

Aubrey Dunn COMMISSIONER

June 7, 2016

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

Mack Energy Corporation PO Box 960 Artesia, NM 88211-0960

Attention: Mr. Jerry Sherrell

Re: Request to Surface Commingle

Magpie State #001 API# 30-025-40426 Condor State #002 API# 30-025-40217

Lea County, New Mexico

Dear Mr. Sherrell:

We are in receipt of your application requesting to surface commingle production from the above captioned wells.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division. Please submit a copy of the NMOCD's approval to this office.

Our approval does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. Your flow lines will be crossing lease boundaries and will require a commercial lease please be advised you need to contact Hilda Baca in the Commercial Division at 505-827-5763 to apply.

Please submit a \$30.00 dollar filing fee. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

If you have any questions or if we may be of further help, please contact Sue Keelin @ 505-827-5783.

AD/sk

cc: Reader File,

OCD-Daniel Sanchez

MISSIONER OF PUBLIC LANDS