

Submit 3 Copies To Appropriate District
Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88210
District III
1000 Rio Brabon Rd., Aztec, NM 87410
District IV
1270 S St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

| | |
|---|---|
| WELL API NO. 30-025-37055 | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. VB-1296 | 7. Lease Name or Unit Agreement Name Bay State |
| 8. Well Number 1 | 9. OGRID Number 013837 |
| 10. Pool Name or Wildcat Airstrip; Bone Spring North | |

SUNDRY NOTICES AND REPORTS ON WELLS
(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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | 2. Name of Operator Mack Energy Corporation |
| 3. Address of Operator P.O. Box 960 Artesia, NM 88210 | 4. Well Location Unit Letter <u>K</u> <u>1680</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>13</u> Township <u>18S</u> Range <u>34E</u> NMPM County <u>Lea</u> |
| 11. Elevation (Show whether DR, RKB, RT, GP etc.) 3976' GR | |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|--|---|---|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIALWORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: Completion <input checked="" type="checkbox"/> | |

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

7/28/2008 Start Drilling Plugs.
7/29/2008 Squeezed perforates 5,142'-5,162' w/ 100 sx Class C cement.
8/5/2008 TD @ 9,260'. CIBP @ 9,200' w/35' cement cap. Perforated 8,857.5'-8,910' 38 holes
8/6/2008 Acidize w/3,000 gals 15% HCL.
8/8/2008 CIBP @ 8,810' w/35' cement cap. Perforated 8,698'-8,714' 33 holes. Acidized w/2,500 gals 15% HCL
8/12/2008 CIBP @ 8,650' w/35' cement cap. Perforated 8,527'-8,556' and 8,505'-8,515' 158 holes.
8/13/2008 Acidized w/4,000 gals 15% HCL.
8/14/2008 CIBP @ 8,405' w/35' cement cap. Perforated 7,191'-7,316' 54 holes.
8/15/2008 Acidized w/3,000 gals 15% HCL.
8/20/2008 Frac 110,260# White Sand 20/40, 16,000# OptiProp 20/40, 86,646 gals 40# linear gel.
8/21/2008 RIH w/230 jts 2 7/8", SN @ 7322'.
8/22/2008 RIH w/2 1/2"x2"x24' RHTC pump.

Spud Date:

7/28/2008

Rig Release Date:

8/22/2008

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 11/11/2008

Type or print name Jerry W. Sherrell E-mail address: jerrys@mackenergycorp.com PHONE: 575-748-1288

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE NOV 19 2008
Conditions of Approval (if any):