

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: MACK ENERGY CORPORATION  
OPERATOR ADDRESS: PO BOX 960 ARTESIA, NM 88211-0960  
APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. CTB-904  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
 Yes  No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables?  Yes  No
- (3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.
- (4) Measurement type:  Metering  Other (Specify)
- (5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Pool Name and Code. Round Tank; San Andres 52770
- (2) Is all production from same source of supply?  Yes  No
- (3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No
- (4) Measurement type:  Metering  Other (Specify) Periodic well test with allocation meters.

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

- (1) Is all production from same source of supply?  Yes  No
- (2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
- (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
- (3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Jerry W. Sherrell TITLE: REGULATORY SUPERVISOR DATE: 5/23/2022  
TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO.: 575-748-1288  
E-MAIL ADDRESS: jerrys@mec.com



P.O. Box 960  
Artesia, NM 88211-0960  
Office (575) 748-1288  
Fax (575) 746-9539

May 23, 2022

Oil Conservation Division  
Attn: Dean McClure  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Dear Sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval to amend CTB-857. Added wells to previously outlined lands. All wells produce from the Round Tank; San Andres pool (52770) and will be commingled at CTB-857 located in the Unit M Sec. 22 T15S R29E.

This CTB request is for Oil only. Gas production is governed by CTB-887.

Allocation of production will be measured through well testing of individual wells. Wells will be tested once a month for a minimum 24 hours. The CTB is equipped with a test production train. Oil measured by tank gauging and gas measured using a Total Flow Meter. Water will be measured using a turbine meter.

This request is for all leases within this designated project area. Any future in-fill wells will be added using sundry notices and notification for only the wells added.

These leases have different working and override interest's ownership. All affected parties have been notified of this application via certified mail.

Commingling will not decrease the value of production.

Should you have any questions please contact me @ 575-748-1288.

Sincerely,

A handwritten signature in blue ink that reads "Jerry W. Sherrell".

Jerry W. Sherrell  
Production Supervisor  
jerrys@mec.com

JWS/

**Enclosures**

**CTB Well List**

**Current Producers**

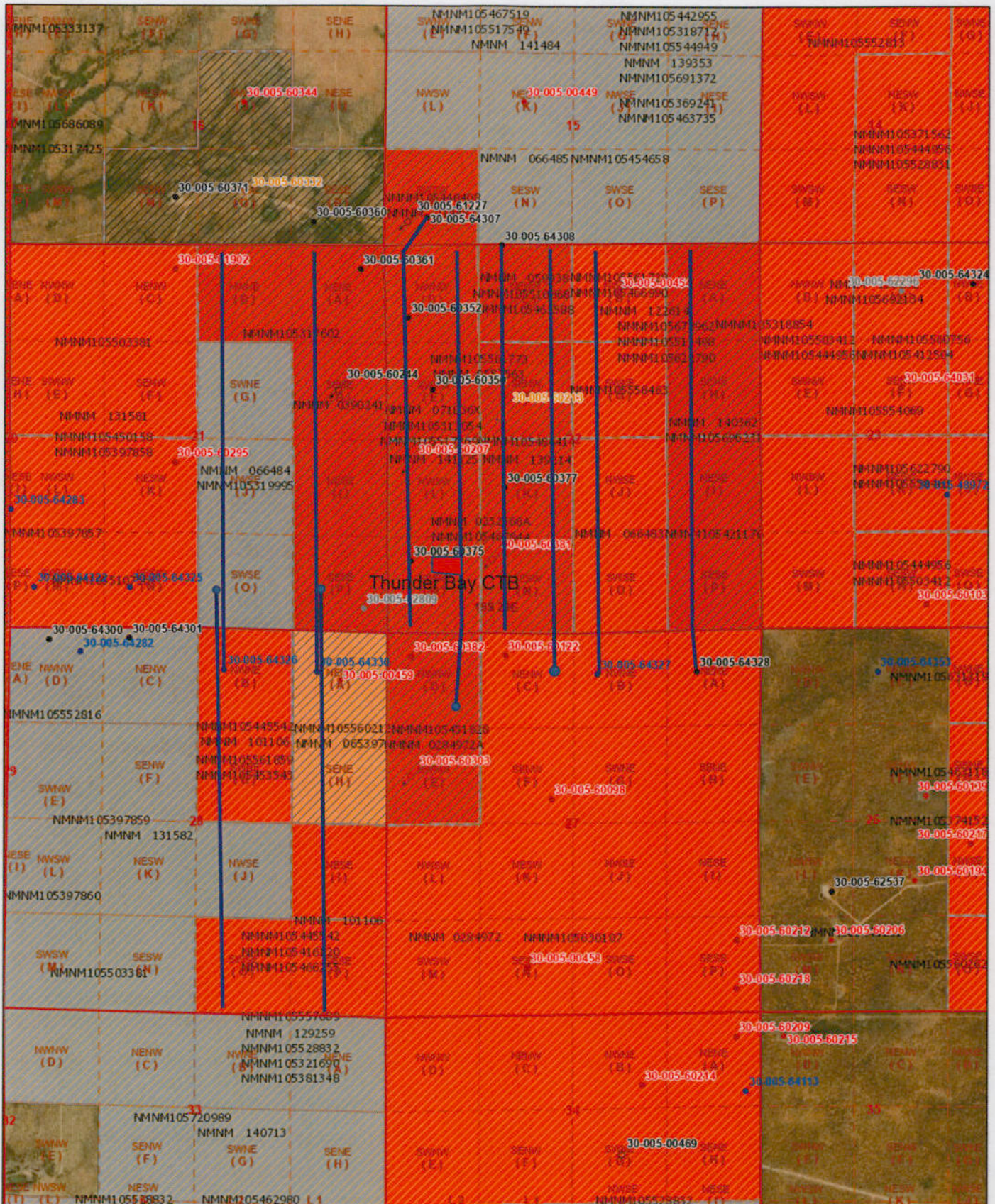
**Thunder Bay Federal Com 1H 30-005-64308 CA NMNM139214**  
**Hamilton Federal Com 1H 30-005-64307 CA NMNM141125**

**Added Producers**

**Grand Forks Federal Com 2H 30-005-64328 CA NMNM140362**  
**Grand Forks Federal Com 1H 30-005-64327 Working on**  
**Spruce Grove Federal Com 1H 30-005-64326 Working on**  
**Meadow Lake Federal 1H 30-005-64330 Working on**  
**Thunder Bay Federal Com 2H Pending CA NMNM139214**  
**Hamilton Federal Com 2H Pending CA NMNM141125**  
**Colwood Federal Com 1H Pending Working on**  
**Parkesville Federal Com 1H Pending Working on**

