

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

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



20 2004

OIL CONSERVATION
DIVISION

Mark Energy

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 _____

Reviewed on 6-7-04

- [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

5/18/2004
Date

jerrys@mackenergycorp.com
e-mail Address



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

May 18, 2004

Oil Conservation Division
Attn: Mike Stogner
2040 South Pacheco
Santa Fe, NM 87505

Dear Mr. Stogner:

Mack Energy Corporation respectfully requests an administrative approval without notice and hearing of the following unorthodox well location.

Because of our desire to drill these wells in a timely manner, we also request your approval be expedited. The well locations and legal descriptions are as follows:

Anteater Federal #5
1140 FNL & 2310 FEL
Sec. 35, T17S, R32E
Lea County, New Mexico

The wells will be completed in the Delaware formation.

Attached to this application are the following exhibits.

- A.) Well location and acreage dedication plats (form C-102) filed with the Hobbs office of the Oil Conservation Division (Exhibit A).
- B.) A map showing the proposed unorthodox locations, the respective proration units, and the offsetting proration units (Exhibit B).
- C.) A topographic map showing the reason for the unorthodox locations, the original location was moved at the request of the BLM representative during the on-site inspection due to the sand dunes that are habitat for a specific Sand Dune Lizard.

Oil Conservation Division

May 18, 2004

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There are no other possible orthodox locations for this well, due to the fact that future wells will be staked on 10 acre spacing units.

Also, please note that the Mack Energy group has 100% of the working interest in this lease.

Should you have any questions concerning the reasons for moving the location, you can contact Don Peterson at the Carlsbad Bureau of Land Management (505) 887-6544.

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 below the company name.

*Jerry W. Sherrell
Production Clerk*

JWS/

Enclosures

RECEIVED

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

MAR 10 2004

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code	Pool Name Delaware
Property Code	Property Name ANTEATER FEDERAL	Well Number 5
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3936'

Surface Location

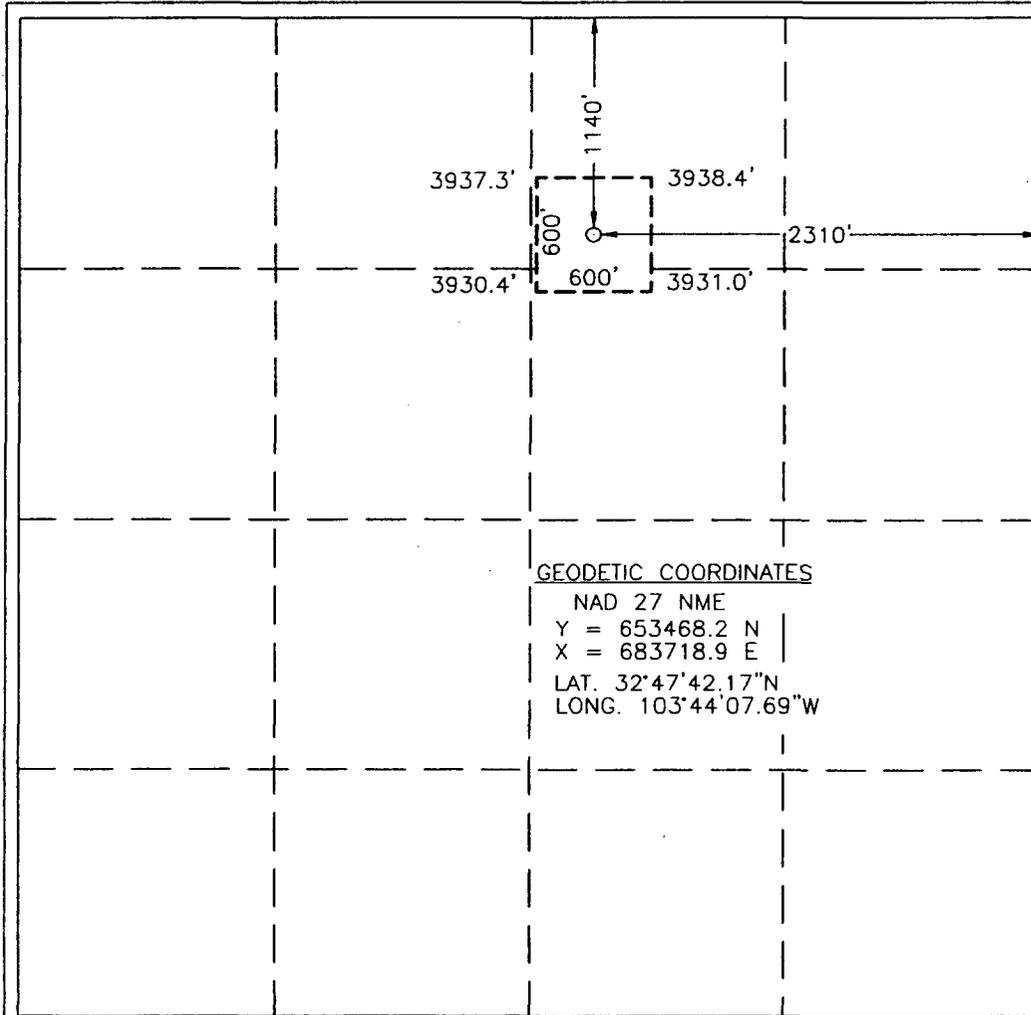
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	35	17-S	32-E		1140	NORTH	2310	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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



