

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - 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

**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 \_\_\_\_\_

[21] **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

2004 JUL 2 PM 2 33

[31] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[41] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Jerry W. Sherrell  
 Print or Type Name

*Jerry W. Sherrell*  
 Signature

Production Clerk  
 Title

6/30/04  
 Date

jerrys@mackenergycorp.com  
 e-mail Address

# MACK ENERGY CORPORATION

Post Office Box 960  
Artesia, New Mexico 88211-0960  
(505) 748-1288 / FAX (505) 746-9539

*June 30, 2004*

*Oil Conservation Division  
Attn: Mike Stogner  
1220 South St. Francis Dr.  
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 this well in a timely manner, we also request your approval be expedited. The well location and legal description is as follows:*

*Diamondbacks State #1  
2040 FNL & 2140 FEL  
Sec. 28, T179S, R29E  
Eddy County, New Mexico*

*The well will be completed in the Morrow formation in the Grayburg Morrow Pool.*

*Attached to this application are the following exhibits.*

- A.) Well location and acreage dedication plat (form C-102) filed with the Artesia office of the Oil Conservation Division (Exhibit A).*
- B.) A plat showing the proposed unorthodox locations, the respective proration units, and the offsetting proration units (Exhibit B).*
- C.) A Map showing wells and pipelines causing the move to an unorthodox location.*
- D.) A geologic map showing the contours of the Morrow and Atoka sands.*

*Oil Conservation Division*

*June 30, 2004*

*Page 2*

*Mack Energy's Diamondbacks State #1, Sec.28 T17S R29E, 2040 FNL & 2140 FEL was moved from the orthodox footages of 1980 FNL & 1980 FEL, the location was moved 60' south in order to clear the pipelines to the north, we did not want to move north due to depletion from existing wells. We then had to move 160' west to clear the GJ West #143 well. There were numerous buried injection lines to the east and the location would have to be moved over 450' east and could move us away from the Atoka/Morrow Channel as mapped. This is the best location to drill the thickest part of the Atoka and Morrow channel sand as possible. Mack Energy Corp. also operates the acreage that we are encroaching upon to the south and therefore no offset operators need be notified.*

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

*Sincerely,*

*MACK ENERGY CORPORATION*



*Jerry W. Sherrell  
Production Clerk*

*JWS/*

*Enclosures*

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

DISTRICT II  
P.O. Drawer DD, Artesia, NM 86211-0719

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

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

WELL LOCATION AND ACREAGE DEDICATION FLAT

AMENDED REPORT

API Number	Pool Code 77840	Pool Name Grayburg;Morrow
Property Code 33350	Property Name DIAMONDBACKS STATE	Well Number 1
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3565'

