State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



August 2, 2016

ADMINISTRATIVE OFF-LEASE MEASUREMENT ORDER

Administrative Order OLM-108 Application Reference No. pMAM1621459288

Mack Energy Corporation Attention: Mr. Jerry Sherrell

Mack Energy Corporation (OGRID 13837) is hereby authorized to transport and measure oil and gas production off-lease, from the following wells which produce from Round Tank; San Andres Pool (Pool code 52270) in Chaves County, New Mexico:

Quebec State Well No. 1 (API No. 30-005-64190), Unit H, Section 26, T-15S, R-28E Quebec State Well No. 2 (API No. 30-005-64218), Unit A, Section 26, T-15S, R-28E Quebec State Well No. 4 (API No. 30-005-64276), Unit J, Section 26, T-15S, R-28E

The oil and gas production from these wells shall be measured at, and sold from, Snow Lake Federal Com. Well No. 1 H Central Tank Battery located in Unit A, Section 25, Township 15 South, Range 28 East, NMPM, Chaves County, New Mexico. All meters for the above-referenced wells shall be physically separated from facilities for other wells, so that production from the above-referenced wells will not be commingled prior to measurement with production from any other well.

The surface commingling of oil and gas with production from other pools or leases is NOT authorized.

It is also understood that you have given due notice of this application to all working interest owners who are "affected persons," as defined in Division Rule 19.15.23.9 (A) NMAC. The working interest owners have waived their protest.

The operator shall notify the Artesia District Office of the Division before commencement of Off-Lease Measurement.

The approval is subject to like approval by the New Mexico State Land Office.

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Done at Santa Fe, New Mexico, August 2, 2016.

David

DAVID R. CATANACH Director

DRC/mam

cc: Oil Conservation Division – Artesia New Mexico State Land Office - Carlsbad Bureau of Land Management – Carlsbad