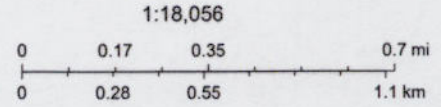


# OCD Well Locations

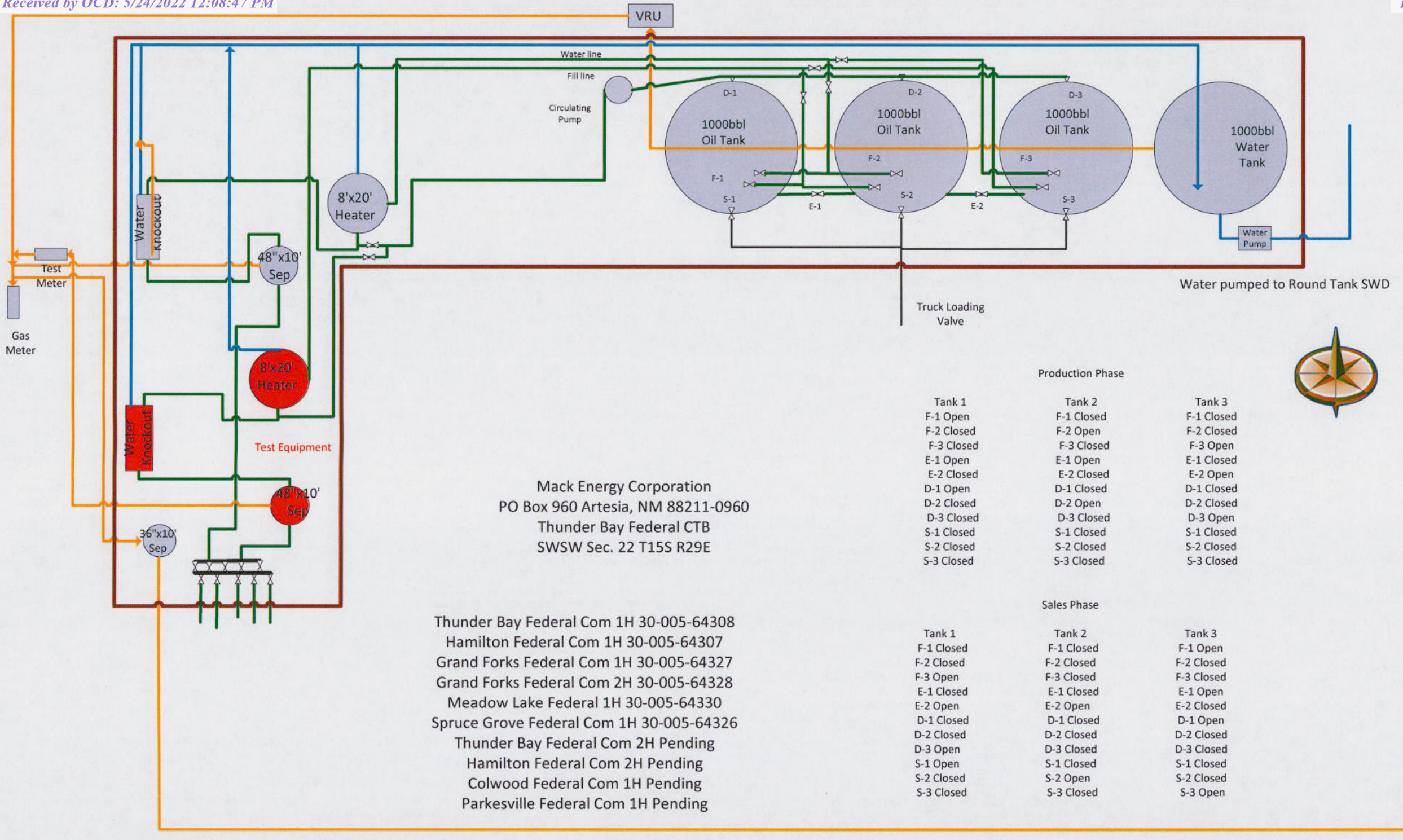


5/20/2022, 1:42:42 PM

<b>Areas</b>	Injection, Plugged	PLSS First Division	<b>Oil and Gas Leases - Production Status</b>
Override 1	Injection, Temporarily Abandoned	PLSS Townships	Held by Actual Production
Override 2	Oil, Active	<b>Geothermal Leases - Production Status</b>	Held by Allocated Production
Well - Large Scale	Oil, Cancelled	Held by Actual Production	Non-Producing
Gas, Active	Oil, New	Held by Allocated Production	Authorized
Gas, Cancelled	Oil, Plugged	Non-Producing	Authorized
Injection, Active	PLSS Second Division	Authorized	Case



U.S. Department of Interior, Bureau of Land Management (BLM), Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community, Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department., Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community, BLM



Mack Energy Corporation  
 PO Box 960 Artesia, NM 88211-0960  
 Thunder Bay Federal CTB  
 SWSW Sec. 22 T15S R29E

- Thunder Bay Federal Com 1H 30-005-64308
- Hamilton Federal Com 1H 30-005-64307
- Grand Forks Federal Com 1H 30-005-64327
- Grand Forks Federal Com 2H 30-005-64328
- Meadow Lake Federal 1H 30-005-64330
- Spruce Grove Federal Com 1H 30-005-64326
- Thunder Bay Federal Com 2H Pending
- Hamilton Federal Com 2H Pending
- Colwood Federal Com 1H Pending
- Parkesville Federal Com 1H Pending

Production Phase

Tank 1	Tank 2	Tank 3
F-1 Open	F-1 Closed	F-1 Closed
F-2 Closed	F-2 Open	F-2 Closed
F-3 Closed	F-3 Closed	F-3 Open
E-1 Open	E-1 Open	E-1 Closed
E-2 Closed	E-2 Closed	E-2 Open
D-1 Open	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Open	D-2 Closed
D-3 Closed	D-3 Closed	D-3 Open
S-1 Closed	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Closed	S-2 Closed
S-3 Closed	S-3 Closed	S-3 Closed

Sales Phase

Tank 1	Tank 2	Tank 3
F-1 Closed	F-1 Closed	F-1 Open
F-2 Closed	F-2 Closed	F-2 Closed
F-3 Open	F-3 Closed	F-3 Closed
E-1 Closed	E-1 Closed	E-1 Open
E-2 Open	E-2 Open	E-2 Closed
D-1 Closed	D-1 Closed	D-1 Open
D-2 Closed	D-2 Closed	D-2 Closed
D-3 Open	D-3 Closed	D-3 Closed
S-1 Open	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Open	S-2 Closed
S-3 Closed	S-3 Closed	S-3 Open

Flare located on adjacent location





P.O. Box 960  
Artesia, NM 88211-0960  
Office (575) 748-1288  
Fax (575) 748-7374

March 23, 2022

Mr. Dean McClure  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

**RE: Mack Energy Corporation & Chase Affiliates**

Dear Mr. McClure:

Mack Energy Corporation is a Chase Family owned entity. The following Chase individuals or companies are all affiliates of Mack Energy Corporation and usually own an interest in wells drilled and/or operated by Mack Energy Corporation.

- Mack C. Chase Trust
- Robert C. Chase or RDC Minerals LLC
- Richard L. Chase or Ventana Minerals LLC
- Gerene Dianne Chase Ferguson or DiaKan Minerals LLC
- Broken Arrow Royalties LLC
- Chase Oil Corporation
- Sendero Energy LLC
- Katz Resources LLC
- M Squared Energy LLC

All of these family members and companies all office in the same building so notifications can be hand delivered; therefore we request that the certified mail process be waived when these parties are involved.

If you have any questions or need additional information please do not hesitate to contact me. Your assistance is greatly appreciated.

Sincerely,  
**Mack Energy Corporation**

A handwritten signature in blue ink that reads "Staci Sanders".

Staci Sanders  
Land Manager

/ss

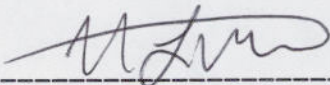
AFFIDAVIT OF PUBLICATION  
STATE OF NEW MEXICO

I, Noely Martinez  
Legals Clerk

Of the Roswell Daily Record, a daily newspaper published at Roswell, New Mexico do solemnly swear that the clipping hereto attached was published in the regular and entire issue of said paper and not in a supplement thereof for a period of:

One time with the issue dated

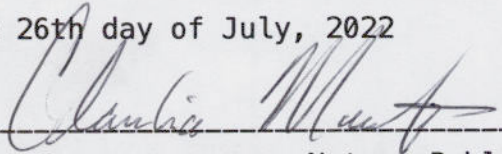
July 26, 2022

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Clerk

Sworn and subscribed to before me

this 26th day of July, 2022

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Notary Public



*Legal Notice...*

Publish July 26, 2022

Legal Notice

To: Abbie Moody Cliff and any unknown person who has mineral interests in the W/2 Section 21 and Section 22, Township 15 South, Range 29 East.

Application of Mack Energy Corporation seeks administrative approval to amend CTB-857 to add additional wells and acreage to surface commingle oil and gas production from the Round Tank; San Andres Pool (Pool Code 52770) for existing and future wells and leases drilled within the mentioned area of diverse ownership in Section 21 & 22 T15S R29E.

Mack Energy is requesting approval to surface commingle production according to the provisions of NMAC 19.15.12.10.C from all existing and future wells. Pursuant to 19.15.12.10(C)(4)(c), Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection has been made within the 20 days period, this application may be approved administratively by the Division. If you have any questions about this application, please contact Jerry W Sherrell, 11344 Lovington Hwy, PO Box 960, Artesia, NM 88211-0960, (575) 748-1288, [jerrys@mec.com](mailto:jerrys@mec.com).



