District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV

1220 S. St Francis Dr, Santa Fe, NM

87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICA	ATION FOR SURFACE	COMMINGLING	(DIVERSE	OWNERSHIP)	
OPERATOR NAME:	MACK ENERGY CORPORA	TION			
OPERATOR ADDRESS:	PO BOX 960 ARTESIA, NM 8	88211-0960			
APPLICATION TYPE:					
Pool Commingling X Lease	Commingling Pool and Lease Con	mmingling	storage and Measure	ment (Only if not Surface	Commingled)
LEASE TYPE:	ee 🗌 State X Feder	ral			
	sting Order? Yes X No If				
Have the Bureau of Land Ma X Yes □No	anagement (BLM) and State Land	d office (SLO) been noti	ified in writing o	f the proposed comm	ingling
		OL COMMINGLING ts with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
	at top allowables? Yes No				
(4) Measurement type:	en notified by certified mail of the production Other (Specify) se the value of production? Yes		Yes No.	ng should be approved	
		SE COMMINGLING ts with the following in			
(3) Has all interest owners been	ne source of supply? Yes	No	□Yes □No)	
		LEASE COMMING ts with the following in			
(1) Complete Sections A and					
	(D) OFF-LEASE ST				
(1) Is all production from sam	ne source of supply? X Yes \(\square\) No	ets with the following i	miormation		
그렇게 하기 그 아이들이 살아 있는데 하는데 하는데 하는데 하는데 하게 되었다.	all interest owners. Attached.				
	(E) ADDITIONAL INFO	DRMATION (for all	application to	nes)	
		ts with the following in		pes)	
(2) A plat with lease boundary	acility, including legal location. ies showing all well and facility locat Well Numbers, and API Numbers.	tions. Include lease number	rs if Federal or Sta	te lands are involved.	
I hereby certify that the informa	tion above is true and complete to the	e best of my knowledge and	d belief.		1.
SIGNATURE:	J Shill T	TITLE:_PRODUCTION C	CLERK	DATE: 3/	1/2021
TYPE OR PRINT NAME_Jen	ry W. Sherrell	TI	ELEPHONE NO.:	_575-748-1288	
E-MAII ADDRESS: jerrys@	mec com				



P.O. Box 960 Artesia, NM 88211-0960 Office (575) 748-1288 Fax (575) 746-9539

February 26, 2021

Oil Conservation Division Attn: Phillip R. Goetze 1220 South St. Francis Drive Santa Fe, NM 87505

Dear Sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Off Lease Measurement and Storage of production of our Nosler 24 Fed PM 1H, Lot 4, Sec. 19 T17S R32E NMLC0029405B. TB will be located in the SWNE Sec. 24 T17S R31E. Oil and Gas production will be measured and sold from this facility.

This TB and equipment will be located within our Partition TB containment. The Nosler well will have its own equipment tanks and Gas sales meter.

All affected parties have been notified of this application via certified mail.

Should you have any questions please contact me @ 575-748-1288.

