

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 \_\_\_\_\_

2005 JAN 7 AM 11 39

- [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

1/5/2005  
 Date

jerrys@mackenergycorp.com  
 e-mail Address



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

January 5, 2005

Oil Conservation Division  
Attn: Mike Stogner  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

30-015-  
25072

Dear Mr. Stogner:

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

The well location and legal description is as follows:

Oryx State #1 (Formerly Duffield 16 State Com #1)  
990 FSL & 2180 FWL  
Sec. 16, T16S R27E, API 30-015-25072  
Eddy County, New Mexico

The well will be completed in the Strawn formation in the Diamond Mound Strawn 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).

Mack Energy is proposing to re-enter the Oryx State #1. This well was originally drilled as the Duffield 16 State Com #1 to a total depth of 8800', production casing was not run and well was plugged and abandoned in 1985. The acreage dedicated to this well is 320 acres, S/2 of Sec. 16 T16S R27E1. Mack Energy Corp. also operates the acreage that we are encroaching upon 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.

Oil Conservation Division  
January 5, 2005  
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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 above the printed name and title.

Jerry W. Sherrell  
Production Clerk

JWS/

Enclosures

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

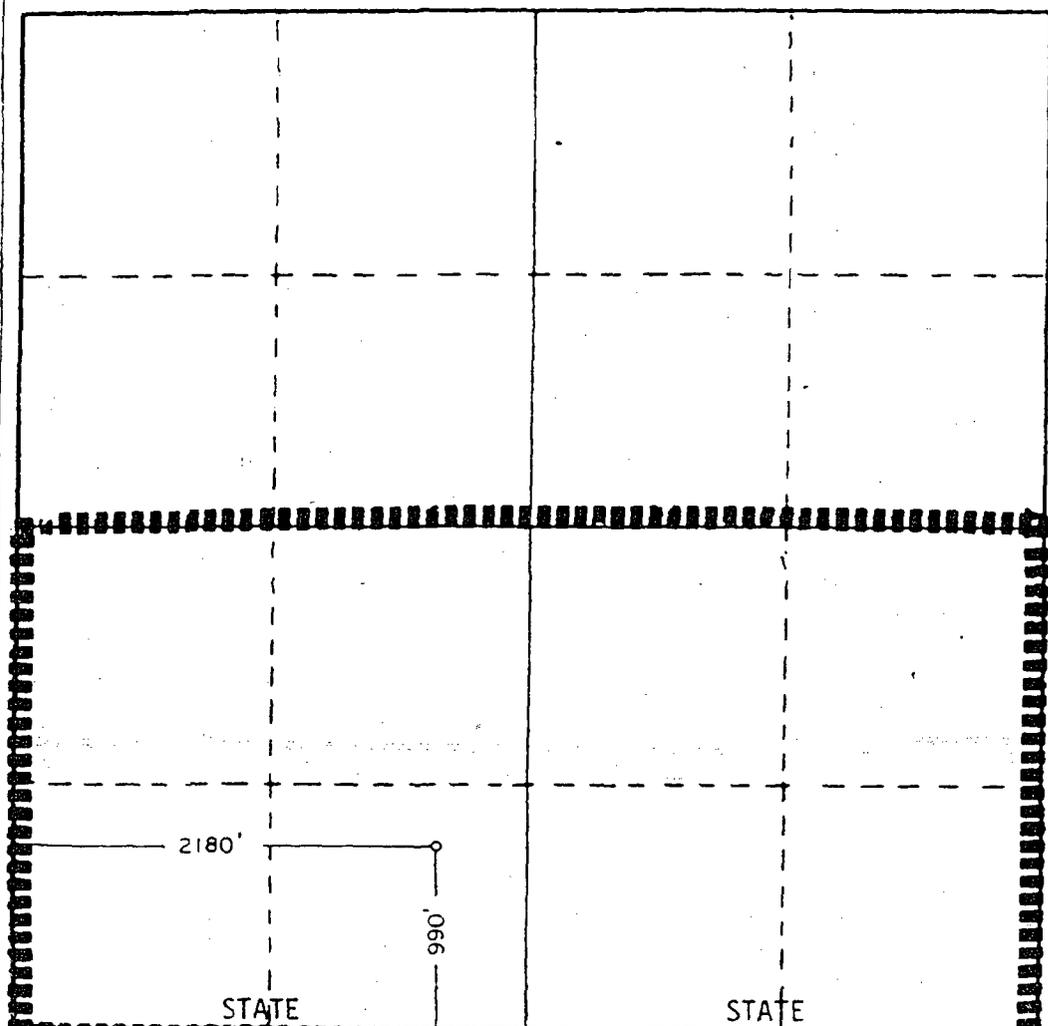
Operator <b>Mack Energy Corporation</b>			Lease <b>Oryx State</b>		Well No. <b>1</b>
Unit Letter <b>N</b>	Section <b>16</b>	Township <b>16S</b>	Range <b>27E</b>	County <b>Eddy</b>	
Actual Footage Location of Well: <b>990</b> feet from the <b>South</b> line and <b>2180</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3566.3</b>	Producing Formation <b>Strawn</b>		Pool <b>Diamond Mound</b>	Dedicated Acreage: <b>320</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