<u>Affected Parties</u>	<u>Interest Type</u>	<u>Certified Mail Number</u>
Bureau of Land Management 2909 West 2nd Street Rowell, NM 88202-2909	RI	<u>7019 1640 0002 0377 9143</u>
Chase Oil Corporation P.O. Box 1767 Artesia, NM 88211	WI	<u>HAND DELIVERED</u>
RDC Minerals LLC P.O. Box 297 Artesia, NM 88211	WI	<u>HAND DELIVERED</u>
Ventana Minerals LLC P.O. Box 359 Artesia, NM 88211	WI	<u>HAND DELIVERED</u>
DiaKan Minerals LLC P.O. Box 693 Artesia, NM 88211	WI	<u>HAND DELIVERED</u>
Sendero Energy LLC P.O. Box 556 Artesia, NM 88211	WI	<u>HAND DELIVERED</u>
M Squared Energy LLC P.O. Box 211 Artesia, NM 88211	WI	<u>HAND DELIVERED</u>
Katz Resources LLC P.O. Box 7015 Goodyear, AZ 85338	WI	<u>HAND DELIVERED</u>
Lampert Royalty Trust 2008 8260 Manderville, #120 Dallas, TX 75231-1104	ORRI	<u>7019 1640 0002 0377 7880</u>
Rutter & Wilbanks P.O. Box 3186 Midland, TX 79702	ORRI	<u>7019 1640 0002 0377 7958</u>
David Van Cooper 169 Ramrod Spring Branch, TX 78070	ORRI	<u>7019 1640 0002 0377 7897</u>
Sasha Smith Groeneveld 1530 PB Lane, #G4107 Wichita Falls, TX 76302-2612	ORRI	<u>7019 1640 0002 0377 7903</u>
Abbie Moody Cliff		<u>7019 1640 0002 0377 7910</u>

P.O. Box 804 Dexter, NM 88230	ORRI	
Hanson McBride Petroleum Company P.O. Box 1515 Roswell, NM 88202-1515	ORRI	<u>7019 1640 0002 0377 7927</u>
Rodney B. Webb 1580 Highway 24 Weed, NM 88354	ORRI	<u>7019 1640 0002 0377 7934</u>
Sarah C. Webb 2409 Cerro Rd. Artesia, NM 88210	ORRI	<u>7021 2720 0000 2140 7546</u>
Stephen & Sandra Curran, Trustees James M. Curran, Jr. Irrevocable Trust 400 E. Royal Lane, Suite 215 Irving, TX 75039-3512	ORRI	<u>7021 2720 0000 2140 7553</u>
Gulfshore Oil Company 4 Pine Forest Circle Houston, TX 77056	ORRI	<u>7021 2720 0000 2140 7560</u>
OXY USA WTP LTD Partnership P.O. Box 27570 Houston, TX 77227-7570	ORRI	<u>7021 2720 0000 2140 7577</u>
Burk Royalty Company, Ltd. P.O. Box 94903 Wichita Falls, TX 76308	ORR'	<u>7021 2720 0000 2140 8789</u>
The W.L. Todd, Jr. Unified Credit Trust P.O. Box 25449 Dallas, TX 75225	ORRI	<u>7021 2720 0000 2140 8796</u>
Harry L. Todd, Jr. 14017 Tanglewood Drive Dallas, TX 75234	ORRI	<u>7021 2720 0000 2140 8802</u>
Anne T. Barfield 19 Pleasant Valley Road Wimberley, TX 78676	ORRI	<u>7021 2720 0000 2140 8819</u>
Susan E. McCracken P.O; Box 3966 Hobbs, NM 88241-3966	ORRI	<u>7021 2720 0000 2140 8826</u>
VMTWI, LLC		<u>7021 2720 0000 2140 8833</u>

P.O. Box 25449 Dallas, TX 75225	ORRI	
WLT/WI, LLC P.O. Box 12166 Dallas, TX 75225	ORRI	<u>7021 2720 0000 2140 8840</u>
Huddleston Mineral Trust 7049 River Ridge Drive College Station, TX 77845	ORRI	<u>7021 2720 0000 2140 8857</u>
Marbridge Foundation P.O. Box 3480 Omaha, NE 68103	ORRI	<u>7021 2720 0000 2140 8864</u>
Dallas Theological Seminary P.O. Box 3480 Omaha, NE 68103	ORRI	<u>7021 2720 0000 2140 8871</u>
Scofield Memorial Church P.O. Box 3480 Omaha, NE 68103	ORRI	<u>7021 2720 0000 2140 9373</u>
Salesmanship Club of Dallas 106 E. 10 <sup>th</sup> st., Suite 200 Dallas, TX 75203	ORR	<u>7021 2720 0000 2140 9380</u>
Debra Kae Todd 1107 Shawnee Trail Carrollton, TX 75007	ORRI	<u>7021 2720 0000 2140 9397</u>
Caza Petroleum LLC Four Greenspoint Place 16945 Northchase Dr., Suite 1430 Houston, TX 77060	ORRI	<u>7021 2720 0000 2140 9403</u>
Wise Oil & Gas No. 8 Ltd. 6851 NE Loop 820, Suite 200 North Richland Hills, TX 76180	ORRI	<u>7021 2720 0000 2140 9410</u>
The Barry J. & Sarah A. Thompson Living Revocable Trust 3100 South Juniper Place Broken Arrow, OK 74012	ORRI	<u>7021 2720 0000 2140 9427</u>
Tommy T. Todd 8815 Eustis Ave. Dallas, TX 75218	ORRI	<u>7021 2720 0000 2140 9434</u>

R L Todd, LLC  
1107 Shawnee Trail  
Carrollton, TX 75007-6235

ORRI

7021 2720 0000 2140 9441

Scott Wood  
109 N. Post Oak Lane, #230  
Houston, TX 77024

ORRI

7021 2720 0000 2140 9458

SMT Trust  
P.O. Box 12166  
Dallas, TX 75225

ORRI

7021 2720 0000 2140 9465

TMM Trust  
P.O. Box 25449  
Dallas, TX 75225

ORRI

7021 2720 0000 2140 9472

Broken Arrow Royalties LLC  
P.O. Box 960  
Artesia, NM 88211

ORRI

HAND DELIVERED



P.O. Box 960  
Artesia, NM 88211-0960  
Office (575) 748-1288  
Fax (575) 746-9539

---

VIA CERTIFIED MAIL 7019 1640 0002 0377 9143

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May 24, 2022

Bureau of Land Management  
620 East Greene Street  
Carlsbad, NM 88220

Dear Sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval to amend CTB-857. Added wells to previously outlined lands. All wells produce from the Round Tank; San Andres pool (52770) and will be commingled at CTB-857 located in the Unit M Sec. 22 T15S R29E.

This CTB request is for Oil only. Gas production is governed by CTB-887.

Allocation of production will be measured through well testing of individual wells. Wells will be tested once a month for a minimum 24 hours. The CTB is equipped with a test production train. Oil measured by tank gauging and gas measured using a Total Flow Meter. Water will be measured using a turbine meter.

This request is for all leases within this designated project area. Any future in-fill wells will be added using sundry notices and notification for only the wells added.

These leases have different working and override interest's ownership. All affected parties have been notified of this application via certified mail.

Commingling will not decrease the value of production.

Should you have any questions please contact me @ 575-748-1288.

Sincerely,

A handwritten signature in blue ink that reads "Jerry W. Sherrell".

Jerry W. Sherrell  
Production Supervisor  
jerrys@mec.com

JWS/

**Enclosures**

**CTB Well List**

**Current Producers**

**Thunder Bay Federal Com 1H 30-005-64308 CA NMNM139214**  
**Hamilton Federal Com 1H 30-005-64307 CA NMNM141125**

**Added Producers**

**Grand Forks Federal Com 2H 30-005-64328 CA NMNM140362**  
**Grand Forks Federal Com 1H 30-005-64327 Working on**  
**Spruce Grove Federal Com 1H 30-005-64326 Working on**  
**Meadow Lake Federal 1H 30-005-64330 Working on**  
**Thunder Bay Federal Com 2H Pending CA NMNM139214**  
**Hamilton Federal Com 2H Pending CA NMNM141125**  
**Colwood Federal Com 1H Pending Working on**  
**Parkesville Federal Com 1H Pending Working on**



**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number	<sup>2</sup> Pool Code 52770	<sup>3</sup> Pool Name Round Tank; San Andres
<sup>4</sup> Property Code	<sup>5</sup> Property Name HAMILTON FEDERAL COM	
<sup>7</sup> OGRID No. 13837	<sup>8</sup> Operator Name MACK ENERGY CORPORATION	
		<sup>6</sup> Well Number 2H
		<sup>9</sup> Elevation 3836.0

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	27	15 S	29 E		910	NORTH	990	WEST	CHAVES

<sup>11</sup> 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
D	22	15 S	29 E		1	NORTH	990	WEST	CHAVES

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jerry W. Sherre* 5/20/2022  
Signature Date

Jerry W. Sherre  
Printed Name

jerrys@mec.com  
E-mail Address

**18 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.

MARCH 30, 2022  
Date of Survey

*William F. Jaramila*  
Signature and Seal of Professional Surveyor

Certificate Number: 12797  
Professional Surveyor License No. 9372





**District I**  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 52770	<sup>3</sup> Pool Name Round Tank; San Andres
<sup>4</sup> Property Code	<sup>5</sup> Property Name THUNDER BAY FEDERAL COM	
<sup>7</sup> OGRID No. 13837	<sup>8</sup> Operator Name MACK ENERGY CORPORATION	<sup>6</sup> Well Number 2H
		<sup>9</sup> Elevation 3851.7

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	27	15 S	29 E		710	NORTH	2310	WEST	CHAVES

<sup>11</sup> 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
C	22	15 S	29 E		1	NORTH	2310	WEST	CHAVES

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

	<p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jerry W. Sherrell</i> 5/20/2022 Signature Date</p> <p>Jerry W. Sherrell Printed Name</p> <p>jerrys@mec.com E-mail Address</p>
	<p><b>18 SURVEYOR CERTIFICATION</b></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 26, 2022 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number: 52770-LS 12797 NO. 9371A</p>

RECEIVED

DEC 13 2018

Form C-102

Revised August 1, 2011

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

DISTRICT II-ARTESIA, O.C.D.

