

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 14591
ORDER NO. R-13353

APPLICATION OF MACK ENERGY
CORPORATION FOR APPROVAL OF A
NON-STANDARD WELL LOCATION,
CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on January 20, 2011, at Santa Fe, New Mexico, before Examiner David K. Brooks.

NOW, on this 25th day of January, 2011, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due notice has been given, and the Division has jurisdiction of the subject matter of this case.

(2) On November 22, 2010, Mack Energy Corporation (Applicant) filed an administrative application for approval to re-complete its K2 State Well No. 1 (API No. 30-005-64127) at an unorthodox location 180 feet from the North line and 330 feet from the East line (Unit A) of Section 36, Township 9 South, Range 29 East, NMPM, in Chaves County, New Mexico. The well is a directional well and penetrates the top of the San Andres formation, zone of the proposed re-completion, at a non-standard location, 168 feet from the North line and 307 feet from the East line of said Section 36.

(3) On December 14, 2010, the Division received a protest of this application from WesPac Energy, LLC (WesPac). Accordingly, this application was set for hearing.

(4) At the hearing, Applicant appeared through counsel. However, WesPac neither filed a pre-hearing statement nor appeared at the hearing.

(5) Since the protesting party failed to appear, this application should be remanded to the administrative process.

IT IS THEREFORE ORDERED THAT:

(1) The application of Mack Energy Corporation for approval of a non-standard location in the San Andres formation for its K2 State Well No. 1 (API No. 30-005-64127), which was originally docketed under Administrative Application Reference No. pTGW1032657630, is hereby remanded for processing as an administrative non-standard location application.

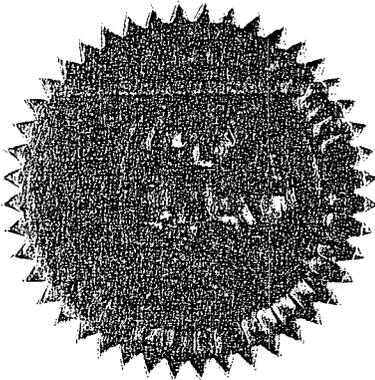
(2) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



DANIEL SANCHEZ
Acting Director



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