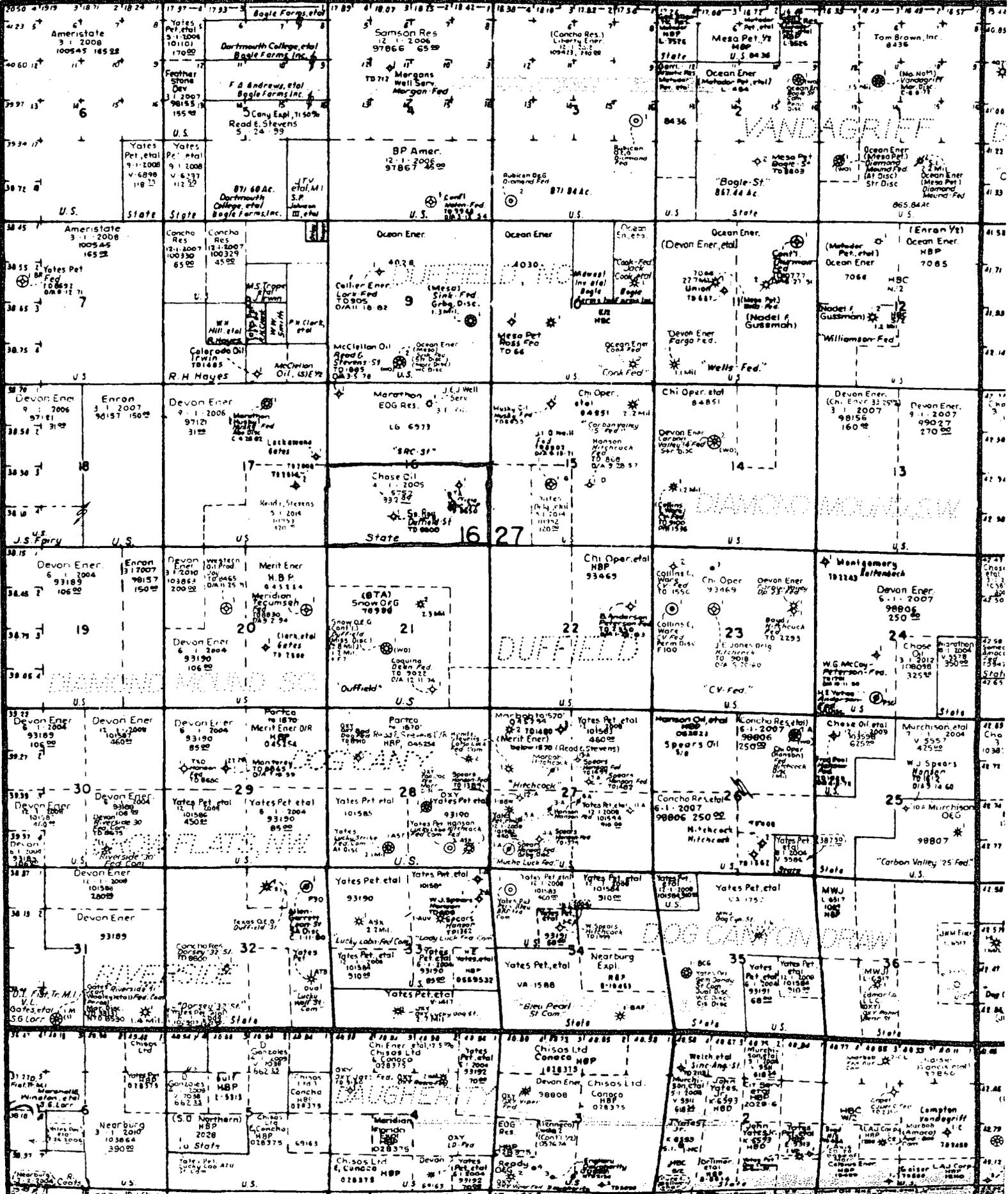
*Darrell Roberts*

Name	<b>Darrell Roberts</b>
Position	<b>Operations Engineer</b>
Company	<b>Southland Royalty Company</b>
Date	<b>8-6-85</b>

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 knowledge and belief.

Date Surveyed	<b>Nov. 2, 1984</b>
Registered Professional Engineer and/or Land Surveyor	<i>John W. West</i>

R-27-E



VANDAGRIFF

LANO

DIANNE

DUFFIELD

DOG CANYON DRAW

LAUGHLIN