District I  
1025 N French Dr., Hobbs, NM 88240  
Phone: (505) 191-6161 Fax: (505) 291-0720  
District II  
811 S First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (505) 745-9720  
District III  
1900 Rio Brazos Road, Artesia, NM 88210  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-005-64327</b>		Pool Code <b>52770</b>	Pool Name <b>Round Tank; San Andres</b>
Property Code <b>323014</b>	Property Name <b>GRAND FORKS FEDERAL COM</b>		Well Number <b>1H</b>
OGRID No. <b>13837</b>	Operator Name <b>MACK ENERGY CORPORATION</b>		Elevation <b>3865.6</b>

Surface Location

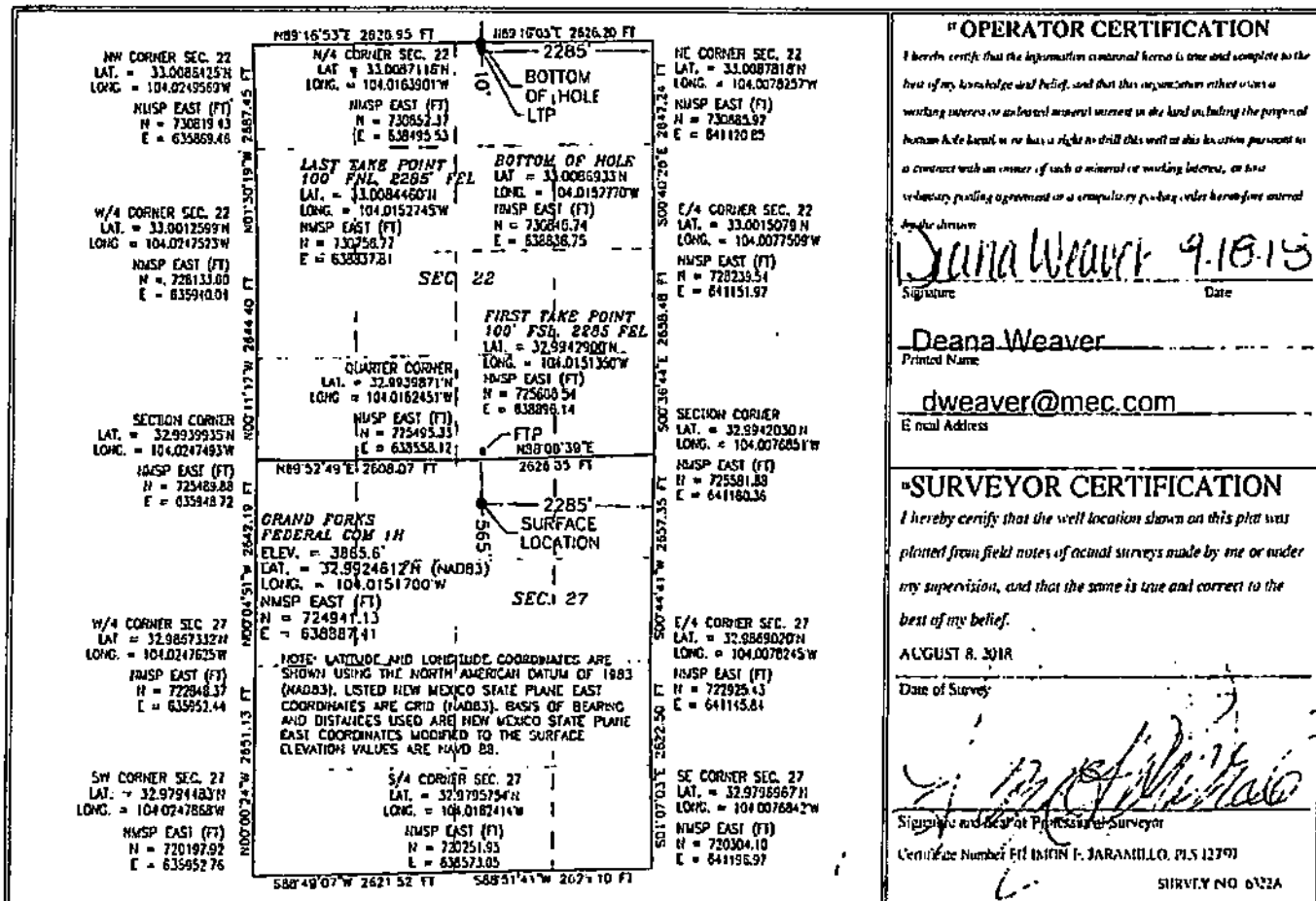
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	27	15 S	29 E		565	NORTH	2285	EAST	CHAVES

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
B	22	15 S	29 E		10	NORTH	2285	EAST	CHAVES

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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.



REP 12-18-18

RECEIVED

District I  
1623 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (505) 745-1233 Fax: (505) 745-9720  
District III  
1000 Rio Brazos Road, Arret, NM 87410  
Phone: (505) 334-6175 Fax: (505) 334-6170  
District IV  
1320 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

DEC 13 2018

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Revised August 1, 2011  
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DISTRICT II-ARTESIA O.C.D. District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-005-64328</b>		Pool Code <b>52770</b>		Pool Name <b>Round Tank; San Andres</b>	
Property Code <b>323014</b>		Property Name <b>GRAND FORKS FEDERAL COM</b>			Well Number <b>2H</b>
OGRID No. <b>13837</b>		Operator Name <b>MACK ENERGY CORPORATION</b>			Elevation <b>3880.4</b>

Surface Location

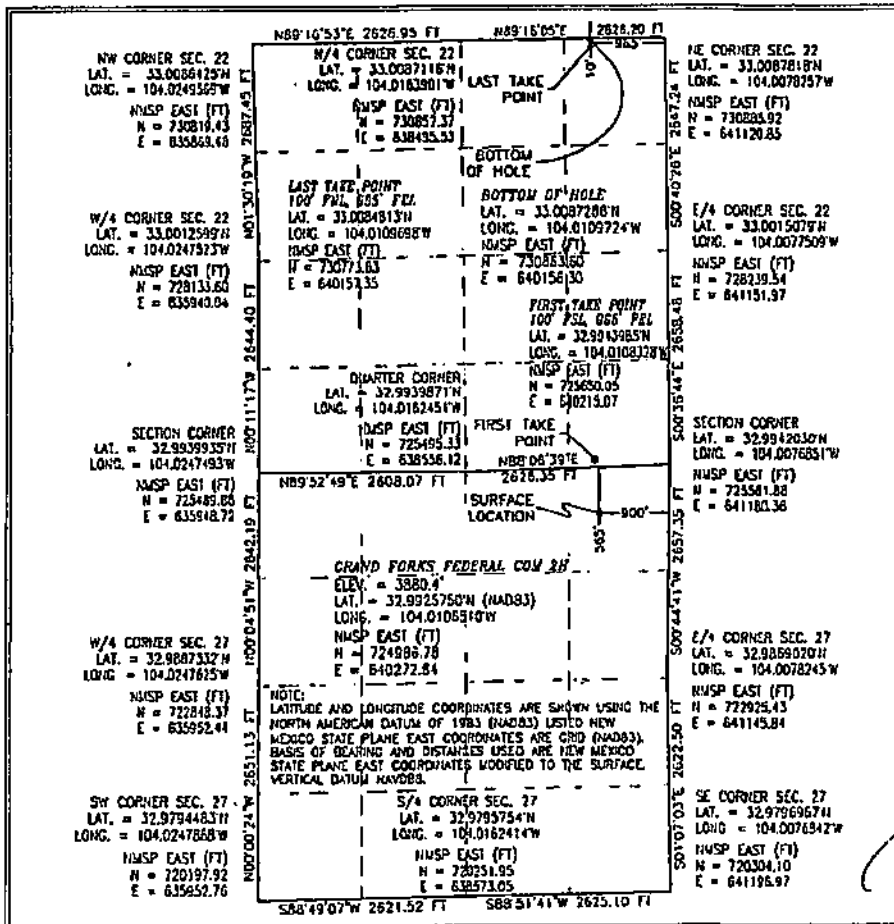
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	15 S	29 E		565	NORTH	900	EAST	CHAVES

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
A	22	15 S	29 E		10	NORTH	965	EAST	CHAVES

Dedicated Acres <b>160</b>	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.



**OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or retained 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 a mineral or working interest, or as a voluntary pooling agreement to a compulsory pooling under heretofore entered by the division.

