

New Mexico Oil Conservation
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN			5. LEASE DESIGNATION AND SERIAL NO. LC-029405-B	
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR Mack Energy Corporation			8. FARM OR LEASE NAME, WELL NO. GC Federal #1	
3. ADDRESS AND TELEPHONE NO. P.O. Box 960, Artesia, NM 88211-0960 (505) 748-1288			9. API WELL NO. 30-025-35814	
4. LOCATION OF WELL (Report location clearly and in accordance with any state requirement.*) At surface 2225 FSL & 2406 FEL At proposed prod. zone SUBJECT TO LIKE APPROVAL BY STATE			10. FIELD AND POOL, OR WILDCAT Maljamar Paddock	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 2 miles south of Maljamar Post Office			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 19-T17S-R32E	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 415		16. NO. OF ACRES IN LEASE 640		17. NO. OF ACRES IN LEASE TO THIS WELL 40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT. 330		19. PROPOSED DEPTH 7000		20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3934'				22. APPROX. DATE WORK WILL START* 12/28/01

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	K-55, 13 3/8	48	650	Circ
12 1/4	J-55, 8 5/8	24	2100	Sufficient to Circ
7 7/8	J-55, 5 1/2	17	7000	Sufficient to Circ

Mack Energy proposes to drill to a depth sufficient to test the Paddock Formation for oil gas. If productive, 5 1/2" casing will be cemented. If non-productive, plugging and abandoning in a manor consistent with federal regulation. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

- | | | |
|--|--|---|
| 1. <u>Surveys</u>
Exhibit #1- Well Location Plat
Exhibit #2- Vicinity Map
Exhibit #3- Location Verification Map | 4. <u>Certification</u> | 7. <u>Responsibility Statement</u> |
| 2. <u>Drilling Program</u> | 5. <u>Hydrogen Sulfide Drilling Operation Plan</u>
Exhibit #7- H2S Warning Sign
Exhibit #8- H2S Safety Equipment | APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED |
| 3. <u>Surface Use & Operating Plan</u>
Exhibit #4- One Mile Radius Map
Exhibit #5- Production Facilities Layout
Exhibit #6- Location Layout | 6. <u>Blowout Preventers</u>
Exhibit #9- BOPE Schematic
Exhibit #10- Blowout Preventer Requirements
Exhibit #11- Choke Manifold | |

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Production Analyst DATE 11/29/01

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

/S/ JOE G. LARA

FIELD MANAGER

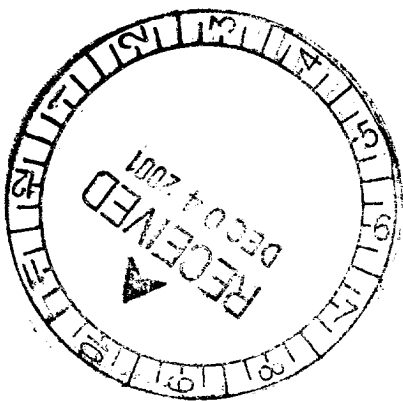
DATE **JAN 23 2002**

OPER. OGRID NO. **13837**
PROPERTY NO. **29222**
POOL CODE **44500**
EFF. DATE **1-25-02**
API NO. **30-025-35814**

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes 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.



121 JOE G. LARA