

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.

Deana Weaver

Print or Type Name

Signature

Production Clerk

Title

Date

dweaver@mec.com
e-mail Address

OLM - 89

- OLM
- MACK Energy Corp
13837

RECEIVED
JUN 12 2014

we
- Burnett Fee
30-015-42019

Pool
- Cass Drew;
Bone Spring
10380

6.10.14



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9539

June 10, 2014

Oil Conservation Division
Attn: Phillip R. Goetze
Santa Fe, NM 87505

Re: Off Lease Storage & Measurement:
Burnett Fee #1
Sec. 3 T23S R27E
Eddy County, New Mexico

Mack Energy Corporation as operator of the aforementioned lease respectfully requests administrative approval for the Off Lease Storage & Measurement on the following well:

Burnet Fee #1
Eddy County, NM
API # 30-015-35821
SHL: 400 FSL & 2115 FEL Sec. 3 T23S R27E
BHL: 965 FSL & 2285 FEL Sec. 3 T23S R27E
Cass Draw; Bone Spring- 10380

The Off-Lease Storage & Measurement facility is located on Mack Energy Corporation property, Mammoth Fee #1, NE/4 SW/4 Sec 3 R23S T27E, 2560 FSL & 2440 FWL.

Mack Energy Corporation plans to keep all production separate. The current system configuration is that of commonly accepted oil field practice for testing producing oil wells.

Mack Energy group owns all working interest in this lease. Attached is a diagram of our battery facility, and a map with lease boundaries showing all well and facility locations.

Please contact me at 575-748-1288 should you have questions.

Sincerely,

Deana Weaver
Production Clerk
dweaver@mec.com

Enclosures

MEMO

DATE: June 10, 2014

TO: NMOCD

FROM: Staci Sanders

RE: Off Lease Storage & Measurement

Burnet Fee Lease
T23S, R27E
Section 3: SW/4 SE/4
Eddy County, New Mexico

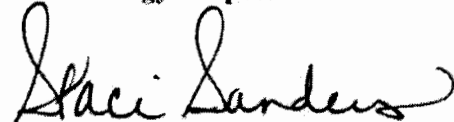
Mammoth Fee Lease
T23S, R27E
Section 3: NW/4 SE/4
Eddy County, New Mexico

Mack Energy Corporation is requesting approval for Off Lease Storage & Measurement for the Burnet Fee Lease to be located on the Mammoth Fee #1 location (K-3-T23S-R27E). Attached is a list of the Burnet Fee interest owners that have been notified via certified mail.

Please do not hesitate to contact me should you require any further information.

Sincerely,

Mack Energy Corporation



Staci Sanders
Land Department

Burnet Fee Lease

Ross Duncan Properties LLC P.O. Box 647 Artesia, NM 88211	RI
B&G Royalties P.O. Box 376 Artesia, NM 88211	RI
Panhandle Properties LLC P.O. Box 647 Artesia, NM 88211	RI
Michael R. Hyden 1104 N. Shore Dr. Carlsbad, NM 88220	RI
Rolla R. Hinkle, III P.O. Box 2292 Roswell, NM 88202-2292	ORRI
Madison M. Hinkle P.O. Box 2292 Roswell, NM 88202-2292	ORRI
Chase Oil Corporation P.O. Box 1767 Artesia, NM 88211	WI
Robert C. Chase P.O. Box 297 Artesia, NM 88211	WI
Ventana Minerals LLC P.O. Box 359 Artesia, NM 88211	WI
DiaKan Minerals LLC P.O. Box 693 Artesia, NM 88211	WI

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-42019	² Pool Code 10380	³ Pool Name Cass Draw; Bone Spring
⁴ Property Code 40369	⁵ Property Name BURNET FEE	
⁷ OGRID No. 13837	⁸ Operator Name MACK ENERGY CORPORATION	
		⁶ Well Number 1
		⁹ Elevation 3098.7

¹⁰ Surface Location

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	3	23 S	27 E		400	SOUTH	2115	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	3	23 S	27 E		965	SOUTH	2285	EAST	EDDY