*Deana Weaver* 9.13.18  
Signature Date

Deana Weaver  
Printed Name  
dweaver@mec.com  
E-mail address

**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.

AUGUST 8 2018  
Date of Survey

*[Signature]*  
Signature and Seal of Professional Surveyor  
Certificate Number FIRMION F. JARAMILLO, PLS 12797  
SURVEY NO 16323A

Rev 12-18-18

RECEIVED

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 394-0720

**District II**  
511 S. First St., Artesia, NM 88210  
Phone: (575) 745-1243 Fax: (575) 745-9720

**District III**  
1090 Rio Brazos Road, Artec, NM 87410  
Phone: (505) 334-6198 Fax: (505) 334-6150

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION DISTRICT II-ARTESIA  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

DEC 18 2018

Form C-102  
Revised August 1, 2011  
Copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-005-64326</b>		Pool Code <b>52770</b>	Pool Name <b>Round Tank; San Andres</b>
Property Code <b>323013</b>	Property Name <b>SPRUCE GROVE FEDERAL COM</b>		Well Number <b>1H</b>
OGRID No. <b>13837</b>	Operator Name <b>MACK ENERGY CORPORATION</b>		Elevation <b>3817.5</b>

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	28	15 S	29 E		565	NORTH	2285	EAST	CHAVES

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
B	21	15 S	29 E		5	NORTH	2285	EAST	CHAVES

Dedicated Acres <b>160</b>	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.

**" OPERATOR CERTIFICATION**

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

*Deana Weaver* 9.18.18  
Date

Deana Weaver  
Signature

dweaver@mec.com  
E-mail Address

---

**"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.

AUGUST 8, 2018  
Date of Survey

*[Signature]*  
Signature of Professional Surveyor

Certificate Number HILINDA E. JARAMILA LO, PLS 12797

SURVEY NO 6317A

RWP 12-18-18

Clintco  
1623 N. French Dr., Hobbs, NM 88249  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
611 E. First St., Artesia, NM 88210  
Phone: (575) 743-1233 Fax: (575) 744-9720  
District III  
1090 Rio Grande Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1270 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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**NM OIL CONSERVATION DIVISION**  
**ARTESIA DISTRICT**

**MAR 11 2019**

AMENDED REPORT

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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number <b>30-005-64330</b>		2 Pool Code <b>52770</b>		3 Pool Name <b>Round Tank; San Andres</b>	
4 Property Code <b>325166</b>		5 Property Name <b>MEADOW LAKE FEDERAL</b>			6 Well Number <b>1H</b>
7 OGRID No. <b>13837</b>		8 Operator Name <b>MACK ENERGY CORPORATION</b>			9 Elevation <b>3825.4</b>

**Surface Location**

UL of lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>28</b>	<b>15 S</b>	<b>29 E</b>		<b>565</b>	<b>NORTH</b>	<b>990</b>	<b>EAST</b>	<b>CHAVES</b>

**Bottom Hole Location If Different From Surface**

UL of lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>21</b>	<b>15 S</b>	<b>29 E</b>		<b>5</b>	<b>NORTH</b>	<b>990</b>	<b>EAST</b>	<b>CHAVES</b>

10 Dedicated Acres <b>160</b>	11 Joint or Infill	12 Consolidation Code	13 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.

<p><b>SW CORNER SEC. 21</b> LAT. = 33.0085573W LONG. = 104.0420158W MNSP EAST (FT) N = 730813.44 E = 830640.08</p>		<p><b>NO CORNER SEC. 21</b> LAT. = 33.0085573W LONG. = 104.0334853W MNSP EAST (FT) N = 730816.56 E = 833250.11</p>		<p><b>NE CORNER SEC. 21</b> LAT. = 33.0085573W LONG. = 104.0249659W MNSP EAST (FT) N = 730819.43 E = 835923.48</p>	
<p><b>W CORNER SEC. 21</b> LAT. = 33.0014282W LONG. = 104.0422248W MNSP EAST (FT) N = 728178.25 E = 830843.33</p>		<p><b>EAST YARD POINT 100' PSL, 890' FEL</b> LAT. = 33.0033725W LONG. = 104.0281779W MNSP EAST (FT) N = 730718.61 E = 834882.34</p>		<p><b>E CORNER SEC. 21</b> LAT. = 33.0014282W LONG. = 104.0247523W MNSP EAST (FT) N = 728133.59 E = 835940.04</p>	
<p><b>SW CORNER SEC. 28</b> LAT. = 32.9841747W LONG. = 104.0419921W MNSP EAST (FT) N = 725940.31 E = 830681.92</p>		<p><b>NO CORNER SEC. 28</b> LAT. = 32.9841747W LONG. = 104.0333333W MNSP EAST (FT) N = 725944.84 E = 833294.58</p>		<p><b>NE CORNER SEC. 28</b> LAT. = 32.9841747W LONG. = 104.0247433W MNSP EAST (FT) N = 725891.66 E = 835948.72</p>	
<p><b>W CORNER SEC. 28</b> LAT. = 32.9837764W LONG. = 104.0412225W MNSP EAST (FT) N = 725921.40 E = 830629.49</p>		<p><b>MEADOW LAKE FEDERAL 1H</b> ELEV. = 3825.4 LAT. = 32.9922150W (NAD83) LONG. = 104.0278802W MNSP EAST (FT) N = 724949.04 E = 834958.70</p>		<p><b>E CORNER SEC. 28</b> LAT. = 32.9827137W LONG. = 104.0247424W MNSP EAST (FT) N = 725848.37 E = 835924.44</p>	
<p><b>SW CORNER SEC. 28</b> LAT. = 32.9797782W LONG. = 104.0423325W MNSP EAST (FT) N = 720301.90 E = 830682.71</p>		<p><b>S CORNER SEC. 28</b> LAT. = 32.9797782W LONG. = 104.0335084W MNSP EAST (FT) N = 720297.22 E = 833277.55</p>		<p><b>SE CORNER SEC. 28</b> LAT. = 32.9797782W LONG. = 104.0247026W MNSP EAST (FT) N = 720187.52 E = 835924.78</p>	

**OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order hereinafter entered by the Division.

Signature: Deana Weaver Date: 3.11.19

Printed Name: Deana Weaver

Email Address: dweaver@mec.com

**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.

NOVEMBER 16 2018  
Date of Survey: \_\_\_\_\_

**F. JARAMILLO**  
Professional Surveyor  
12727  
New Mexico  
Certificate Number: 12727 F. JARAMILLO, PLS LPW7

RWP 3-18-19 **SCANNED**

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code <b>52770</b>		<sup>3</sup> Pool Name <b>Round Tank; San Andres</b>					
<sup>4</sup> Property Code		<sup>5</sup> Property Name <b>PARKVILLE FEDERAL COM</b>			<sup>6</sup> Well Number <b>1H</b>				
<sup>7</sup> OGRID No. <b>13837</b>		<sup>8</sup> Operator Name <b>MACK ENERGY CORPORATION</b>			<sup>9</sup> Elevation <b>3825.8</b>				
<sup>10</sup> Surface Location									
UL or lot no. <b>P</b>	Section <b>21</b>	Township <b>15 S</b>	Range <b>29 E</b>	Lot Idn	Feet from the <b>710</b>	North/South line <b>SOUTH</b>	Feet from the <b>965</b>	East/West line <b>EAST</b>	County <b>CHAVES</b>
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. <b>P</b>	Section <b>28</b>	Township <b>15 S</b>	Range <b>29E</b>	Lot Idn	Feet from the <b>1</b>	North/South line <b>SOUTH</b>	Feet from the <b>965</b>	East/West line <b>EAST</b>	County <b>CHAVES</b>
<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

**17 OPERATOR CERTIFICATION**

*I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

*Jerry W. Sherrell* 5/20/2022  
Signature Date

Jerry W. Sherrell  
Printed Name

jerryse@mec.com  
E-mail Address

---

**18 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.*

MARCH 31, 2022  
Date of Survey

*Simon F. Jaramilla*  
Signature and Seal of Professional Surveyor

Certificate Number: **12797**  
NEW MEXICO PROFESSIONAL SURVEYORS  
NO. 9373

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number		<sup>2</sup> Pool Code 52770		<sup>3</sup> Pool Name Round Tank; San Andres	
<sup>4</sup> Property Code		<sup>5</sup> Property Name COLWOOD FEDERAL COM			<sup>6</sup> Well Number 1H
<sup>7</sup> OGRID No. 13837		<sup>8</sup> Operator Name MACK ENERGY CORPORATION			<sup>9</sup> Elevation 3815.6

