

DATE IN 12-15-05	SUSPENSE 1-4-06	ENGINEER MS	LOGGED IN MS	TYPE NSL	P.M.E.S.D. APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
**- Engineering Bureau -**  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM  
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR  
 [D] Other: Specify \_\_\_\_\_

**RECEIVED**  
 DEC 15 2005  
 OIL CONSERVATION  
 DIVISION

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply  
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☒ Offset Operators, Leaseholders or Surface Owner  
 [C] ☐ Application is One Which Requires Published Legal Notice  
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Jerry W. Sherrell  
 Print or Type Name

*Jerry W. Sherrell*  
 Signature

Production Clerk  
 Title

12/13/2005  
 Date

jerrys@mackenergycorp.com  
 e-mail Address



P.O. Box 960  
Artesia, NM 88211-0960  
Office (505) 748-1288  
Fax (505) 746-9539

December 13, 2005

Oil Conservation Division  
Attn: Mike Stogner  
2040 South Pacheco  
Santa Fe, NM 87505

Dear Mr. Stogner:

Mack Energy Corporation respectfully requests an administrative approval without notice and hearing of the following unorthodox well location. The well will be completed in the Wolfcamp formation in the Vacuum; Lower Wolfcamp, North Pool.

Miller BW State #3  
1840 FSL & 2120 FWL  
Sec. 3, T17S, R34E  
Lea County, New Mexico

30-025-3693 Z

Attached to this application are the following exhibits.

- A.) Well location and acreage dedication plat (form C-102) filed with the Hobbs office of the Oil Conservation Division (Exhibit A).
- B.) A plat showing the proposed unorthodox locations, the respective proration units, and the offsetting proration units (Exhibit B).

This location was originally staked for an Abo completion. This location has already been built and pits have been constructed as discussed in our conversation on the afternoon of December 13, 2005. The Wolfcamp pool rules require the location to within 150' of the center of the QQ, therefore making this location unorthodox by 48'. This well is compromising the NW/4 SE/4, SW/4 SE/4 and the SE/4 SW/4. At this time we would like NSL approval to drill and complete this well in the Wolfcamp formation. Offset operators have been notified via certified mail.

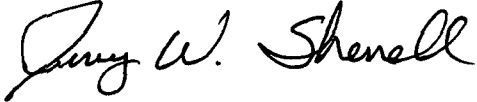
Also, please find the attached Signature Page in which all working interest owners have approved the unorthodox location.

Thank you for your assistance in this matter. If you have any questions, please feel free to call.

4:00 PM 12-16-2005  
talked w/ Jerry Sherrill over the phone  
\* Exxon owns 100% int in  
the offset-off-setting tracts.

Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Jerry W. Sherrell". The signature is fluid and written in black ink.

Jerry W. Sherrell  
Production Clerk

JWS/

Enclosures

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised JUNE 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36932	Pool Code 62380	Pool Name Vacuum; Lower Wolfcamp, North
Property Code 6149	Property Name MILLER BW STATE	Well Number 3
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 4064'

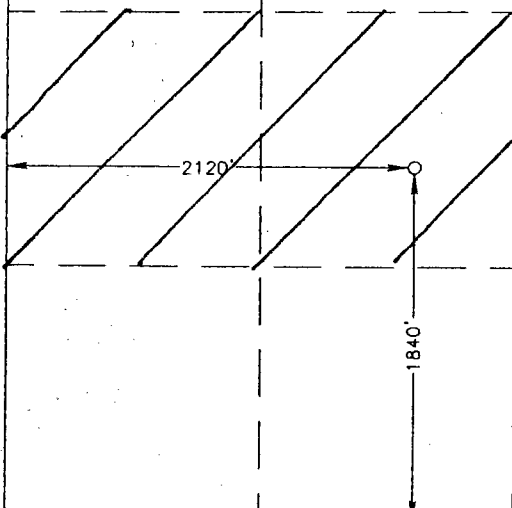
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
K	3	17-S	34-E		1840	SOUTH	2120	WEST	LEA

Bottom Hole Location If Different From Surface

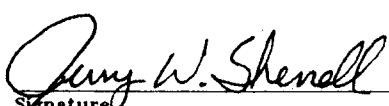
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 80	Joint or Infill	Consolidation Code	Order No.						

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

LOT 4	LOT 3	LOT 2	LOT 1
41.56 AC	41.46 AC	41.38 AC	41.28 AC
			
GEODETIC COORDINATES NAD 27 NME Y=678057.1 N X=740613.2 E LAT.=32°51'41.79" N LONG.=103°32'59.07" W			

**OPERATOR CERTIFICATION**

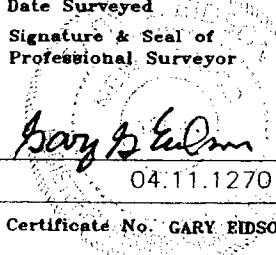
I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

  
Signature  
Jerry W. Sherrell  
Printed Name  
Production Clerk  
Title  
12/8/2005  
Date