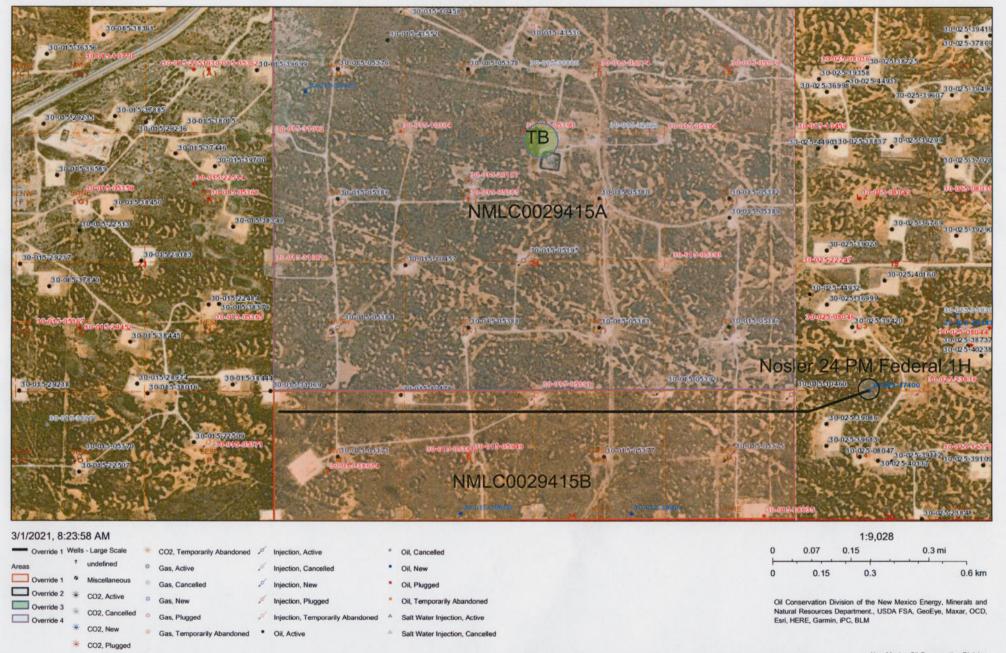
Sincerely,

Jerry W. Sherrell Production Clerk jerrys@mec.com

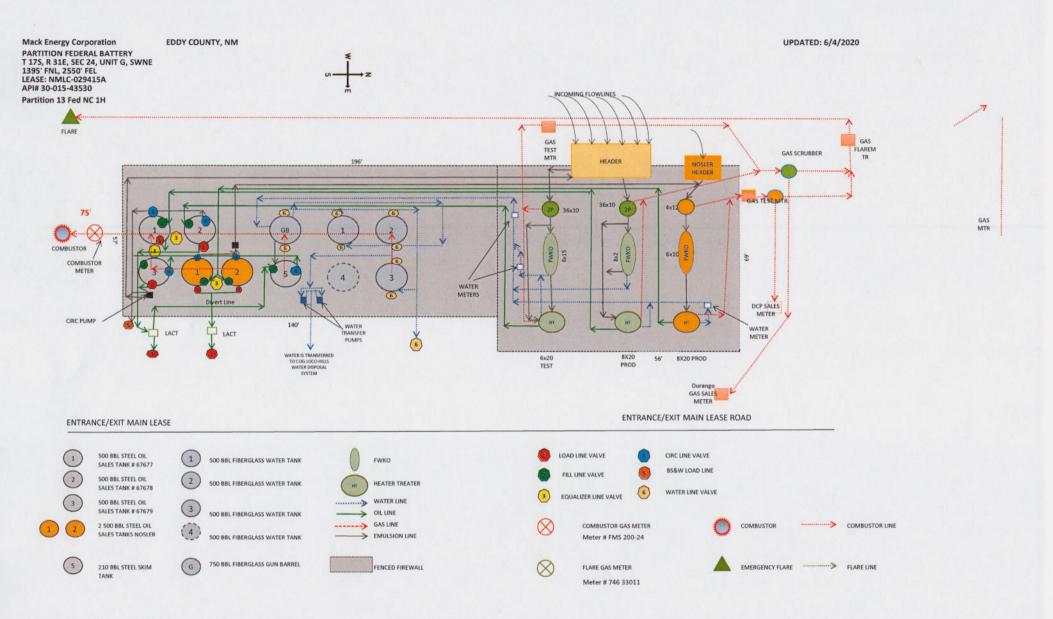
JWS/

Enclosures

OCD Well Locations



New Mexico Oil Conservation Division NM OCD Oil and Gas Map. http://nm-emnrd.maps.arcgis.com/apps/webappviewer/index.html?id=4d017f2306164de29fd2fb9f8f35ca75: New Mexico Oil Conservation Division



Mack Energy Corporation EDDY COUNTY, NM PARTITION FEDERAL BATTERY T 175, R 31E, SEC 24, UNIT G, SWNE 1395' FNL, 2550' FEL LEASE: NMLC-029415A

ATTACHMENT TO SITE FACILITY DIAGRAM

General sealing of valves, sales by tank guage

Production Phase:

Load Line Valves sealed closed. Fill valve to tank that is in production will be open.

Equalizer valve to tank that is in production will be open. Circulation valves will be opened as necessary, then resealed. BS&W Load Line valve will be sealed at all times, unless cleaning tanks, then resealed once tank maintenance is complete.

Sales Phase:

The tank from which sales are being made will be isolated by sealing closed the fill line valve, circulating valve, and the equalizer valve during sales and opening the sales valve. Upon completion of the sale, the sales valve will be resealed. Sales by truck will be by tank gauge.

①	<u>VALVE</u> LOAD LINE VALVE	PRODUCTION PHASE CLOSED	<u>SALES PHASE</u> OPEN	CIRCULATING CLOSED	<u>NOTE</u> Sealed after Lact
•	PRODUCTION FILL LINE VALVE	OPEN OR CLOSED	CLOSED	CLOSED OR OPEN	
3	EQUALIZER LINE VALVE	OPEN	CLOSED	CLOSED OR OPEN	
0	CIRCULATING LINE VALVE	OPEN OR CLOSED	CLOSED	OPEN	
(3)	BS&W LOAD LINE VALVE	CLOSED	CLOSED	CLOSED	OPEN FOR TANK MAINTENANCE, RESEALED ONCE MAINTENANCE IS COMPLETE
©	WATER LINE VALVE	OPEN	ŅA	NA	WATER TANKS ARE ISOLATED FROM OIL PRODUCTION TANKS

PARTITION BATTERY

 Partition Federal 1
 30–015-39061

 Partition 13 Federal NC 5H
 30–015-43530

 Partition 13 Federal NC 5H
 30–015-43530

 Partition 24 Federal HE 4H
 30–025-44952

 Partition 24 Federal AD 3H
 30–025-44931

 Partition 24 Federal IL 6H
 30–025-44932

NOSLER BATTERY

Nosier PM Fed 1H 30-025-47400

Nosler 24 Fed PM #1H NMLC 029415-B S/2S/2 Sec. 24, T17S, R31E Eddy County, New Mexico

Interest Owners	Туре
Crissa D. Carter 1411 Lewis Rd. Artesia, NM 88210	WI
Mark T. Brewer 2002 Briscoe Ave. Artesia, NM 88210	WI
Staci D. Sanders 1306 Walnut Ln. Artesia, NM 88210	WI
Bradley D. Bartek P.O. Box 100625 Fort Worth, TX 76185	WI
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	WI
Javelina Partners 616 Texas Street Fort Worth, TX 76102	WI
EMC Oil & Gas, Ltd. P.O. Box 470773 Fort Worth, TX 76147	WI
Cranz Credit Shelter Trust 212 North Rivercrest Dr. Fort Worth, TX 76107	WI
Sendero Energy LLC P.O. Box 556 Artesia, NM 88211	WI
M Squared Energy LLC P.O. Box 211 Artesia, NM 88211	WI

Nosler 24 Fed PM #1H NMLC 029415-B S/2S/2 Sec. 24, T17S, R31E Eddy County, New Mexico

Interest Owners	Туре
Chase Oil Corporation	wı
P.O. Box 1767	
Artesia, NM 88211	
Robert C. Chase	WI
P.O. Box 297	
Artesia, NM 8211	
Chance Chase Exempt Trust	WI
P.O. Box 960	
Artesia, NM 88211	
Kortney Chase Exempt Trust	WI
P.O. Box 960	
Artesia, NM 88211	
Derek Chase Exempt Trust	WI
P.O. Box 960	
Artesia, NM 88211	
Ventana Minerals LLC	WI
P.O. Box 359	
Artesia, NM 88211	
DiaKan Minerals LLC	WI
P.O. Box 693	
Artesia, NM 88211	

The undersigned approves of Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Off Lease Measurement and Storage of production of our Nosler 24 Fed PM 1H, Lot 4, Sec. 19 T17S R32E NMLC0029405B. TB will be located in the SWNE Sec. 24 T17S R31E. Oil and Gas production will be measured and sold from this facility.

This TB and equipment will be located within our Partition TB containment. The Nosler well will have its own equipment tanks and Gas sales meter.

