

# NSL Initial Application

Received: 08/06/19

*This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete*

RECEIVED: 08/06/19	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1921929377
--------------------	---------------	-----------	------------------------

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & 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

<b>Applicant:</b> Mack Energy Corporation	<b>OGRID Number:</b> 013837
<b>Well Name:</b> Partition 24 Fed HE 1H	<b>API:</b> 30-025-44903
<b>Pool:</b> Fren; Glorieta-Yeso	<b>Pool Code:</b> 26770

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION  
 INDICATED BELOW**

**1) TYPE OF APPLICATION:** Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☒ NSL☐ NSP(PROJECT AREA)☐ NSP(PORATION UNIT)☐ SD

B. Check one only for [ I ] or [ II ]

[ I ] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[ II ] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IFI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐Application  
Content  
Complete

**3) 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

7/2/2019  
 Date

575-748-1288

Phone Number

jerrys@mec.com  
 e-mail Address



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

August 2, 2019

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

**Re: Application of Mack Energy Corporation for administrative approval of an unorthodox well location for its Partition 24 Fed HE 1H well in Lot 2 of Sec. 19 T17S, R32E, Lea County, New Mexico.**

Dear Ms. Sandoval:

Mack Energy Corporation (OGRID 13837) seeks administrative approval of an unorthodox well location for its **Partition 24 Fed HE 1H Well SHL 1486 FNL 229 FWL Sec. 19 T17S R32E, BHL 1640 FNL 79 FWL Sec. 24 T17S R31E** to be completed in the Fren; Glorieta Yeso Pool (Pool Code 26770) underlying Sec 24 T17S R31E, Eddy County, New Mexico. The upper most perforation is located 1558 FNL and 320 FEL Sec. 24. Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the spacing unit boundary of the spacing unit, the completed interval for this well is unorthodox because it is encroaching on the NENE Sec. 24 boundary of the spacing unit. Approval of the unorthodox completed interval will allow for full potential and prevent waste of a productive reservoir.

**Exhibit A** is an as drilled plat for the **Partition 24 Fed HE 1H Well** which shows that the completed interval encroaches on the NENE Sec. 24 T17S R31E.

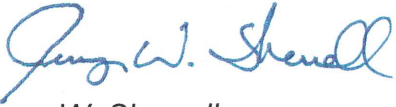
**Exhibit B** is a GIS map showing the outline of the subject acreage and the surrounding sections.

**Exhibit C** is a list of parties affected by the encroachment in the surrounding sections and/or units. A copy of this application with all attachments has been sent by certified mail to each affected party advising them that if they have an objection it must be filed in writing with the division within 20 days from the date the division receives this application. A courtesy copy of this application has also been provided to the Bureau of Land Management.

*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 blue ink, reading "Jerry W. Sherrell". The signature is fluid and cursive, with the first name "Jerry" and last name "Sherrell" clearly legible.

**Jerry W. Sherrell**  
**Production Clerk**

**JWS/**  
**Enclosures**



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**

<sup>1</sup> API Number <b>30-025-44903</b>	<sup>2</sup> Pool Code <b>26770</b>	<sup>3</sup> Pool Name <b>Fren; Gdorick-Yeso</b>
<sup>4</sup> Property Code <b>321520</b>	<sup>5</sup> Property Name <b>PARTITION 24 FED HE</b>	
<sup>7</sup> OGRID No. <b>13837</b>	<sup>8</sup> Operator Name <b>MACK ENERGY CORPORATION</b>	
		<sup>6</sup> Well Number <b>1H</b>
		<sup>9</sup> Elevation <b>3929</b>

**10 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>2</b>	<b>19</b>	<b>17S</b>	<b>32E</b>		<b>1486</b>	<b>NORTH</b>	<b>229</b>	<b>WEST</b>	<b>LEA</b>

**11 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
<b>E</b>	<b>24</b>	<b>17S</b>	<b>31E</b>		<b>1640</b>	<b>NORTH</b>	<b>79</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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>17 OPERATOR CERTIFICATION</b></p> <p>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.</p> <p>Signature: <u>Jerry W. Sherrill</u> Date: <u>7-2-2019</u></p> <p>Printed Name: <u>Jerry W. Sherrill</u></p> <p>Email Address: <u>jerryse@mecc.com</u></p>		<p><b>18 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>AUGUST 1, 2019</p> <p>Date of Survey: <u>AUGUST 1, 2019</u></p> <p>Signature and Seal of Professional Surveyor: <u>[Signature]</u></p> <p>Certificate Number: <u>ELIMON P. JARAMILLO, PLS 12797</u></p> <p>SURVEY NO. 7460</p>	
---	--	--	--

Intent ☐ As Drilled ☒

API #		
Operator Name: MACK ENERGY CORPORATION	Property Name: PARTITION 24 FED HE	Well Number 1H

