by the
authorized officer

25. Signature

Jerry W. Sherrell

Name (Printed/Typed)

Jerry W. Sherrell

Date

7/16/08

Title

Production Clerk

Approved by (Signature)

/s/ Angel Mayes

Name (Printed/Typed)

/s/ Angel Mayes

Date

OCT 10 2008

Title

Assistant Field Manager,
Lands And Minerals

Office

ROSWELL FIELD OFFICE

APPROVED FOR 2 YEARS

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to
conduct operations thereon
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United
States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

SWD-581-A

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED