

ABOVE THIS LINE FOR DIVISION USE ONLY

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



2006 JUN 19 PM 2:11 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 _____
- [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

6/16/2006
 Date

jerrys@mackenergycorp.com
 e-mail Address



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

June 16, 2006

Oil Conservation Division
Attn: Mike Stogner
1220 South St. Francis Dr.
Santa Fe, NM 87505

Dear Mr. Stogner:

Mack Energy contract operator for COG Operating LLC respectfully requests an administrative approval without notice and hearing of the following unorthodox well location.

The well location and legal description is as follows:

JC Federal #6
2490 FSL & 1980 FWL
Sec. 22, T17S R32E
Lea County, New Mexico

The well will be completed in the Wolfcamp formation in the Baish Wolfcamp Pool.

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 location, the respective proration units, and the offsetting proration units (Exhibit B).

COG is proposing to drill the JC Federal #6 to a total depth of 10,500'. The acreage dedicated to this well is 80 acres, E/2 of SW/4 Sec. 22 T17S R32E. COG also operates the acreage that we are encroaching upon, via an agreement with Conoco Phillips Company and therefore no offset operators need be notified. Due to special pool rules this well should be located no more than 150' from the center of the QQ. There is a producing well located in the center of this QQ. There are numerous surface and buried pipelines that required this location to be moved 510' to the north, making it unorthodox by 360'. Moving the well to the south would also be restricted by various pipelines.

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

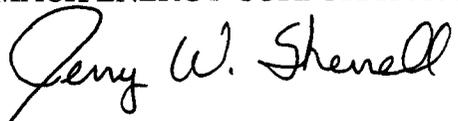
Oil Conservation Division

June 16, 2006

Page 2

Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in cursive script that reads "Jerry W. Sherrell". The signature is written in black ink and is positioned below the company name.

Jerry W. Sherrell
Production Clerk

JWS/

Enclosures

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code 4480	Pool Name Baish;Wolfcamp
Property Code 302508	Property Name JC FEDERAL	Well Number 6
OGRID No. 229137	Operator Name COG OPERATING LLC	Elevation 4001'

Surface Location

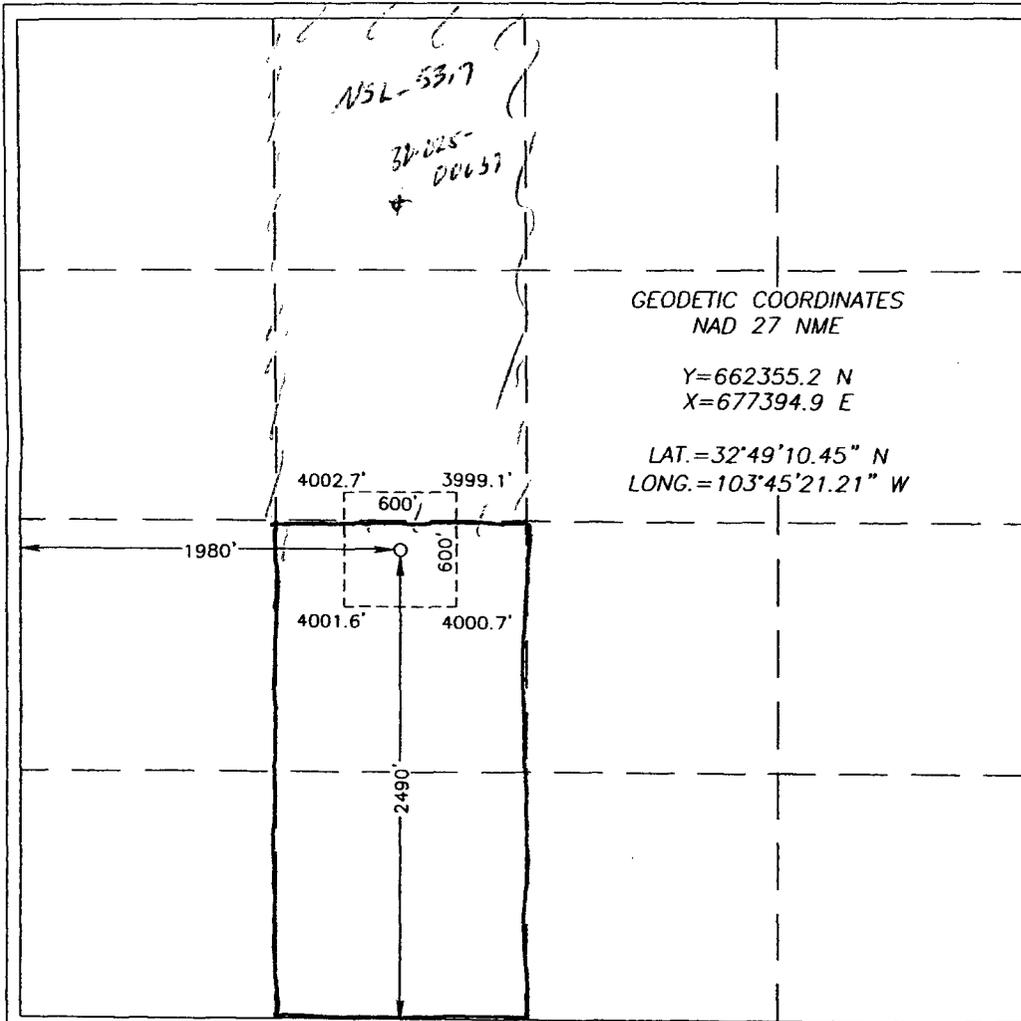
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	17-S	32-E		2490	SOUTH	1980	WEST	LEA

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.
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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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jerry W. Sherrell 5/15/06
Signature Date

Jerry W. Sherrell
Printed Name

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.