Surface Location

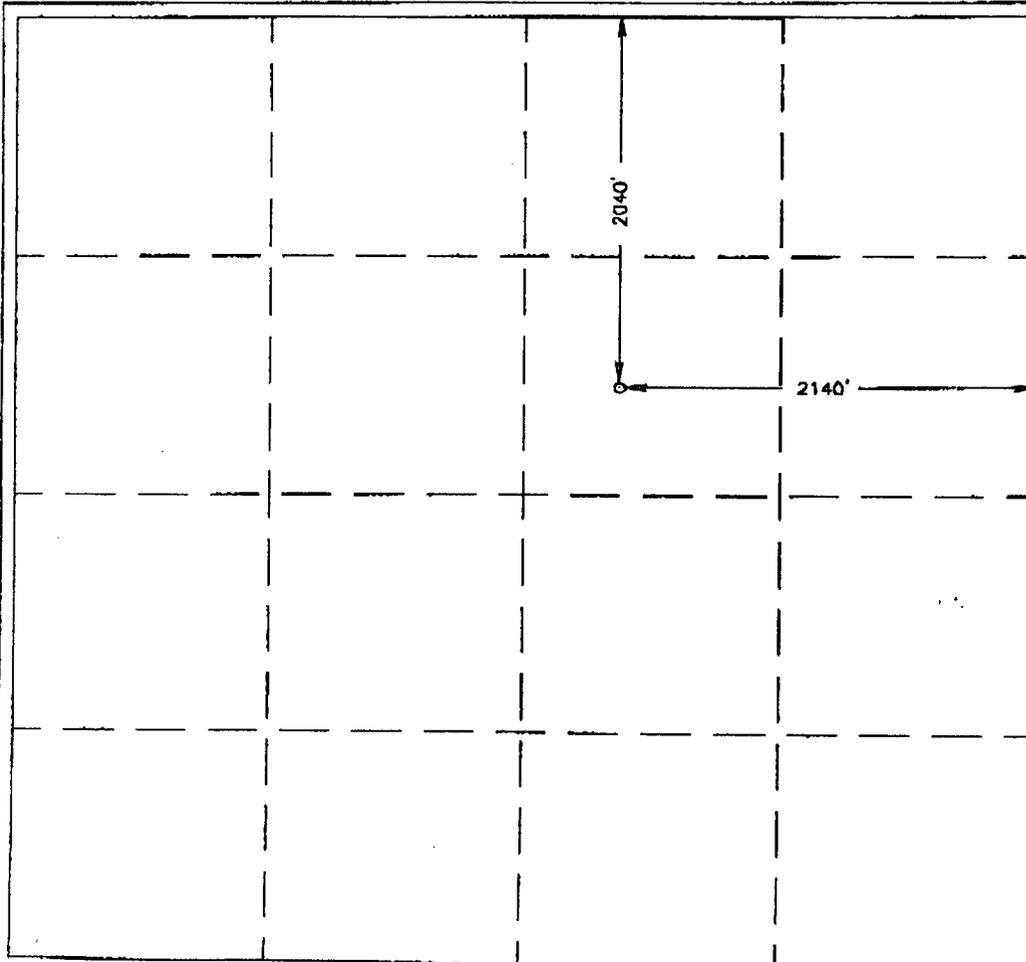
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	28	17-S	29-E		2040	NORTH	2140	EAST	EDDY

Bottom Hole Location If Different From Surface

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

Dedicated Acres	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



**OPERATOR CERTIFICATION**

I hereby certify the 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

6/29/2004  
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.

FEBRUARY 14, 2002  
Date Surveyed

AWB  
Signature of Registered Professional Surveyor

*Ronald G. Peterson*  
RONALD G. PETERSON  
2/18/02  
02-11-0134

02-11-0134  
Certificate No. RONALD G. PETERSON 3239  
GARY T. JENSEN 12641





Penrose  
St-Melch  
TD 2280

Fennell  
(Inarco)  
Aid. St. 71  
(TD9050)

TD 956  
TD 4050  
TD 920  
TD 900  
TD 941

TD 10831  
TD 910  
TD 7400

TD 933  
TD 64106

TD 6496  
TD 2749

TD 2851

Amoco  
Empire  
So. Op. Ut.  
TD 3916

5050

TD 2455  
TD 2400

TD 2932

TD 2640

Phillips  
(Gen. Amer.)  
Green  
TD 11000  
PB 2600

Midwest  
So. Empire Op.

TD 2750

TD 2955  
TD 2400

TD 2932

TD 2640

Phillips  
(Gen. Amer.)  
Green  
TD 11000  
PB 2600

Midwest  
So. Empire Op.

TD 2750

TD 3053

TD 2932

TD 2640

Phillips  
(Gen. Amer.)  
Green  
TD 11000  
PB 2600

Midwest  
So. Empire Op.

TD 2750

18

TD 2932

TD 2640

Phillips  
(Gen. Amer.)  
Green  
TD 11000  
PB 2600

Midwest  
So. Empire Op.

TD 2750

TD 3185

TD 2932

TD 2640

Phillips  
(Gen. Amer.)  
Green  
TD 11000  
PB 2600

Midwest  
So. Empire Op.

TD 2750

TD 3185

TD 2932

TD 2640

Phillips  
(Gen. Amer.)  
Green  
TD 11000  
PB 2600

Midwest  
So. Empire Op.

TD 2750

GRCP

CLASS THROUGH A

THICKNESS -

A zone north of