Kick Off Point (KOP)

UL E	Section 19	Township 17S	Range 32E	Lot 2	Feet 1486	From N/S NORTH	Feet 229	From E/W EAST	County LEA
Latitude 32.8233483					Longitude 103.8137423			NAD 83	

First Take Point (FTP)

UL H	Section 24	Township 17S	Range 31E	Lot	Feet 1558	From N/S NORTH	Feet 320	From E/W EAST	County EDDY
Latitude 32.8231489					Longitude 103.8155288			NAD 83	

Last Take Point (LTP)

UL E	Section 24	Township 17S	Range 31E	Lot	Feet 1640	From N/S NORTH	Feet 100	From E/W WEST	County EDDY
Latitude 32.8228937					Longitude 103.8314143			NAD 83	

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

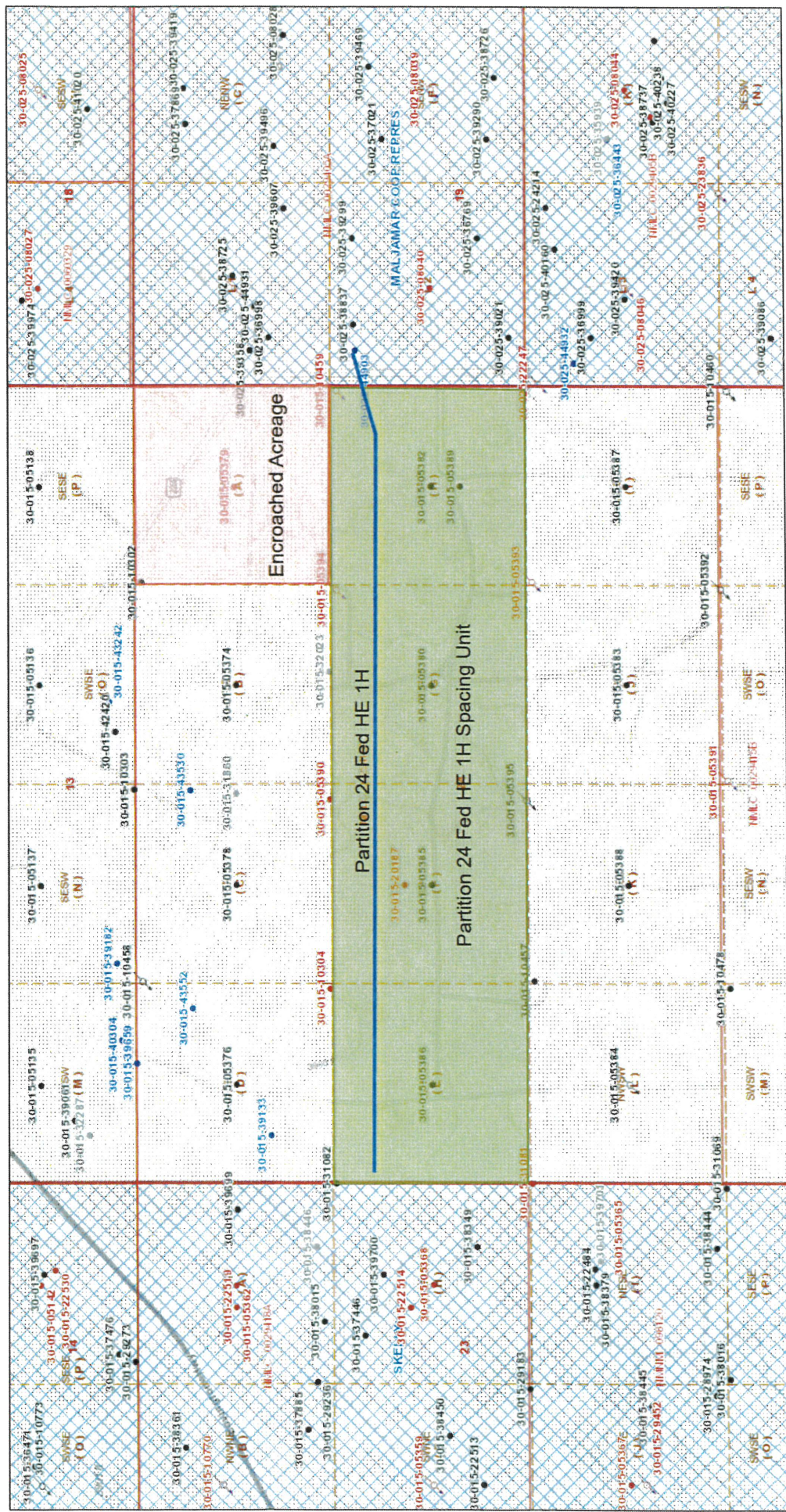
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018