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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>N89°29'41"E 2652.18 FT</p> <p>NW CORNER SEC. 3 LAT. = 32°20'29.059"N LONG. = 104°11'11.218"W NMSP EAST (FT) N = 487966.38 E = 586700.21</p> <p>L4</p>		<p>N89°28'55"E 2651.41 FT</p> <p>N O CORNER SEC. 3 LAT. = 32°20'29.254"N LONG. = 104°10'40.311"W NMSP EAST (FT) N = 487989.76 E = 589351.67</p> <p>L3</p>		<p>NE CORNER SEC. 3 LAT. = 32°20'29.452"N LONG. = 104°10'09.412"W NMSP EAST (FT) N = 488013.72 E = 592002.35</p> <p>L2</p>		<p>S01°10'41"W 2634.36 FT</p>	
<p>W O CORNER SEC. 3 LAT. = 32°20'03.290"N LONG. = 104°11'11.777"W NMSP EAST (FT) N = 485362.27 E = 586655.89</p> <p>L4</p>		<p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) IN DEGREES, MINUTES AND DECIMAL SECONDS FORMAT. LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.</p> <p>BURNET FEE #1 ELEV. = 3098.7' LAT. = 32°19'41.248"N (NAD83) LONG. = 104°10'35.311"W NMSP EAST (FT) N = 483139.25 E = 589787.72</p> <p>BOTTOM OF HOLE LAT. = 32°19'46.830"N LONG. = 104°10'37.141"W NMSP EAST (FT) N = 483703.09 E = 589629.83</p> <p>L3</p>		<p>E O CORNER SEC. 3 LAT. = 32°20'03.395"N LONG. = 104°10'10.090"W NMSP EAST (FT) N = 485380.53 E = 591948.20</p> <p>L2</p>		<p>S01°10'41"W 2634.36 FT</p>	
<p>SW CORNER SEC. 3 LAT. = 32°19'37.197"N LONG. = 104°11'12.340"W NMSP EAST (FT) N = 482725.43 E = 586611.17</p> <p>L4</p>		<p>S O CORNER SEC. 3 LAT. = 32°19'37.275"N LONG. = 104°10'41.811"W NMSP EAST (FT) N = 482736.97 E = 589230.57</p> <p>L3</p>		<p>SE CORNER SEC. 3 LAT. = 32°19'37.344"N LONG. = 104°10'10.761"W NMSP EAST (FT) N = 482747.89 E = 591894.67</p> <p>L2</p>		<p>S01°09'54"W 2633.80 FT</p>	
<p>N00°58'18"E 2637.83 FT</p>		<p>965'</p> <p>BOTTOM OF HOLE</p> <p>2285'</p> <p>2115'</p> <p>SURFACE LOCATION</p>		<p>S01°09'54"W 2633.80 FT</p>		<p>S89°44'52"W 2620.04 FT</p>	

¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Deana Weaver 6.10.14
Signature Date

Deana Weaver
Printed Name

dweaver@mec.com
E-mail Address

¹⁸ 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.

JANUARY 10, 2014
Date of Survey

[Signature]
Signature and Seal of Professional Surveyor

Certificate Number **FILIXION F. JARAMILLO, PLS 12797**
SURVEY NO. 2578

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-40930	² Pool Code 10380	³ Pool Name Cass Draw; Bone Spring
⁴ Property Code 39599	⁵ Property Name MAMMOTH FEE	
⁷ OGRID No. 13837	⁸ Operator Name MACK ENERGY CORPORATION	⁶ Well Number 1
		⁹ Elevation 3105.6