**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

OCTOBER 26, 2004

Date Surveyed LA  
Signature & Seal of Professional Surveyor  
  
04.11.1270  
Certificate No. GARY EIDSON 12641

Grady Pet  
Pennzoil  
Gulf St  
Penn. Disc  
T/A

Tom Brown  
L.G.  
AE  
P33  
(K.K. Amiri, et al)  
Pennzoil St  
State Y  
Edison Rd (S)

Magnolia St  
State  
Gulf  
Lea St  
State  
Edison Rd (S)  
Bridges St

(Marathon, SR  
28 L 4526  
Sage  
Pennzoil  
Tr. 18  
Notes Orig. St  
E 619  
Sale

Ac 21463 Ac  
Chesapeake  
E 1816  
Dinero  
Lea St

T.H. McElvain OEG  
(Magnum Hunter)  
E 1356  
Koch Expl  
Pennzoil-Koch  
28  
E 570  
Pennzoil-Koch

WW Oil D/R  
Chase Oil  
(Rock Island)  
E 1774  
(Pennzoil)  
Rock Island  
St  
Rock Island St

(Marathon  
Silver Strand St  
(Two)  
Pennzoil  
(Marathon St.)  
TO 11009  
Marathon  
Gallagher St E 619  
TO 1507  
WI  
22

Dinero Oper  
Lea Mex  
TO 412  
TO 414  
DVA 12 1 44

Chase Oil  
E 1356  
Koch Expl  
Vacuum-St  
Mack Ener  
4 W  
(4 X)  
E 1366  
Koch Expl  
Miller St  
TD 1522  
Englefield  
Miller St  
TO 3340  
Miller St  
State

Mack Ener  
2 E 1774  
3 BW  
Koch Expl  
Bridges St  
4 BW  
5 BW  
"Miller St"  
State

Sage  
200 St  
303  
Marathon  
Vainoc  
2 Tr. 20  
Wainoc 5000  
200

Chesapeake  
Merit Ener  
Gallagher St  
(P/B)

Abo Pet.  
E 794  
Mobil  
HBP  
L 2945  
Sage  
Oil  
6000 to  
9100  
Rig Oil  
Yates-St  
"Angle - St."  
State

ExxonMobil  
2-N  
L 2945  
3-N  
4-N  
1-N  
SP Yates  
Shell Angle St  
TO 3960  
229  
WI  
(Ricks Expl.)  
ExxonMobil  
TO 13160  
P/B 2000  
(Yates Orig.) 202  
270  
F 300

ExxonMobil  
7  
3-FE  
WI  
(Gulf)  
(Lea-St)  
(4-FE)  
267  
Bridges-St  
ExxonMobil  
135  
285  
WI  
196  
Gruy Pet  
Bridges St  
54  
264  
81

Tipton (A) 2  
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Expl.)  
06 454  
Chesapeake  
(Merit Ener)  
SUPCO St  
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2 Expl  
IP  
Union  
(West'n Orig)  
TO 4755

EOG Res  
(Mid Harvey Unit)  
V 814  
So. Union Expl  
Superior-St  
Morexco  
Harvey  
P83  
Mack Ener  
V-412  
16  
17  
(P/B) Mobil  
State  
J.M. Kelly et al  
SP State  
TO 4775  
DVA 13-53 State  
(Somedon)  
St G S 16

ExxonMobil  
164  
269  
WI B-1520  
Coseka Res  
(Biga Ener)  
Coseka St  
TO 9103  
BHL DATT  
Congo-St  
3  
WI  
F197  
30  
Shinnery  
Oil S/R  
BHL E 0712  
BHL  
Aztac-St  
State  
Bridges

NO VACU  
283  
64  
173  
WI  
67  
59  
EXXONMO  
62  
171  
WI  
275

Marathon

Burleson  
et al  
Gulf  
Shinnery Oil  
(Gulf)

ExxonMobil  
203  
293

155  
195  
MO



P.O. Box 960  
Artesia, NM 88211-0960  
Office (505) 748-1288  
Fax (505) 746-9539

December 13, 2005

**VIA CERTIFIED MAIL 7004 2510 0004 3033 0136**

ExxonMobil Corp.  
PO Box 4610  
Houston, TX 77210

*Dear Sir or Madam:*

*This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for an unorthodox Wolfcamp oil well location for the Miller BW State #3 under Rule 104.F. (3). The location for this well is 1840 FSL & 2120 FWL of Section 3-T17S-R34E, Lea County, New Mexico.*

*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 unorthodox location if no objection to the unorthodox location has been made within the 20 days after the application has been received. **Attached to this letter is a waiver giving approval to expedite the processing of this NSL. If your company has no objections to this location would you please sign the attached waiver and return it either by mail or fax to the address listed above.***

*Sincerely,*

*Jerry W. Sherrell  
Production Clerk*

*JWS/*

*Enclosures*

**SIGNATURE PAGE**

The undersigned approves of Mack Energy Corporation's request to drill the following unorthodox Location. This well will be drilled and completed to the Wolfcamp formation and encroaches the NW/4 SE/4, SW/4 SE/4 and SE/4 SW/4 Sec 3 T17S R34E.

**Miller BW State #3  
1840 FSL 2120 FWL  
Sec 3 T17S R34E**

**EXXONMOBIL CORPORATION**

By: \_\_\_\_\_

Date: \_\_\_\_\_