# OCD Well Locations



8/21/2019, 7:27:37 AM

Override 1

Well Locations - Small Scale

Well Locations - Large Scale

Plugged

Cancelled

Temporarily Abandoned

Gas Active

Gas, Cancelled, Never Drilled

Gas, New

CO2 Active

CO2 Cancelled

Gas, Plugged

Gas, Temporarily Abandoned

Injection, Active

Injection, Cancelled

Injection, New

Injection, Plugged

Oil, Active

Oil, Cancelled

Oil, New

Oil, Plugged

Oil, Temporarily Abandoned

Salt Water Injection, Active

Salt Water Injection, Cancelled

Salt Water Injection, New

Salt Water Injection, Plugged

Salt Water Injection Temporarily Abandoned

Water, Active

Injection, Temporarily Abandoned

Injection, Active

0 0.07 0.15 0.3 0.6 mi

0 0.15 0.3 0.6 km

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community, OCD.

NW OCD Oil and Gas Map. <http://nm-enrmd.maps.arcgis.com/apps/webappviewer/> New Mexico Oil Conservation Division



---

**M E M O**

---

DATE: August 2, 2019  
TO: NMOCD  
FROM: STACI SANDERS  
MACK ENERGY CORPORATION

RE: **NON-STANDARD LOCATION**  
PARTITION 24 FEDERAL HE #1H WELL (API #30-025-44903)  
SHL: 1486' FNL & 229' FWL, SEC. 19, T17S-R32E  
FTP: 1558' FNL & 320' FEL, SEC. 24, T17S-R31E  
LTP: 1640' FNL & 100' FWL, SEC. 24, T17S-R31E  
BHL: 1640' FNL & 79' FWL, SEC. 24, T17S-R31E  
LEA COUNTY, NEW MEXICO

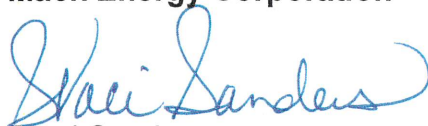
Mack Energy Corporation is seeking the approval of a non-standard location for the Partition 24 Federal HE #1H well. Please see the attached exhibit, which describes the lease and ownership for this well.

The Partition 24 Federal HE #1H will encroach on the NE/4 NE/4 of Section 24, T17S-R31E, which is also operated by Mack Energy Corporation and on the same Federal Lease therefore the ownership is identical.

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

Sincerely,

**Mack Energy Corporation**



Staci Sanders  
Land Manager



**USA Lease NMLC-029415-A: N/2 of Sec. 24, T17S-R31E**

Burnett Oil Company  
Burnett Plaza – Suite 1500  
801 Cherry Street, Unit #9  
Fort Worth, TX 76102

Zorro Partners, Ltd. WI  
616 Texas Street  
Fort Worth, TX 76102

EMC Oil & Gas Ltd. WI  
2720 W. 7<sup>th</sup> Street, Suite 202  
Fort Worth, TX 76107

Cranz Credit Shelter Trust  
Rose Anne Toppin Cranz, Trustee  
212 N. Rivercrest Drive  
Fort Worth, TX 76147

Chase Oil Corporation  
P.O. Box 1767  
Artesia, NM 88211

Robert C. Chase  
P.O. Box 297  
Artesia, NM 88211

Ventana Minerals LLC  
P.O. Box 359  
Artesia, NM 88211

DiaKan Minerals LLC  
P.O. Box 693  
Artesia, NM 88211

Powder Run LLC  
P.O. Box 211  
Artesia, NM 88211

SIGNATURE PAGE

***The undersigned approves of Mack Energy Corporation for administrative approval of an unorthodox well location for its Partition 24 Fed HE 1H well in Lot 2 of Sec. 19 T17S, R32E, Lea County, New Mexico.***

**BURNETT OIL COMPANY**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**CHASE OIL CORPORATION**

By: Shae D. Sanders

Date: 8/5/19

**JAVALINA PARTNERS**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**ZORRO PARTNERS, Ltd.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**EMC OIL & GAS Ltd.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**CRANZ CREDIT SHELTER TRUST**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**ROBERT C. CHASE**

By: Robert C. Chase

Date: 8/5/2019

VENTANA MINERALS, LLC

By: Shari D. Sanders

Date: 8/5/19

DIAKAN MINERALS, LLC

By: Courtney Loney

Date: 8/5/19

POWDER RUN LLC

By: Mr. Lee

Date: 8/5/19



SIGNATURE PAGE

**The undersigned approves of Mack Energy Corporation for administrative approval of an unorthodox well location for its Partition 24 Fed HE 1H well in Lot 2 of Sec. 19 T17S, R32E, Lea County, New Mexico.**

BURNETT OIL COMPANY

By: Charles E. Nagel III *Charles E. Nagel III* <sup>by: Burnett Oil Co., Inc.</sup>  
*its Managing General Partner*  
Date: 8-2-19

CHASE OIL CORPORATION

By: \_\_\_\_\_ Date: \_\_\_\_\_

JAVALINA PARTNERS

By: \_\_\_\_\_ Date: \_\_\_\_\_

ZORRO PARTNERS, Ltd.