<sup>10</sup> Surface Location

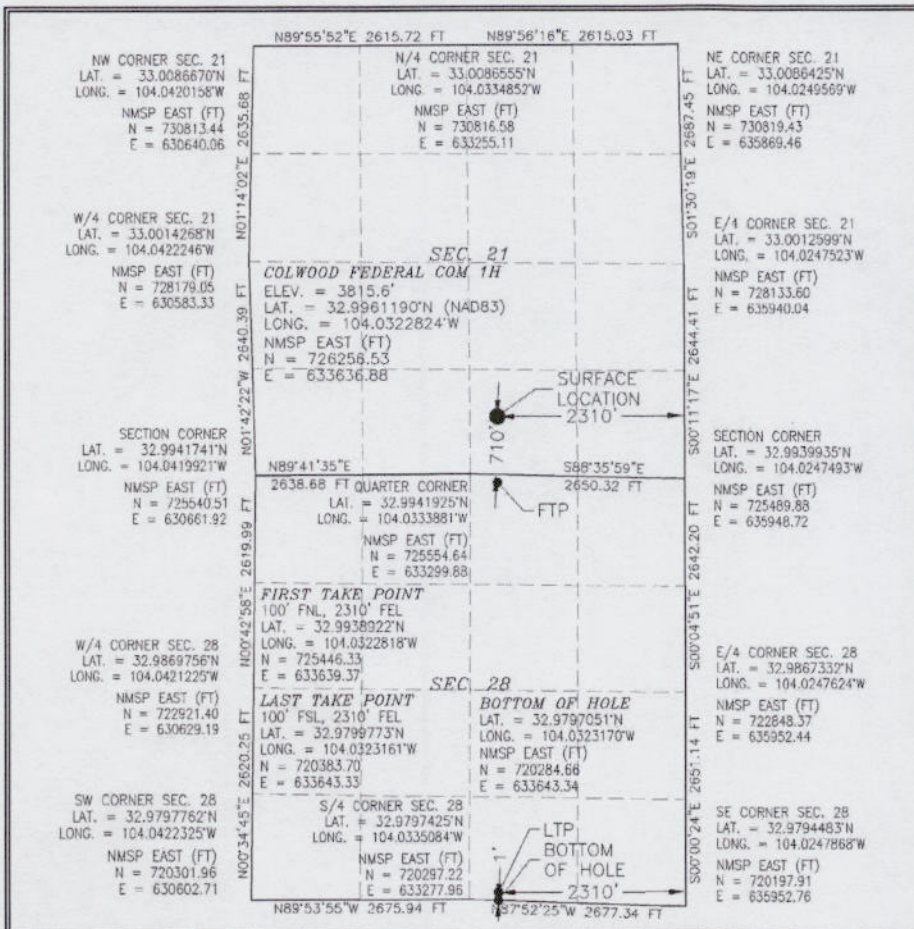
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	21	15 S	29 E		710	SOUTH	2310	EAST	CHAVES

<sup>11</sup> 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
O	28	15 S	29E		1	SOUTH	2310	EAST	CHAVES

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Jerry W. Sherrell* Date: 5/20/2022

Printed Name: Jerry W. Sherrell

E-mail Address: jerrys@mec.com

---

**18 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 26, 2022

Date of Survey

Signature and Seal of Professional Surveyor: *William F. Jaramilla*

Certificate Number: 12797

Professional Surveyor License No. 9374A



## COMMUNITIZATION AGREEMENT

Contract No. \_\_\_\_\_

THIS AGREEMENT, entered into as of the 1<sup>st</sup> day of May, 2022, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

## WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 15 South, Range 29 East, N.M.P.M.  
Section 21: W/2 E/2  
Chaves County, New Mexico

containing 160 acres, and this agreement shall include the San Andres formation underlying said lands and the crude oil and associated natural gas, hereinafter referred to as "communitized substances," producible from such formation.

2. Attached hereto and made a part of this agreement for all purposes, is Exhibit "A", a plat designating the communitized area and, Exhibit B, designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be Mack Energy Corporation, P.O. Box 960, Artesia, NM 88211-0960. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the

working interest in the communitized area, and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of  $1/8^{\text{th}}$  or  $12 \frac{1}{2}$  percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed, and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of the communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing, and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided.

Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each Communitization agreement to which such lease may be committed, and separately as to any non-communitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any non-communitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is May 1, 2022 and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator:

**Mack Energy Corporation**

By: Staci D. Sanders  
Staci D. Sanders  
Vice President - Land

Date: 5/1/2022

Lessee of Record

**Wade Energy Corporation**

By: Wade White  
Wade White, President

Date: 7-28-22

Lessee of Record & Working Interest Owner  
**Chase Oil Corporation**

By: Staci D. Sanders  
Staci D. Sanders, Vice President-Land

Date: 5/1/2022

Working Interest Owners:

**RDC Minerals LLC**

By: Robert C. Chase  
Robert C. Chase, Manager

Date: 5/18/2022

**Ventana Minerals LLC**

By: Staci D. Sanders  
Staci D. Sanders, Attorney-in-Fact

Date: 5/1/2022

**DiaKan Minerals LLC**

By: Crissa D. Carter  
Crissa D. Carter, Attorney-in-Fact

Date: 5/12/22

**Sendero Energy LLC**

By: Matt Brewer  
Matt Brewer, Manager

Date: 5/2/2022

**Katz Resources LLC**

By: \_\_\_\_\_  
Charles Sadler, Manager

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

**M Squared Energy LLC**

By: W. Lee Livingston  
W. Lee Livingston, Manager

Date: 5/11/2022

Lessee of Record & Working Interest Owner  
**Chase Oil Corporation**

By: \_\_\_\_\_  
Staci D. Sanders, Vice President-Land

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

Working Interest Owners:

**RDC Minerals LLC**

By: \_\_\_\_\_  
Robert C. Chase, Manager

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

**Ventana Minerals LLC**

By: \_\_\_\_\_  
Staci D. Sanders, Attorney-in-Fact

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

**DiaKan Minerals LLC**

By: \_\_\_\_\_  
Crissa D. Carter, Attorney-in-Fact

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

**Sendero Energy LLC**

By: \_\_\_\_\_  
Matt Brewer, Manager

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

**Katz Resources LLC**

By:  \_\_\_\_\_  
Charles Sadler, Manager

Date: 5/16/22 \_\_\_\_\_

**M Squared Energy LLC**

By: \_\_\_\_\_  
W. Lee Livingston, Manager

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

ACKNOWLEDGEMENTS

STATE OF NEW MEXICO §

COUNTY OF EDDY §

This instrument was acknowledged before me on this 1<sup>st</sup> day of May, 2022, by Staci D. Sanders, Vice President-Land of **Mack Energy Corporation**, a New Mexico corporation, on behalf of said corporation.

TAMBRA RENEE HUGHES  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
COMMISSION # 1062377  
COMMISSION EXPIRES: 09-19-2023

Tambra Renee Hughes  
Notary Public

STATE OF NEW MEXICO §

Otero  
COUNTY OF ~~EDDY~~ §

This instrument was acknowledged before me on this 28 day of July 28, 2022, by Wade White, President of **Wade Energy Corporation**, a New Mexico corporation, on behalf of said corporation.

STATE OF NEW MEXICO  
NOTARY PUBLIC  
JOYCE KOMRAUS  
COMMISSION #1082925  
MY COMM. EXPIRES 1/14/2025

Joyce Komraus  
Notary Public

STATE OF NEW MEXICO §

COUNTY OF EDDY §

This instrument was acknowledged before me on this 1<sup>st</sup> day of May, 2022, by Staci D. Sanders, Vice President-Land of **Chase Oil Corporation**, a New Mexico corporation, on behalf of said corporation.

TAMBRA RENEE HUGHES  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
COMMISSION # 1062377  
COMMISSION EXPIRES: 09-19-2023

Tambra Renee Hughes  
Notary Public

STATE OF NEW MEXICO §

COUNTY OF EDDY §

This instrument was acknowledged before me on this 18<sup>th</sup> day of May, 2022, by Robert C. Chase, as Manager of **RDC Minerals LLC**, a New Mexico limited liability company, on behalf of said company.

TAMBRA RENEE HUGHES  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
COMMISSION # 1062377  
COMMISSION EXPIRES: 09-19-2023

*Tambra Renee Hughes*  
Notary Public

STATE OF NEW MEXICO §

COUNTY OF EDDY §

This instrument was acknowledged before me on this 1<sup>st</sup> day of May, 2022, by Staci D. Sanders, Attorney-in-Fact of **Ventana Minerals LLC**, a New Mexico limited liability company, on behalf of said company.

TAMBRA RENEE HUGHES  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
COMMISSION # 1062377  
COMMISSION EXPIRES: 09-19-2023

*Tambra Renee Hughes*  
Notary Public

STATE OF NEW MEXICO §

COUNTY OF EDDY §

This instrument was acknowledged before me on this 12<sup>th</sup> day of May, 2022, by Crissa D. Carter, Attorney-in-Fact of **DiaKan Minerals LLC**, a Texas limited liability company, on behalf of said company.

