

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. 30-025-36309
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. A-983
7. Lease Name or Unit Agreement Name Sapphire State
8. Well No. 5
9. Pool name or Wildcat San Andres
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3354' GR

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 88211-0960	
4. Well Location Unit Letter <u>A</u> : <u>990</u> Feet From The <u>North</u> Line and <u>490</u> Feet From The <u>East</u> Line Section <u>23</u> Township <u>23S</u> Range <u>36E</u> NMPM <u>Lea</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3354' GR	

11. 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 checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER <input 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.

Mack Energy Corporation proposes to plug and abandon well as follows:

1. Notify OCD 24 hours prior to starting plugging operations.
2. Set CIBP @ 3706' w/35' cement cap 100' above top perf @ 3706.5'. → Salt Plug - 1530' - 25' x 5" 100' WHICHEVER GREATER
3. Set 35 sx cement plug @ 354', 50' above and below 13 3/8 casing shoe.
4. Set 10 sx surface plug.
5. Install dry hole marker.

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 11/26/2003

TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. _____

(This space for State Use)

APPROVED BY Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER

CONDITIONS OF APPROVAL, IF ANY:

NOV 26 2003