By: \_\_\_\_\_ Date: \_\_\_\_\_

EMC OIL & GAS Ltd.

By: \_\_\_\_\_ Date: \_\_\_\_\_

CRANZ CREDIT SHELTER TRUST

By: \_\_\_\_\_ Date: \_\_\_\_\_

ROBERT C. CHASE

By: \_\_\_\_\_ Date: \_\_\_\_\_

SIGNATURE PAGE

***The undersigned approves of Mack Energy Corporation for administrative approval of an unorthodox well location for its Partition 24 Fed HE 1H well in Lot 2 of Sec. 19 T17S, R32E, Lea County, New Mexico.***

BURNETT OIL COMPANY

By: \_\_\_\_\_

Date: \_\_\_\_\_

CHASE OIL CORPORATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

JAVALINA PARTNERS

By: \_\_\_\_\_

Date: \_\_\_\_\_

ZORRO PARTNERS, Ltd.

By: *Danna Nehles*

Date: *8-2-19*

EMC OIL & GAS Ltd.

By: \_\_\_\_\_

Date: \_\_\_\_\_

CRANZ CREDIT SHELTER TRUST

By: \_\_\_\_\_

Date: \_\_\_\_\_

ROBERT C. CHASE

By: \_\_\_\_\_

Date: \_\_\_\_\_

SIGNATURE PAGE

*The undersigned approves of Mack Energy Corporation for administrative approval of an unorthodox well location for its Partition 24 Fed HE 1H well in Lot 2 of Sec. 19 T17S, R32E, Lea County, New Mexico.*

BURNETT OIL COMPANY

By: \_\_\_\_\_

Date: \_\_\_\_\_

CHASE OIL CORPORATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

JAVELINA PARTNERS

By: Suparna Bose CFO

Date: 8/2/2019

ZORRO PARTNERS, Ltd.

By: \_\_\_\_\_

Date: \_\_\_\_\_

EMC OIL & GAS Ltd.

By: \_\_\_\_\_

Date: \_\_\_\_\_

CRANZ CREDIT SHELTER TRUST

By: \_\_\_\_\_

Date: \_\_\_\_\_

ROBERT C. CHASE

By: \_\_\_\_\_

Date: \_\_\_\_\_



SIGNATURE PAGE

***The undersigned approves of Mack Energy Corporation for administrative approval of an unorthodox well location for its Partition 24 Fed HE 1H well in Lot 2 of Sec. 19 T17S, R32E, Lea County, New Mexico.***

**BURNETT OIL COMPANY**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**CHASE OIL CORPORATION**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**JAVALINA PARTNERS**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**ZORRO PARTNERS, Ltd.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**EMC OIL & GAS Ltd.**

By:  \_\_\_\_\_

Date: 08-05-2019

**CRANZ CREDIT SHELTER TRUST**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**ROBERT C. CHASE**

By: \_\_\_\_\_

Date: \_\_\_\_\_

SIGNATURE PAGE

***The undersigned approves of Mack Energy Corporation for administrative approval of an unorthodox well location for its Partition 24 Fed HE 1H well in Lot 2 of Sec. 19 T17S, R32E, Lea County, New Mexico.***

**BURNETT OIL COMPANY**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**CHASE OIL CORPORATION**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**JAVALINA PARTNERS**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**ZORRO PARTNERS, Ltd.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**EMC OIL & GAS Ltd.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**CRANZ CREDIT SHELTER TRUST**

By: Rose Anne Cranz

Date: 8/5/19

**ROBERT C. CHASE**

By: \_\_\_\_\_

Date: \_\_\_\_\_

8/6/2019

**State of New Mexico**  
**Energy, Minerals and Natural Resources Department**  
**Oil Conservation Division**



## Receipt of Fee Application Payment

**PO Number: 441AW-190806-NSL000**

Payment Date: 8/6/2019 12:48:56 PM

Payment Amount: \$150.00

Payment Type: Credit Card

Application Type: Application for administrative approval of a non-standard location.

Fee Amount: \$150.00

Application Status: Pending Document Delivery

OGRID: 13837

First Name: Jerry

Last Name: Sherrell

Email: jerrys@mec.com

**IMPORTANT:** If you are mailing or delivering your application, you must print and include your receipt of payment as the first page on your application. All mailed and delivered applications must be sent to the following address: 1220 S. St. Francis Dr., Santa Fe, NM 87505. For inquiries, reference the PO Number listed above.