Javelina Partners

Ву:

Date: 3 1/21

The undersigned approves of Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Off Lease Measurement and Storage of production of our Nosler 24 Fed PM 1H, Lot 4, Sec. 19 T17S R32E NMLC0029405B. TB will be located in the SWNE Sec. 24 T17S R31E. Oil and Gas production will be measured and sold from this facility.

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Zorro Partners, Ltd.

By: Walledson to

Date: <u>2/36/307</u>/

The undersigned approves of Mack Energy Corporation requesting administrative approval from the NMOCD for approval of Off Lease Measurement and Storage of production of our Nosler 24 Fed PM 1H, Lot 4, Sec. 19 T17S R32E NMLC0029405B. TB will be located in the SWNE Sec. 24 T17S R31E. Oil and Gas production will be measured and sold from this facility.

This TB and equipment will be located within our Partition TB containment. The Nosler well will have its own equipment tanks and Gas sales meter.

By: Matt Brewer, Managing Member	Date: 3/1/2021
M SQUARED ENERGY LLC	
By: W. Lee Livingston, Managing Member	Date: 3///2/
By: Crissa D. Carter	Date: 3 1 21
By: Mark T. Brewer	Date: 3-2-2021
By: Naci D. Sanders Staci D. Sanders	Date: 3/1/2021
By: Bradley D. Bartek	Date: 3/2/2021
CHASE OIL CORPORATION	
By: Staci D. Sanders, V.P. Land	Date: 3/1/2021
By Alta Ca	Date: 3/1/2021

Robert C. Chase

CHANCE	CHASE	EXEMPT	TRUST
--------	-------	--------	-------

By: Bradley D. Bartek, Trustee

Date: 3/2/2021

KORTNEY CHASE EXEMPT TRUTS

By: Crissa D. Carter, Trustee

Date: 3/1/21

DEREK CHASE EXEMPT TRUST

By: Crissa D. Carter, Trustee

Date: 3/1/21

VENTANA MINERALS LLC

By: All D. Sanders Attorney-in-Fact

Date: 3/1/2021

DIAKAN MINERALS LLC

By: Crissa D. Carter, Attorney-in-Fact

Date: 3/1/21

The undersigned approves of Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Off Lease Measurement and Storage of production of our Nosler 24 Fed PM 1H, Lot 4, Sec. 19 T17S R32E NMLC0029405B. TB will be located in the SWNE Sec. 24 T17S R31E. Oil and Gas production will be measured and sold from this facility.

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Cranz Credit Shelter Trust

By: Vese Unio Cranz

Date: $\frac{2}{2}$

The undersigned approves of Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Off Lease Measurement and Storage of production of our Nosler 24 Fed PM 1H, Lot 4, Sec. 19 T17S R32E NMLC0029405B. TB will be located in the SWNE Sec. 24 T17S R31E. Oil and Gas production will be measured and sold from this facility.

This TB and equipment will be located within our Partition TB containment. The Nosler well will have its own equipment tanks and Gas sales meter.

EMC Oil & Gas LTD

By: Wall

Date: 02-26-2021



P.O. Box 960 Artesia, NM 88211-0960 Office (575) 748-1288 Fax (575) 746-9539

March 1, 2021

VIA CERTIFIED MAIL 7019 1120 0000 0728 2987

Bureau of Land Management 620 East Greene Street Carlsbad, NM 88220

Dear Sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Off Lease Measurement and Storage of production of our Nosler 24 Fed PM 1H, Lot 4, Sec. 19 T17S R32E NMLC0029405B. TB will be located in the SWNE Sec. 24 T17S R31E. Oil and Gas production will be measured and sold from this facility.

This TB and equipment will be located within our Partition TB containment. The Nosler well will have its own equipment tanks and Gas sales meter.

All affected parties have been notified of this application via certified mail.

Should you have any questions please contact me @ 575-748-1288.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.

Sincerely,

derry W. Sherrell Production Clerk jerrys@mec.com

JWS/

Enclosures

I ADI Namban

District.1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District.II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District.III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District.IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

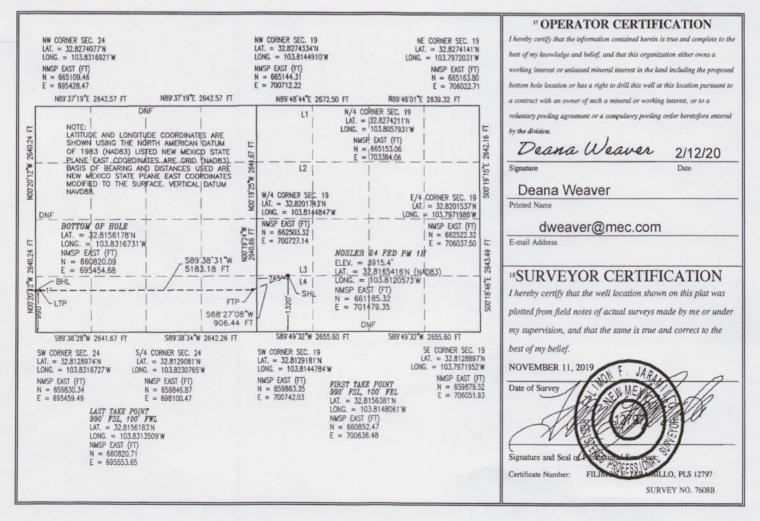
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* 1	API Numbe	r		* Pool Code	e		³ Pool Na	me			
30-025	-474	100	2677	0	F	ren; Glorieta -	Yeso				
*Property (Code				SProperty NOSLER 24				⁶ Well Number 1H		
⁷ OGRID 1	No.			MAC	Operator Name CK ENERGY CORPORATION				⁹ Elevation 3915.4		
					" Surface	e Location					
UL or lot no.	Section 19	Township 17 S	Range 32 E	Lot Idn	Feet from the 1320	North/South line SOUTH	Feet from the 745	East/West line WEST	County LEA		
			" B	ottom Ho	ole Location	If Different Fr	om Surface				
UL or lot no.	Section 24	Township 17 S	Range 31 E	Lot Idn	Feet from the 990	North/South line SOUTH	Feet from the	East/West line WEST	County EDDY		
Dedicated Acre	s ¹³ Joint	or Infill 14 (Consolidation	n Code			15 Order No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
		ABOVE THIS TABLE FOR OCD	DIVISION USE ONLY
		I & Engineering	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
THIS	CHECKLIST IS MANDATORY FOR ALL	ADMINISTRATIVE APPLIC	ION CHECKLIST PATIONS FOR EXCEPTIONS TO DIVISION RULES AND EDIVISION LEVEL IN SANTA FE
Applicant: Mack	Energy Corporation		OGRID Number: 013837
Well Name: Nosle			API: 30-025-47400
Pool: Fren; Glo	rieta-Yeso		Pool Code:
SUBMIT ACCUR	ATE AND COMPLETE INFO	RMATION REQUI	RED TO PROCESS THE TYPE OF APPLICATION OW
A. Location	PLICATION: Check those in - Spacing Unit - Simultain NSL NSP(PROJ	aneous Dedication	
[I] Cor [II] Inje 2) NOTIFICATIO A. Offse B. Roya C. Appli D. Notif E. Notif	nme only for [I] or [II] nmingling - Storage - Me DHC	C PC re Increase - En ID IPI those which applers ners, revenue or d notice at approval by S	y. Notice Complete Application Content Complete
G.☆ For a	all of the above, proof of otice required	notification or p	publication is attached, and/or,
administrativ understand t	e approval is accurate a	nd complete to en on this applic	submitted with this application for the best of my knowledge. I also cation until the required information and
1	Note: Statement must be complete	ed by an individual wi	th managerial and/or supervisory capacity.
Jerry W. Sherrel			3/1/2021 Date
Print or Type Name			575-748-1288
Quan u	Shi		Phone Number
Signature			_ierrys@mec.com e-mail Address

From: Engineer, OCD, EMNRD

To: <u>Jerry Sherrell</u>

Cc: McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Bratcher, Mike, EMNRD; Kautz, Paul, EMNRD; Powell, Brandon,

