

DATE 5/29/03	SUSPENSE NA	ENGINEER SRC	LOGGED IN KW	TYPE NSL	APP NO. PRR/03/5427061
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



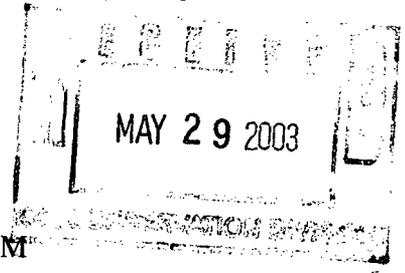
**ADMINISTRATIVE APPLICATION CHECKLIST**

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 \_\_\_\_\_



- [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		Production Clerk	5/26/2003
Print or Type Name	Signature	Title	Date
		jerrys@mackenergycorp.com	
		e-mail Address	



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

May 26, 2003

*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 this well in a timely manner, we also request your approval be expedited. The well location and legal description is as follows:*

*Brown Federal #4  
1040 FNL & 330 FWL  
Sec. 31, T17S, R32E  
Lea County, New Mexico*

*The well will be completed in the San Andres formation in the Maljamar-Grayburg-San Andres Pool.*

*Attached to this application are the following exhibits.*

- A.) Well location and acreage dedication plat (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 map showing the reason for the unorthodox location, the original location would have fallen on top of or too close to existing gas pipeline, the map will also show that there is 1 producing well, 2 wells staked and 1 other possible location for effective 10-acre spacing on this particular 40-acre tract (Exhibit C).*

*Oil Conservation Division*

*May 26, 2003*

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*Moving the location 50' to the south will give the distance needed to build a location away from the gas pipeline. This proposed well is encroaching on the SW/4 of the NW/4 of Sec. 31 T17S R32E, which is also part of this lease. The location would have to be moved approximately 300' north to get away from the pipeline to make it orthodox. This would place the well approximately 360' from the producing well to the north (Brown Federal #1). There are no other possible orthodox locations for this well due to future locations being located on 10-acre spacing.*

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

*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 1990, Hobbs, NM 88241-1990

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

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

OIL CONSERVATION DIVISION  
P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code	Pool Name
	43329	Maljamar;Graburg-San Andres
Property Code	Property Name	Well Number
6061	BROWN FEDERAL	4
OGRID No.	Operator Name	Elevation
013837	MACK ENERGY CORPORATION	3846'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	31	17-S	32-E		1040'	NORTH	330'	WEST	LEA

Bottom Hole Location If Different From Surface

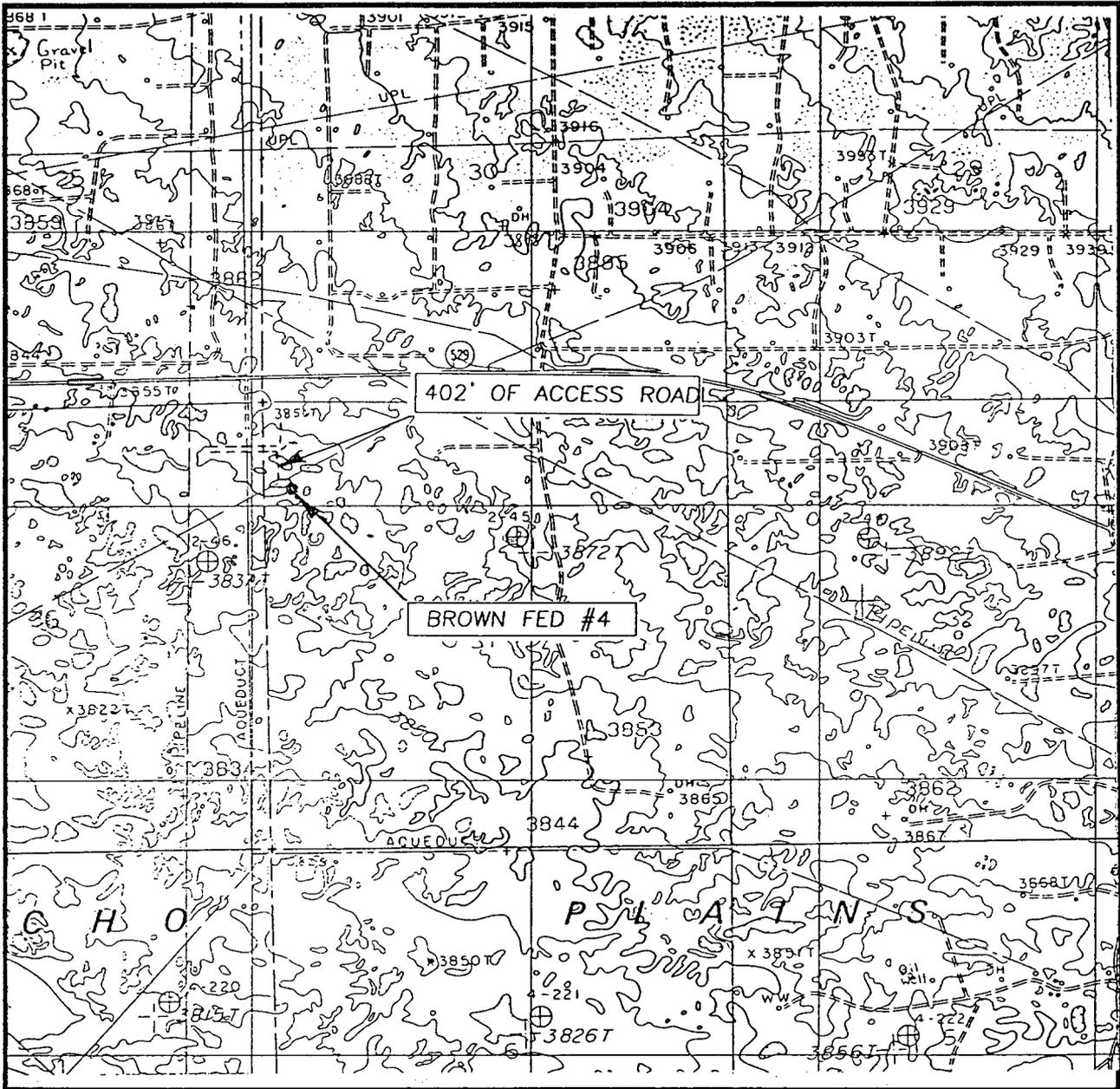
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40.96			