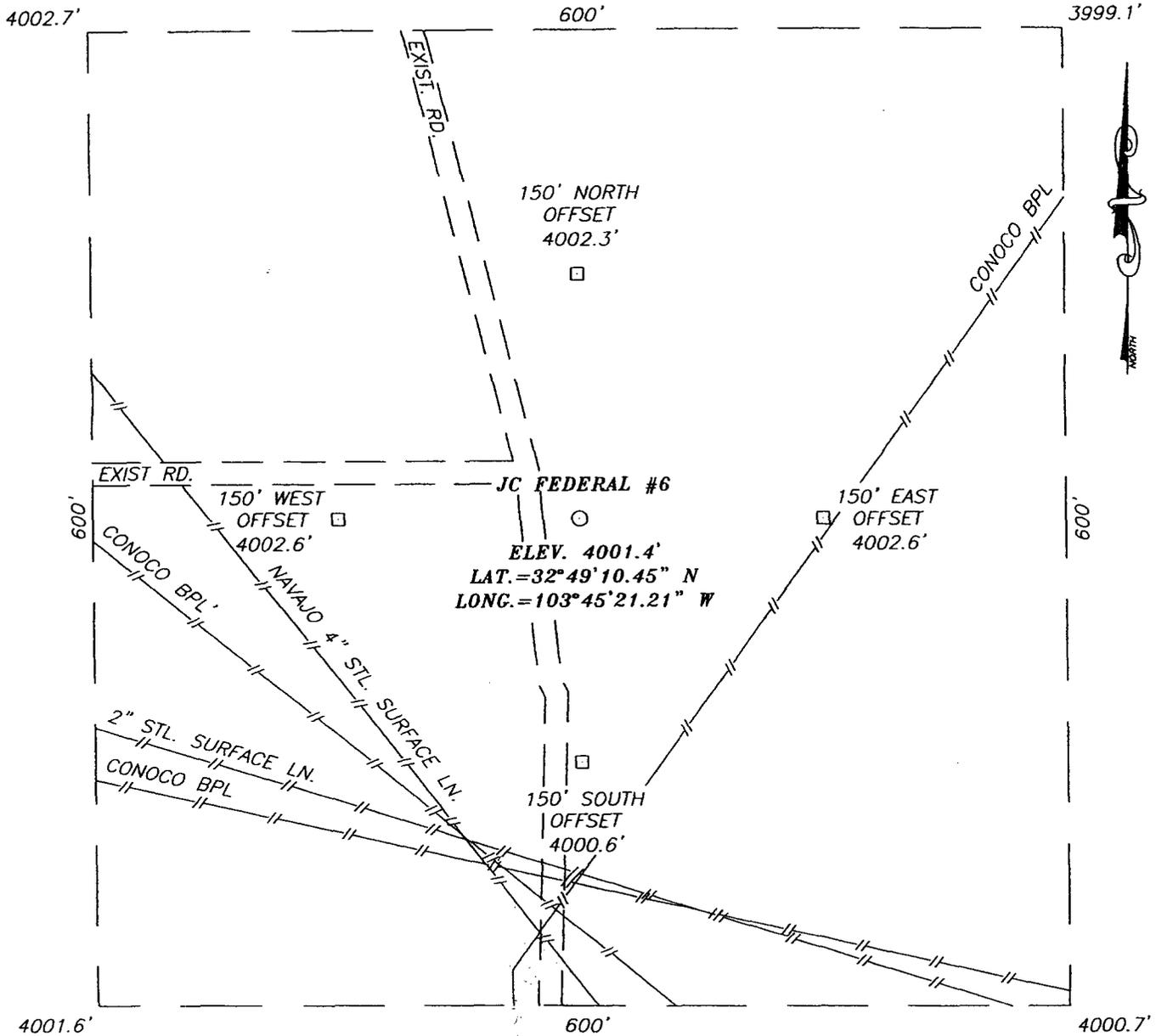
APRIL 19, 2006
Date Surveyed MR

Gary Edson
Signature & Seal of Professional Surveyor

GARY EDSON
NEW MEXICO
06.11.0679
Professional Surveyor

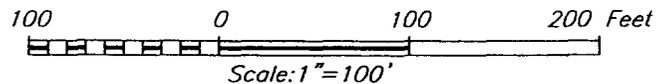
Certificate No. GARY EDSON 12641

SECTION 22, TOWNSHIP 17 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #529 AND CO. RD. L-126 (MALJAMAR RD.), GO NORTH ON CO. RD. L-126 APPROX. 1.6 MILES. TURN RIGHT AND GO EAST APPROX. 0.4 MILES. TURN LEFT AND GO NORTH APPROX. 0.5 MILES. THIS LOCATION IS APPROX. 20 FEET EAST.



MACK ENERGY CORPORATION

JC FEDERAL #6
LOCATED 2490 FEET FROM THE SOUTH LINE
AND 1980 FEET FROM THE WEST LINE OF SECTION 22,
TOWNSHIP 17 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Survey Date: 04/19/06	Sheet 1 of 1 Sheets
W.O. Number: 06.11.0679	Dr By: M.R.
Date: 04/26/06	Disk: CD#6
06110679	Scale: 1"=100'

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