EMNRD; lisa@rwbyram.com; Glover, James; kparadis@blm.gov; Walls, Christopher

Subject: Approved Administrative Order OLM-235

Date: Tuesday, April 6, 2021 1:32:55 PM

Attachments: OLM235 Order.pdf

NMOCD has issued Administrative Order OLM-235 which authorizes Mack Energy Corporation (13837) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPM)	Pool Code
30-025-47400	Nosler 24 Fed PM #1H	M-19-17S-32E	26770

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

State of New Mexico Energy, Minerals and Natural Resources Department

Notice

Order: OLM-235

Operator: Mack Energy Corporation (13837)

Publication Date:

Date Sent:

Noticed Persons								
Date	Person		Certified Tracking Number	Status				
3/3/2021	BLM		7019 1120 0000 0728 2987	Delivered				
	Crissa D. Carter		Approved					
	Mark T. Brewer		Approved					
	Staci D. Sanders		Approved					
	Bradley D. Bartek		Approved					
	Zorro Partners, LTD.		Approved					
	Javelina Partners		Approved					
	EMC Oil & Gas, Ltd.		Approved					
	Cranz Credit Shelter Trust		Approved					
	Sendero Energy LLC		Approved					
	M Squared Energy LLC		Approved					
	Chase Oil Corporation		Approved					
	Robert C. Chase		Approved					
	Chance Chase Exempt Trust		Approved					
	Kortney Chase Exempt Trust		Approved					
	Derek Chase Exempt Trust		Approved					
	Ventana Minerals, LLC		Approved					
	Diakan Minerals, LLC		Approved					

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR OFF-LEASE MEASUREMENT SUBMITTED BY MACK ENERGY CORPORATION

ORDER NO. OLM-235

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. Mack Energy Corporation ("Applicant") submitted a complete application to off-lease measure the oil and gas production ("Application") from the wells, pool, and lease identified in Exhibit A.
- 2. Applicant provided notice of the Application to all persons owning a working interest in the oil and gas production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
- 3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

- 4. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
- 5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
- 6. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

- 1. Applicant is authorized to off-lease measure oil and gas production from the wells, pool, and lease identified in Exhibit A.
- 2. The oil and gas production from the wells identified in Exhibit A shall be physically separated from the oil and gas production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC.
- 3. Applicant shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.

Order No. OLM-235 Page 1 of 2

DIRECTOR

AS/dm

- 4. Applicant shall measure the commingled gas at a central delivery point described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, regardless whether OCD has granted an exception pursuant to 19.15.18.12(B) NMAC, Applicant shall report the gas in accordance with 19.15.18.12(F) NMAC.
- 5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
- 6. OCD retains jurisdiction and reserves the right to modify or revoke this Order if it is deemed necessary to prevent waste or protect correlative rights, public health, or the environment.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DATE: 4/06/2021

Order No. OLM-235 Page 2 of 2

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-235

Operator: Mack Energy Corporation (13837)

Central Tank Battery: Partition Federal Battery

	7		,			
Central T	ank Battery Location (NMPM): Ur	nit G, Section	24, Township 17	South, Range	31 East	
Gas Custody Tra	nsfer Meter Location (NMPM): Ur	nit G, Section	24, Township 17	South, Range	31 East	
	Po	ols				
	Pool Name		Pool Code			
	FREN; GLORIET	'A-YFSO	26770			
	Leases as defined in	19.15.12.7	(C) NMAC			
Leas			ocation (NMPM)			
NMLC 002		S/2 S/2	,	Sec 24-T2	Sec 24-T27S-R31E	
		3, 2 3, 2				
		ells				
Well API	Well Name	Lo	cation (NMPM)	Pool Code	Train	
30-025-47400	Nosler 24 Fed PM #1H	ı	M-19-17S-32E	26770		

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 19702

CONDITIONS OF APPROVAL

Operator:	OGRID:	Action Number:	Action Type:
MACK ENERGY CORP P.O. Box 960	13837	19702	C-107B
11344 Lovington Hwy Artesia, NM88211-0960			

OCD Reviewer	Condition
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.