GEODETIC COORDINATES

NAD 27 NME
Y = 653468.2 N
X = 683718.9 E
LAT. 32°47'42.17"N
LONG. 103°44'07.69"W

OPERATOR CERTIFICATION

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

Jerry W. Sherrell
Signature

Jerry W. Sherrell
Printed Name

Production Clerk
Title

Date

5/18/2004

Date

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 03, 2004

Date Surveyed _____ A.W.B

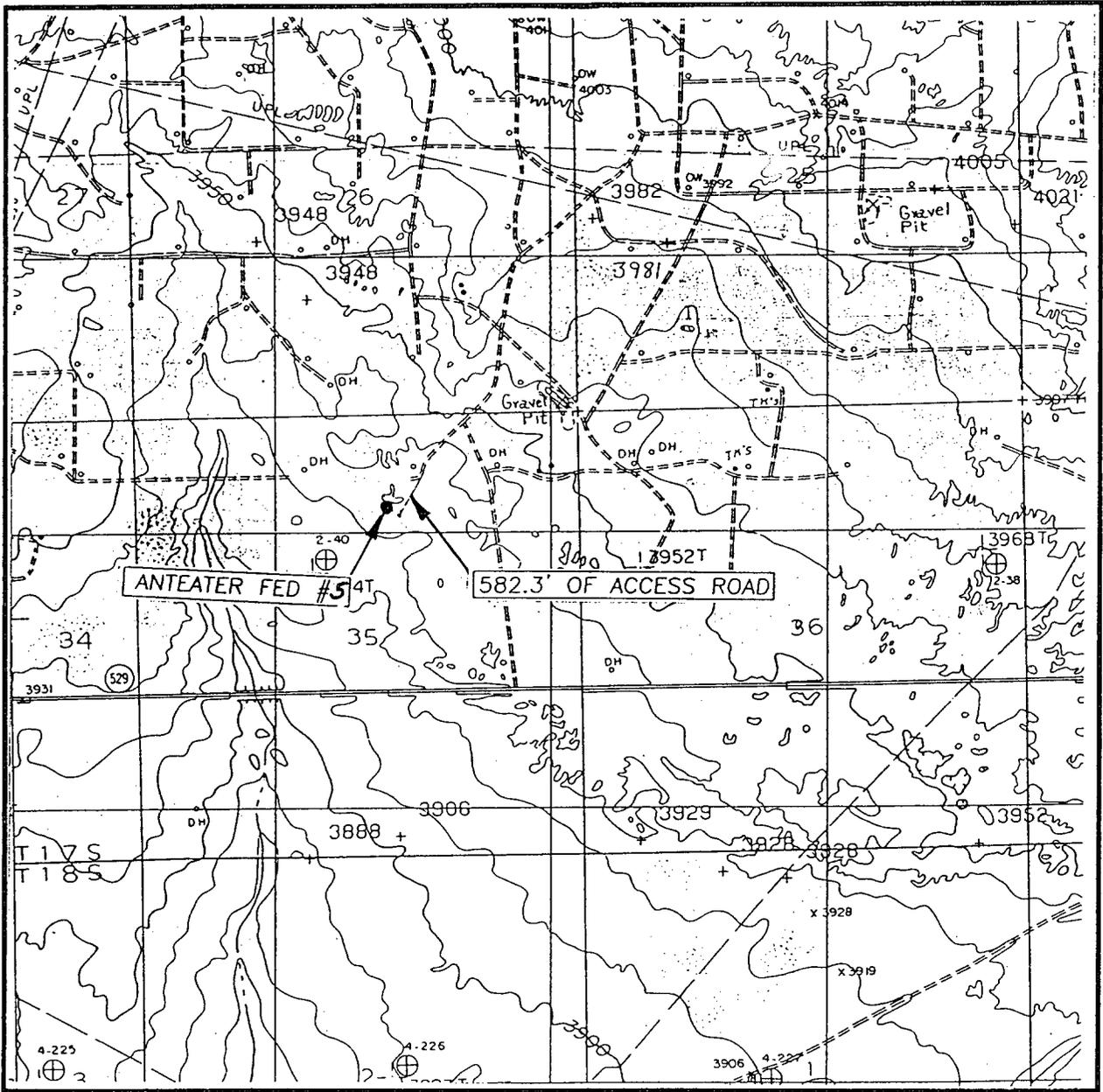
Signature & Seal of _____ A.W.B
Professional Surveyor

Gary Eidsen
3/8/04

04.11.0249

Certificate No. GARY EIDSON 12641

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
DOG LAKE, N.M.
SUP: 5'

SEC. 35 TWP. 17-S RGE. 32-E

SURVEY _____ N.M.P.M. _____

COUNTY _____ LEA _____

DESCRIPTION 1140' FNL & 2310' FEL

ELEVATION 3936'

OPERATOR MACK ENERGY CORPORATION

LEASE ANTEATER FEDERAL

U.S.G.S. TOPOGRAPHIC MAP

DOG LAKE, N.M.

**JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117**