

DATE IN 6/28/06	SUSPENSE	ENGINEER MIKE STOGNER	LOGGED IN 7/3/06	TYPE NSL	APP NO. TDS0618440239
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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



2006 JUN 28 PM 12:59

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

6/26/2006
Date

jerrys@mackenergycorp.com
e-mail Address



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

June 26, 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.

Because of our desire to drill this well in a timely manner, we also request your approval be expedited. The well location and legal description is as follows:

RJ Unit #141
1090 FSL & 1573 FWL
Sec. 27, T17S, R29E
Eddy County, New Mexico

30-015-34978

The well will be completed in the Grayburg/San Andres formation in the Grayburg Jackson SR Q G SA Pool.

Attached to this application are the following exhibits.

- A.) Well location and acreage dedication plat (form C-102) filed with the Artesia 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).
- C.) A map showing the reason for the unorthodox location, the original location would have fallen on top of or too close to an existing gas pipeline (Exhibit C).

7-18-2006

10:52 AM: called Mr. Shurel - no answer - left message
11:29 AM: Jerry returned my call and left a message
11:45 AM: talked w/ Jerry - will have a landman confirm
the COG owns 100% of the well within the
existing G5 West Unit Area in the 1/2 SW 1/4 of Sec. 27.

*Oil Conservation Division
June 26, 2006
Page 2*

Moving the location 77' to the west will give the distance needed to build a location away from the gas pipeline. The location would have to be moved approximately 300' east to get away from the pipeline to make it orthodox. There are no other possible orthodox locations for this well due to one producing well and two other staked wells being located on 10-acre spacing. The acreage that we are encroaching on is also owned by COG Operating LLC.

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

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 above the printed name and title.

*Jerry W. Sherrell
Production Clerk*

JWS/

Enclosures

DISTRICT I
1625 N. FRENCH DR., BOBBS, 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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 28509	Pool Name Grayburg Jackson SR Q G SA
Property Code 302557	Property Name RJ UNIT	Well Number 141
OGRID No. 229137	Operator Name COG OPERATING LLC	Elevation 3525'

Surface Location

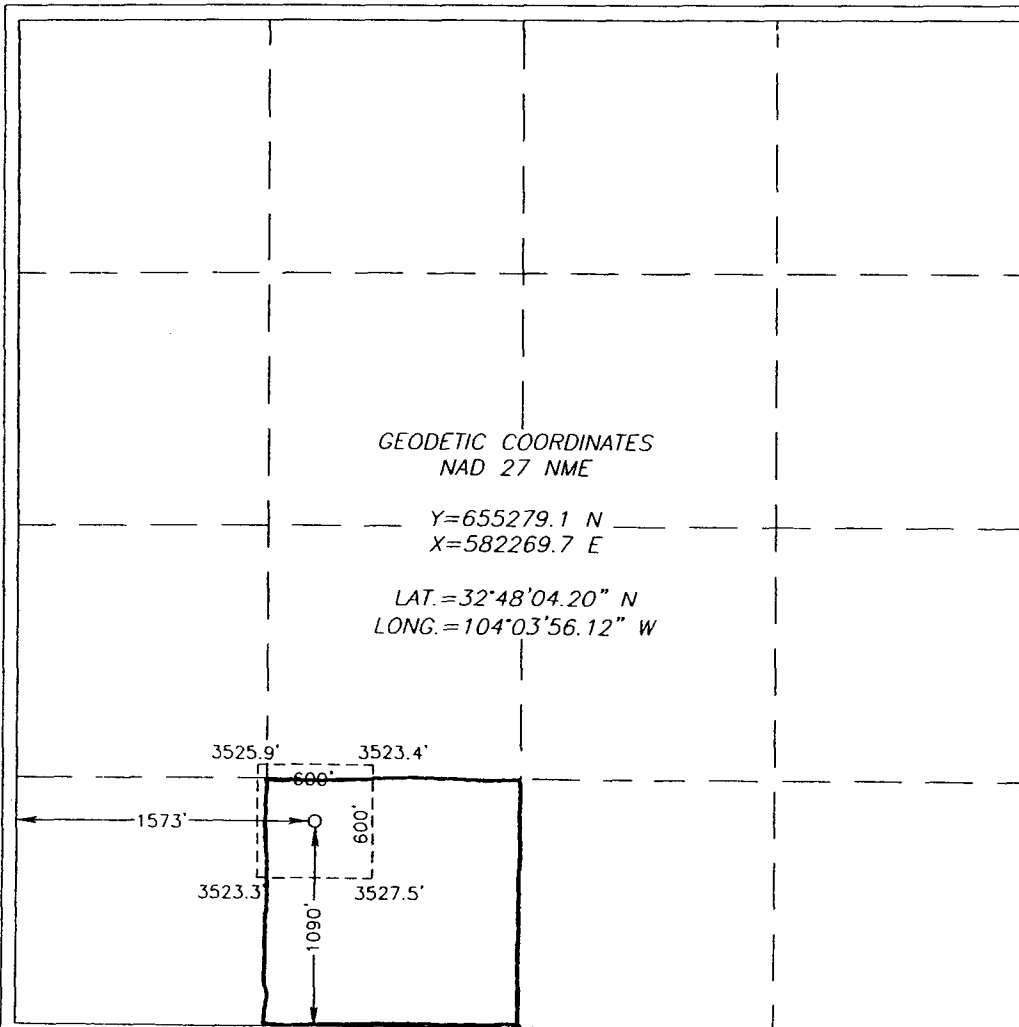
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	27	17-S	29-E		1090	SOUTH	1573	WEST	EDDY