TAMBRA RENEE HUGHES  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
COMMISSION # 1062377  
COMMISSION EXPIRES: 09-19-2023

*Tambra Renee Hughes*  
Notary Public



STATE OF NEW MEXICO §

COUNTY OF EDDY §

This instrument was acknowledged before me on this 12<sup>th</sup> day of May, 2022, by Matt Brewer, as Manager of **Sendero Energy LLC**, a New Mexico limited liability company, on behalf of said company.

TAMBRA RENEE HUGHES  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
COMMISSION # 1062377  
COMMISSION EXPIRES: 09-19-2023

*Tambra Renee Hughes*  
Notary Public

STATE OF ARIZONA §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by Charles Sadler, as Manager of **Katz Resources LLC**, a New Mexico limited liability company, on behalf of said company.

\_\_\_\_\_  
Notary Public

STATE OF NEW MEXICO §

COUNTY OF EDDY §

This instrument was acknowledged before me on this 11<sup>th</sup> day of May, 2022, by W. Lee Livingston, as Manager of **M Squared Energy LLC**, a New Mexico limited liability company, on behalf of said company.

TAMBRA RENEE HUGHES  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
COMMISSION # 1062377  
COMMISSION EXPIRES: 09-19-2023

*Tambra Renee Hughes*  
Notary Public

STATE OF NEW MEXICO §

COUNTY OF EDDY §

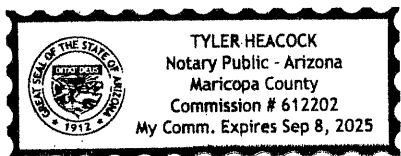
This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by Matt Brewer, as Manager of **Sendero Energy LLC**, a New Mexico limited liability company, on behalf of said company.

\_\_\_\_\_  
Notary Public

STATE OF ARIZONA §

COUNTY OF Maricopa §

This instrument was acknowledged before me on this 16<sup>th</sup> day of May, 2022, by Charles Sadler, as Manager of **Katz Resources LLC**, a New Mexico limited liability company, on behalf of said company.



*[Handwritten Signature]*  
\_\_\_\_\_  
Notary Public

STATE OF NEW MEXICO §

COUNTY OF EDDY §

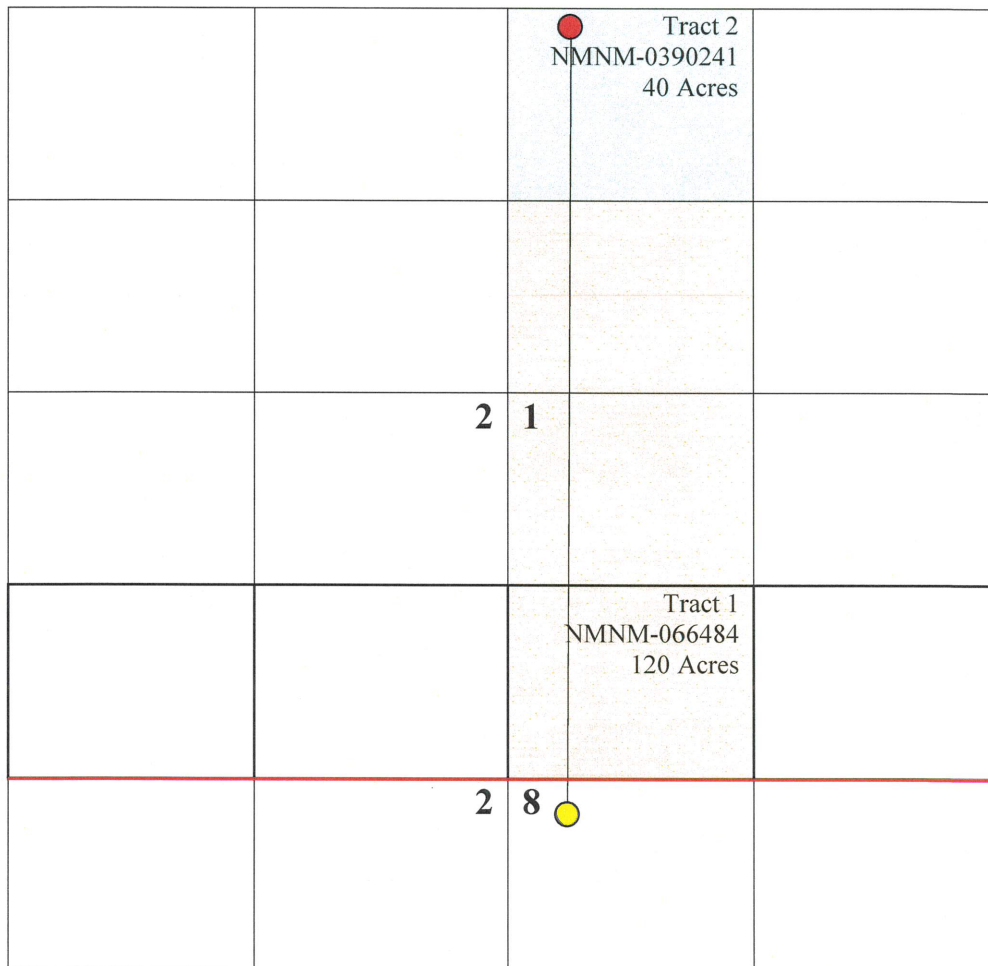
This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by W. Lee Livingston, as Manager of **M Squared Energy LLC**, a New Mexico limited liability company, on behalf of said company.

\_\_\_\_\_  
Notary Public

**EXHIBIT A**

Attached to and made a part of that certain Communitization Agreement dated effective May 1, 2022, covering the W/2E/2 of Section 21, Township 15 South, Range 29 East, N.M.P.M., Chaves County, New Mexico.

Plat of Communitized Area  
**Spruce Grove Federal Com #1H – API #30-005-64326**



- SHL: 565' FNL & 2285' FEL, Sec. 28-T15S-R29E  
 FTP: 100' FSL & 2285' FEL, Sec. 21-T15S-R29E  
 LTP: 100' FNL & 2285' FEL, Sec.21-T15S-R29E
- BHL: 5' FNL & 2285' FEL, Sec. 21-T15S-R29E

**EXHIBIT B**

Attached to and made a part of that certain Communitization Agreement dated effective May 1, 2022, covering the W/2E/2 of Section 21, Township 15 South, Range 29 East, N.M.P.M., Chaves County, New Mexico.

**Spruce Grove Federal Com #1H – API #30-005-64326**

**Operator of Communitized Area: Mack Energy Corporation**

**DESCRIPTION OF LEASES COMMITTED****TRACT NO. 1**

Lease Serial No.: NMNM-066484

Description of Lands Committed: T15S, R29E, NMPM  
Section 21: SW/4NE/4, W/2SE/4

Number of Acres: 120 acres

Current Lessee of Record: Chase Oil Corporation

Name and Percent of WI Owners:

Chase Oil Corporation	82.0%
RDC Minerals LLC	5.0%
Ventana Minerals LLC	5.0%
DiaKan Minerals LLC	5.0%
Sendero Energy LLC	1.0%
Katz Resources LLC	0.5%
M Squared Energy LLC	1.0%

**TRACT NO. 2**

Serial No.: NMNM-0390241

Description of Lands Committed: T15S, R29E, NMPM  
Section 21: NW/4NE/4

Number of Acres: 40 acres

Current Lessee of Record: Wade Energy Corporation

Name and Percent of WI Owners:

Chase Oil Corporation	82.0%
RDC Minerals LLC	5.0%
Ventana Minerals LLC	5.0%
DiaKan Minerals LLC	5.0%
Sendero Energy LLC	1.0%
Katz Resources LLC	0.5%
M Squared Energy LLC	1.0%

**RECAPITULATION**

<b>Tract numbers</b>	<b>Number of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
Tract No. 1	120.00	75.00%
Tract No. 2	40.00	25.00%
Total Acreage	160.00	100.00%

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & 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

**Applicant:** Mack Energy Corporation **OGRID Number:** 013837  
**Well Name:** Thunder Bay Federal Com 1H **API:** 30-005-64308  
**Pool:** Round Tank; San Andres **Pool Code:** 52770

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location - Spacing Unit - Simultaneous Dedication  
 NSL       NSP(PROJECT AREA)       NSP(PRORATION UNIT)       SD

- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling - Storage - Measurement  
 DHC     CTB     PLC     PC     OLS     OLM  
 [ II ] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX     PMX     SWD     IPI     EOR     PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **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

5/23/22  
 Date

575-748-1288  
 Phone Number

jerrys@mec.com  
 e-mail Address

**From:** [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)  
**To:** [Jerry Sherrell](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](mailto:lisa@rwbyram.com); [Paradis, Kyle O](#); [Walls, Christopher](#)  
**Subject:** Approved Administrative Order CTB-857-A  
**Date:** Friday, October 14, 2022 1:00:50 PM  
**Attachments:** [CTB857A Order.pdf](#)

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NMOCD has issued Administrative Order CTB-857-A which authorizes Mack Energy Corporation (13837) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-005-64308	Thunder Bay Federal Com #1H	E/2 W/2	22-15S-29E	52770
30-005-64307	Hamilton Federal Com #1H	W/2 W/2	22-15S-29E	52770
30-005-64328	Grand Forks Federal Com #2H	E/2 E/2	22-15S-29E	52770
30-005-64326	Spruce Grove Federal Com #1H	W/2 E/2	21-15S-29E	52770
30-005-64330	Meadow Lake Federal #1H	E/2 E/2	21-15S-29E	52770

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

**From:** [Jerry Sherrell](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Subject:** RE: [EXTERNAL] RE: surface commingling application CTB-857-A  
**Date:** Monday, September 26, 2022 2:48:47 PM  
**Attachments:** [image001.png](#)

Dean,

I was told by our group that this well will probably not be drilled anytime in the near future. Can we remove this well from the list and I will revise if they change their minds.