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>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Jerry W. Sherrell</i> Signature</p> <p>Jerry W. Sherrell Printed Name</p> <p>Production Clerk Title</p> <p>5/19/2003 Date</p>
	<p><b>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>May 06, 2003</p> <p>Date Surveyed <span style="float: right;">A.W.B</span></p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>Ronald J. Edson</i> 5/06/03 03.11.0472</p>
	<p>Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641</p>

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'  
MALJAMAR, N.M.

SEC. 31 TWP. 17-S RGE. 32-E

SURVEY \_\_\_\_\_ N.M.P.M.

COUNTY \_\_\_\_\_ LEA

DESCRIPTION 1040' FNL & 330' FWL

ELEVATION \_\_\_\_\_ 3846'

OPERATOR MACK ENERGY CORPORATION

LEASE \_\_\_\_\_ BROWN FEDERAL

U.S.G.S. TOPOGRAPHIC MAP

MALJAMAR, N.M.

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

27 24  
Edson  
02 JV-P Pickett  
8387  
AIO-11-88  
840201  
10 (P/B)  
26  
25  
12  
32  
23  
13  
11

104  
Cities Serv  
105  
106  
EG Woods  
108  
107  
306  
289  
163  
162  
160  
159  
161  
168  
297  
164  
165  
1166  
Forest  
Carper  
Fed  
TD 9220  
323 Cities Serv. OIA 1-11-63-295  
305 304  
218  
217  
216  
Aba. Disc  
215  
Simon  
U.S.

1-B  
Kersey E. Co.  
(Continental)  
B-4109  
Quality Prod  
Mal-  
jamar  
VA 912  
159 72  
Permian Basin  
v-3192 Inv.  
237 50  
Exxon  
HBP  
8-2613  
ote

2-A  
Future Well  
Arrowhead  
Brown  
Fed  
28 Mar  
219  
TD 4009  
Yates  
Sa. Malj.  
Op.  
(Ashmun & Hilliard)  
(Carper-Fed)  
TD 8176  
NTD 10128  
C. 11-24-76  
Pg. 3-24-77  
Amoco  
5-1-81(2)  
069105  
Geo Turner  
1-B  
TD. 4527  
U.S.

SKELLY UNIT  
TEXACO 13  
(OPER.)

Hudson & Hudson  
M.B.P.  
02943  
U.S.  
Puckett  
TD3946  
029415

Hudson & Hudson  
M.B.P.  
029415  
Puckett  
TD3963  
TD3960  
TD3961  
TD3903  
TD3943  
Puckett  
Hudson & Hudson, et al  
Puckett  
U.S.

Hudson & Hudson, et al  
Puckett  
U.S.  
Hudson, et al  
Puckett  
U.S.  
BTA  
0809 JV-P  
Puckett  
TD8400  
D/A 4-11-89  
U.S.

Santa Rita  
Phoenix  
TD4530  
Quality Prod  
6-1-98  
VA 912  
159 72  
Kersey & Co.  
(Continental)  
B-4109  
Mal-jamar  
Quality Prod  
6-1-98  
VA 912  
159 72  
Permian Basin  
Inv.  
v-3132  
23750  
Exxon  
M.B.P.  
B-2613  
State  
So Roy.  
(Maxwell)  
B 3627  
Hudson  
P62

Conoco  
"B"  
Buffalo  
18  
"Wm. Mitchell"  
U.S.

Conoco  
"A"  
Buffalo  
19  
Conoco  
"Wm Mitchell"  
U.S.

Cities Serv.  
EG Woods  
30  
Cities Serv.  
Abo. Disc  
Simon  
U.S.

Yates  
Sa. Maj.  
Op.  
(Ashmund Hilliard)  
(Carper-Deig)  
M.B.P.  
0274108  
Cities Serv.  
Amoco  
11-1-64(3)03428  
U.S.

Conoco  
"B"  
Buffalo  
Wm. Mitchell  
U.S.

Conoco  
"A"  
Buffalo  
19  
Conoco  
"Wm Mitchell"  
U.S.

Cities Serv.  
EG Woods  
29  
Cities Serv.  
Simon  
U.S.

Arrowhead  
Kersey  
Arrowhead  
Kersey  
Yates Pet.  
Antweil, et al  
Geo Turner  
U.S.