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 40	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 5/1/06
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 14, 2006

Date Surveyed MR
Signature & Seal of Professional Surveyor
Gary E. Edson 4/14/06
0611.0638
Certificate No. GARY EDSON 12641

DISTRICT I
1025 N. FRENCH DR., BOBBS, NM 88240

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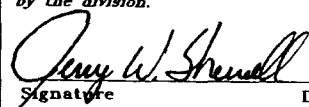
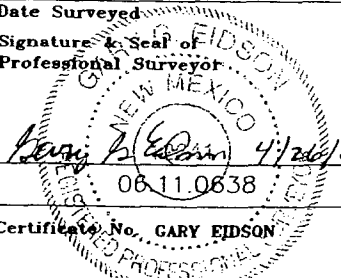
UL or lot No. N	Section 27	Township 17-S	Range 29-E	Lot Idn	Feet from the 1090	North/South line SOUTH	Feet from the 1573	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

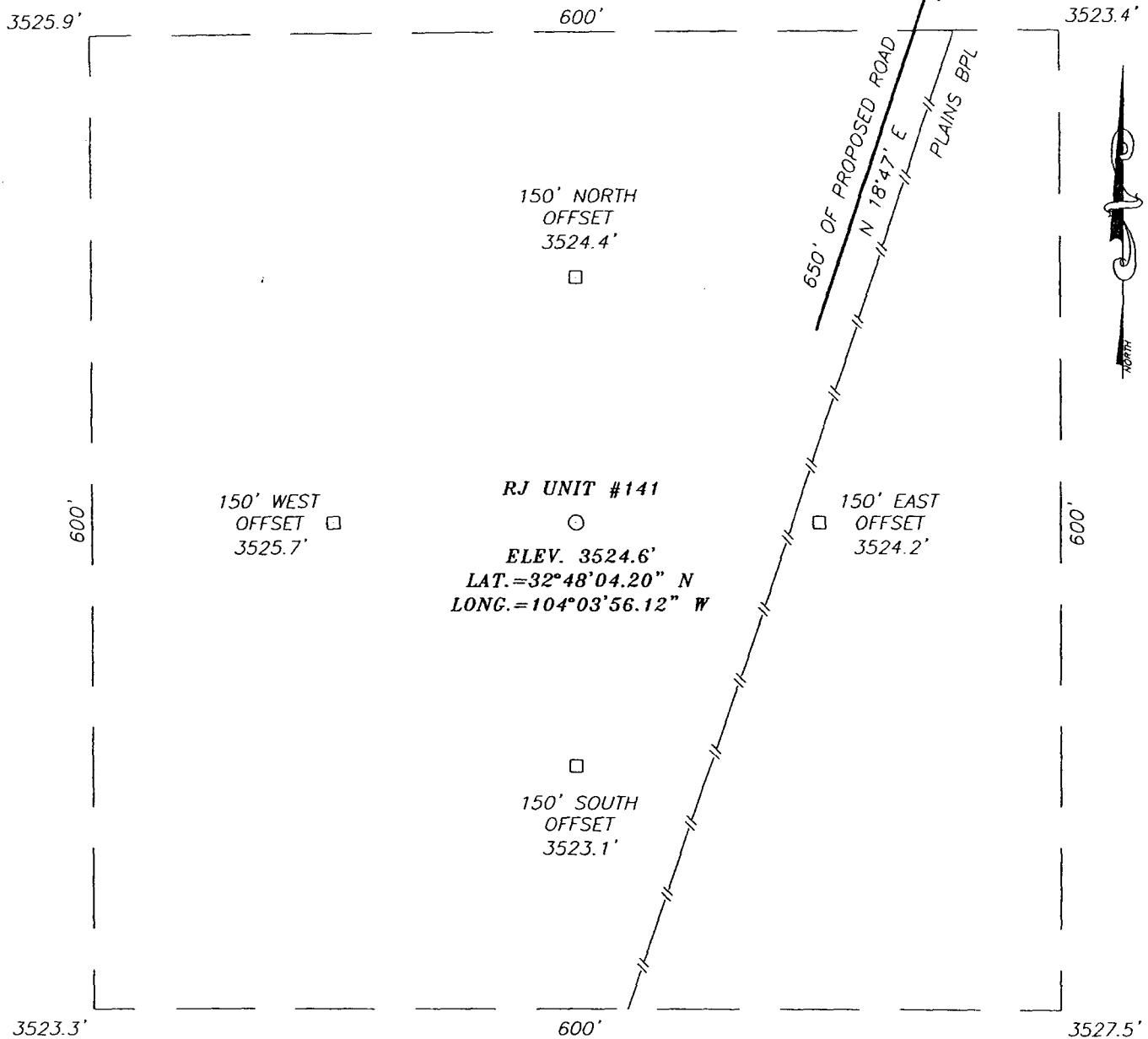
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

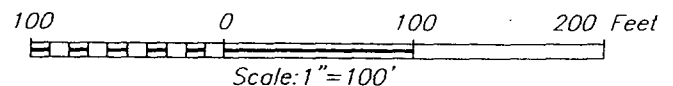
<p> = Arch Site</p> <p>RJ Unit</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=655279.1 N X=582269.7 E</p> <p>LAT.=32°48'04.20" N LONG.=104°03'56.12" W</p> <p>GJ West Unit</p> <p>3525.9' 3523.4' 3523.3' 1090' 1573' 600' 600' 27.5'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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.</p> <p> 5/1/06 Signature Date Jerry W. Sherrell Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>APRIL 14, 2006</p> <p>Date Surveyed MR</p> <p>Signature & Seal of Professional Surveyor  06110638</p> <p>Certificate No. GARY EIDSON 12641</p>
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SECTION 27, TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #82 AND CO. RD. #213 (STANDARD RD.), GO SOUTHEAST ON CO. RD. #213 APPROX. 1.3 MILES. TURN RIGHT AND GO WEST APPROX. 0.5 MILES TO A BEGIN ROAD SURVEY. FOLLOW ROAD SURVEY SOUTHWEST APPROX. 815 FEET TO THIS LOCATION.



MACK ENERGY CORPORATION

RJ UNIT #141
 LOCATED 1090 FEET FROM THE SOUTH LINE
 AND 1573 FEET FROM THE WEST LINE OF SECTION 27,
 TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 4/14/06	Sheet 1 of 1 Sheets
W.O. Number: 06.11.0638	Dr By: M.R.
Date: 04/19/06	Disk: CD#6
06110638	Scale: 1"=100'