**From:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Sent:** Friday, September 09, 2022 3:13 PM  
**To:** Jerry Sherrell <jerrys@mec.com>  
**Subject:** RE: [EXTERNAL] RE: surface commingling application CTB-857-A

**EXTERNAL EMAIL - Verify the sender and use caution before opening attachments or clicking links**

Jerry,

Please provide the CA packet for the following tract and well:

<b>30-005-64327</b>	<b>Grand Forks Federal Com #1H</b>	<b>W/2 E/2</b>	<b>22-15S-29E</b>	<b>52770</b>
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Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

**From:** Jerry Sherrell <jerrys@mec.com>  
**Sent:** Thursday, August 25, 2022 10:43 AM  
**To:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Subject:** FW: [EXTERNAL] RE: surface commingling application CTB-857-A

Good morning Dean,

Any updates?

**From:** Jerry Sherrell  
**Sent:** Thursday, July 21, 2022 4:13 PM  
**To:** 'McClure, Dean, EMNRD' <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Subject:** RE: [EXTERNAL] RE: surface commingling application CTB-857-A

Dean,

Please remove the section 28 wells from the application and I will amend at a later date. Thank you.

Jerry W. Sherrell



Regulatory Supervisor  
Mack Energy Corporation  
Redwood Operating LLC  
PO Box 960  
Artesia, NM 88210  
Office 575-748-1288  
Cell 575-703-7382  
[jerrys@mec.com](mailto:jerrys@mec.com)

---

**From:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Sent:** Thursday, July 21, 2022 3:27 PM  
**To:** Jerry Sherrell <[jerrys@mec.com](mailto:jerrys@mec.com)>  
**Subject:** RE: [EXTERNAL] RE: surface commingling application CTB-857-A

**EXTERNAL EMAIL - Verify the sender and use caution before opening attachments or clicking links**

Hello Jerry,

A well which is not approved yet cannot be included in the commingling permit. The 2 infill wells can be approved to be added in at a later date via sundry with no notice. However, the 2 wells in section 28 will not be able to be included until their APDs have been approved. Depending on your schedule for bringing production online, you may wish to either place this application on hold until those wells have been approved or remove them from this application and bring them into the project later via an amendment.

If you wish to place the application on hold until the section 28 wells can be added, then I will also need the CA packets for their HSUs. That is unless the CA applications are put into file by the BLM prior to this application moving forward; in which case I can use that record instead of having the CA packets.

Additionally, in the past you have provided a document speaking to the agreement between the various chase interests. Specifically as it relates to which interest owners you are delivering notice to via hand. Please submit that or something similar to be put in file for this application that confirms these interests have received notification.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

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**From:** Jerry Sherrell <[jerrys@mec.com](mailto:jerrys@mec.com)>  
**Sent:** Thursday, July 21, 2022 3:08 PM  
**To:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Subject:** [EXTERNAL] RE: surface commingling application CTB-857-A

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good afternoon Dean,

I have submitted the Legal Notice for the returned interest owner.

The status for the APD's is still being reviewed by BLM.

I will get the CA's from our land department and get them to you.

---

**From:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Sent:** Thursday, July 21, 2022 1:00 PM  
**To:** Jerry Sherrell <[jerrys@mec.com](mailto:jerrys@mec.com)>  
**Subject:** surface commingling application CTB-857-A

**EXTERNAL EMAIL - Verify the sender and use caution before opening attachments or clicking links**

Mr. Sherrell,

I am reviewing surface commingling application CTB-857-A which involves a commingling project that includes the Thunder Bay Central Tank Battery and is operated by Mack Energy Corporation (13837).

Presuming that the document regarding the interests for which notice was hand delivered is relevant to this application, please provide it.

Please confirm that the following person was notified of this application (was public notice provided?):

<b>6/21/2022</b>	<b>Abble Moody Cliff</b>	<b>7019 1640 0002 0377 7910</b>	<b>Returned</b>
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What is the status of the following wells?

???	<b>Thunder Bay Federal Com #2H</b>	<b>E/2 W/2</b>	<b>22-15S-29E</b>	<b>52770</b>
???	<b>Hamilton Federal Com #2H</b>	<b>W/2 W/2</b>	<b>22-15S-29E</b>	<b>52770</b>
???	<b>Colwood Federal Com #1H</b>	<b>W/2 E/2</b>	<b>28-15S-29E</b>	<b>52770</b>
???	<b>Parkesville Federal Com #1H</b>	<b>E/2 E/2</b>	<b>28-15S-29E</b>	<b>52770</b>

Please provide the CA packets for the following tracts of land:

<b>CA San Andres BLM</b>	<b>W/2 E/2</b>	<b>21-15S-29E</b>	<b>320</b>
<b>CA San Andres BLM</b>	<b>W/2 E/2</b>	<b>22-15S-29E</b>	<b>320</b>

The following request is a bit unusual:

**This request is for all leases within this designated project area. Any future in-fill wells will be added using sundry notices and notification for only the wells added.**

Generally the approval for infill wells does not require that notice of the sundry be provided. I'm unsure if this additional notice was your intent when making this request and as such am pointing it out for you to keep in mind for future applications. However, I don't really see a reason not to allow the inclusion of infill wells requiring notice of the sundry.

Dean McClure  
Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY MACK ENERGY CORPORATION**

**ORDER NO. CTB-857-A**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. Mack Energy Corporation (“Applicant”) submitted a complete application to surface commingle the oil production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

**CONCLUSIONS OF LAW**

7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.

9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
11. Commingling of oil production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle oil production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order CTB-857.
3. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

- 4. The oil production for each well identified in Exhibit A shall be allocated by conducting a minimum of one (1) well test per month.

Applicant shall conduct a well test by separating and measuring the oil production from that well for a minimum of twenty-four (24) consecutive hours.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than thirty (30) days until the well commences production.

- 5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 6. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10.C.(2) NMAC.
- 7. If the commingling of oil production from any pool, lease, or well reduces the value of the commingled oil production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 8. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 10. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**ADRIENNE E. SANDOVAL  
DIRECTOR**

**DATE:** 10/13/2022

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

**Order: CTB-857-A**  
**Operator: Mack Energy Corporation (13837)**  
**Central Tank Battery: Thunder Bay Central Tank Battery**  
**Central Tank Battery Location: UL M, Section 22, Township 15 South, Range 29 East**  
**Gas Title Transfer Meter Location:**

### Pools

Pool Name	Pool Code
ROUND TANK; SAN ANDRES	52770

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA San Andres NMNM 139214	E/2 W/2	22-15S-29E
CA San Andres NMNM 141125	W/2 W/2	22-15S-29E
CA San Andres NMNM 140362	E/2 E/2	22-15S-29E
NMNM 0390241	E/2 E/2, B	21-15S-29E
NMNM 066484	G J O	21-15S-29E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-005-64308	Thunder Bay Federal Com #1H	E/2 W/2	22-15S-29E	52770
30-005-64307	Hamilton Federal Com #1H	W/2 W/2	22-15S-29E	52770
30-005-64328	Grand Forks Federal Com #2H	E/2 E/2	22-15S-29E	52770
30-005-64326	Spruce Grove Federal Com #1H	W/2 E/2	21-15S-29E	52770
30-005-64330	Meadow Lake Federal #1H	E/2 E/2	21-15S-29E	52770

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Exhibit B**

Order: **CTB-857-A**  
Operator: **Mack Energy Corporation (13837)**

**Pooled Areas**

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA San Andres BLM	W/2 E/2	21-15S-29E	160	A

**Leases Comprising Pooled Areas**

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 0390241	B	21-15S-29E	40	A
NMNM 066484	G J O	21-15S-29E	120	A



**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 109227

**CONDITIONS**

Operator: MACK ENERGY CORP P.O. Box 960 Artesia, NM 882110960	OGRID: 13837
	Action Number: 109227
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

**CONDITIONS**

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	10/14/2022