¹⁰ Surface Location

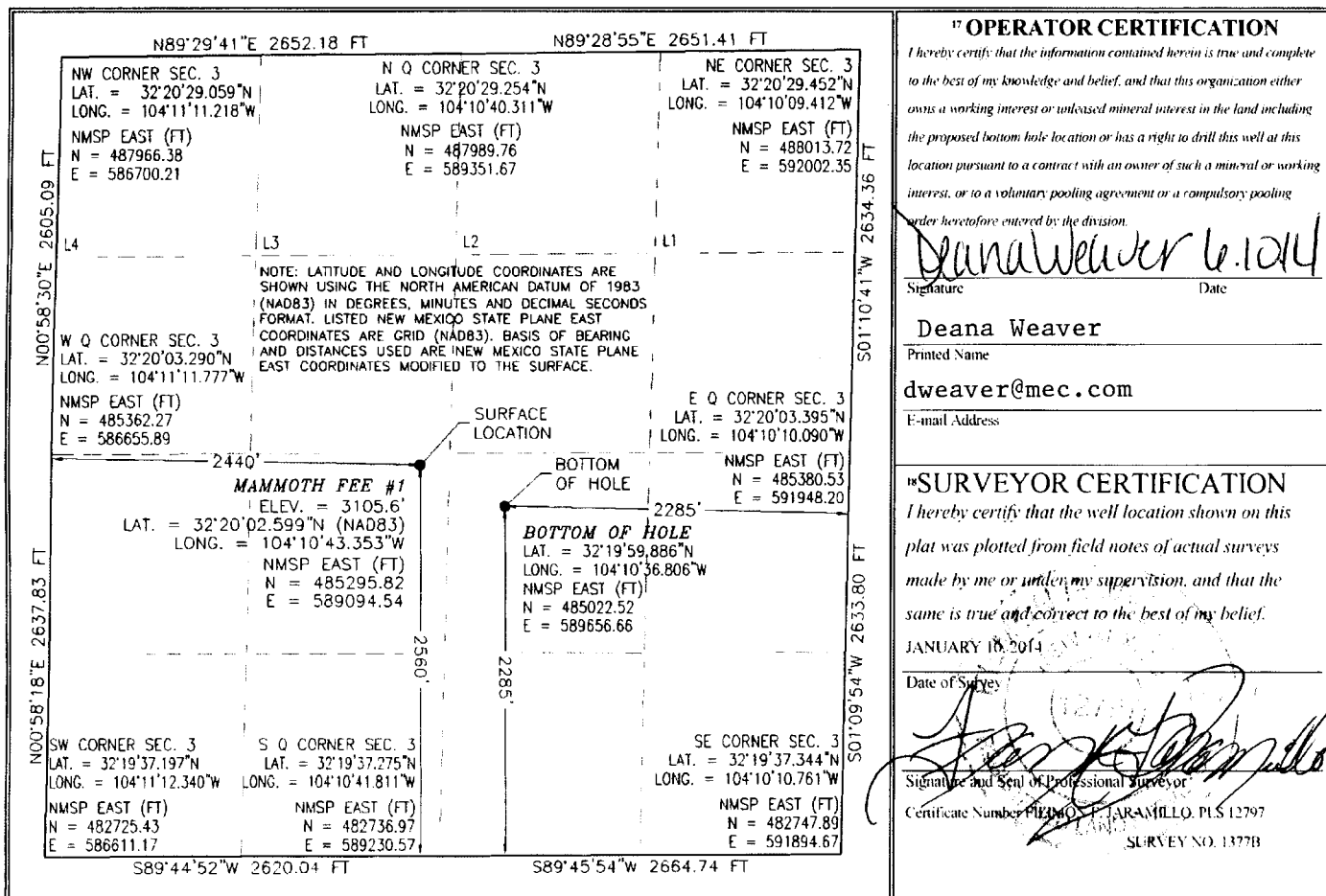
U.I. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	3	23 S	27 E		2560	SOUTH	2440	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

U.I. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	3	23 S	27 E		2285	SOUTH	2285	EAST	EDDY

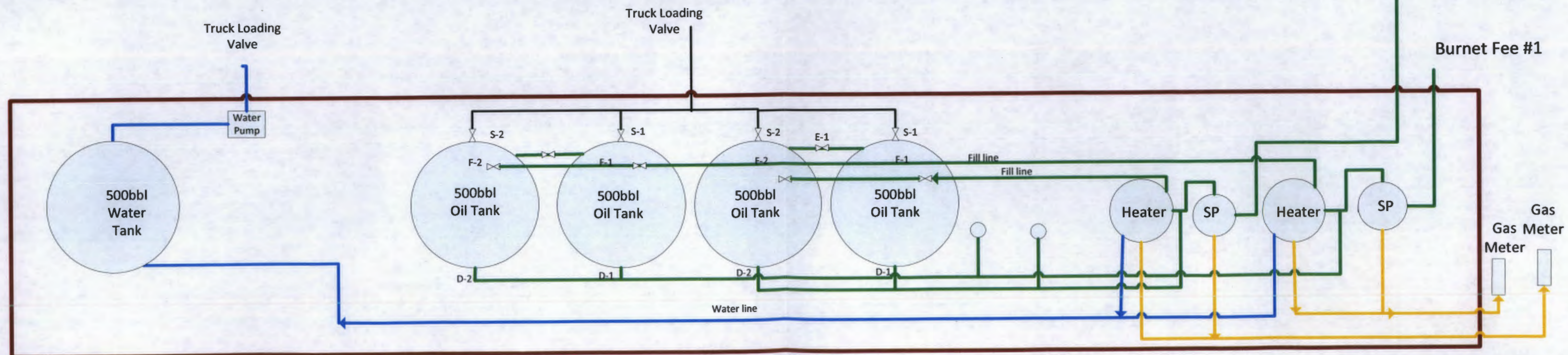
¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Mack Energy
Corporation
PO Box 960 Artesia, NM
88211-0960
Mammoth/Burnet TB
NESW Sec. 3 T23S R27E

Mammoth Fee #1





Polar Fee #1 - BHL

Dakota Fee #1 SL
Dakota Fee #1 - BHL

Mammoth Fee #1 - SL

Possibly use in place of building a frac pond

Canal SWD #1

Mammoth Fee #1 BHL

Lava Fee #1 -

Lava Fee

Burnett Fee #1 - BHL

Burnet Fee #1 - SL

Brantley Rd

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Imagery Date: 4/16/2013 32°19'50.59" N 104°10'45.36" W elev 3112'