

District I  
1621 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

**Oil Conservation Division**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505

**APPLICATION FOR DOWNHOLE COMMINGLING**

Mack Energy Corporation

DHC-3496  
P.O. Box 960, Artesia, NM 88211-0960

Operator

Address

Gar State

2

D-23-T16S-R33E

Lea

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 013837 Property Code \_\_\_\_\_ API No. 30-025-01264 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<del>Upper</del> Hume Queen West		Wildcat Grayburg
PoolCode	33560 ✓		N/A 97444
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	(+)(-)3900-4000'		(+)(-)4400-4500'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	36.8		36.8
Producing, Shut-In or New Zone	New Zone		New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: <del>Water</del> Rates: <del>Water</del>	Date: _____ Rates: _____	Date: <del>Gas</del> Rates: <del>Gas</del>
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or put production, supporting data or explanation will be required.)	Oil _____ Gas _____ % %	Oil _____ Gas _____ % %	Oil _____ Gas _____ % %

**ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No \_\_\_\_\_  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes \_\_\_\_\_ No \_\_\_\_\_

Are all produced fluids from all commingled zones compatible with each other? Yes  No \_\_\_\_\_

Will commingling decrease the value of production? Yes \_\_\_\_\_ No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes \_\_\_\_\_ No \_\_\_\_\_

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

**Attachments:**

- C- 1 02 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

**PRE-APPROVED POOLS**

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 6/21/2005

TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. ( 505 ) 748-1288

E-MAIL ADDRESS jerrys@mackenergycorp.com



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

June 21, 2005

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

Re: Downhole Commingling, and measurement of  
Hydrocarbon Production for:  
Gar State #2  
Section 23, T16S, R33E  
Lea County, New Mexico

RECEIVED  
JUN 24 2005  
OIL CONSERVATION  
DIVISION

Mack Energy Corporation as operator of the aforementioned well respectfully requests administrative approval for down hole commingling and measurement of production.

Mack Energy proposes to commingle Hume Queen West and Wildcat Grayburg production in the Gar State #2, API 30-025-01264(State of NM Lease VB-638). Production of both pools will be measured at the Gar State Tank Battery. This lease has common interest in both pools. Notification has been made to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle. Testing will be conducted and allocation percentages will be sent to OCD after completion of this well.

Should you require any additional information concerning this application, please call Jerry W. Sherrell at the above number. Thank you for your consideration of this request.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell  
Production Clerk  
[jerrys@mackenergycorp.com](mailto:jerrys@mackenergycorp.com)

JWS/

Enclosures

**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**

FORM C-128  
 Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

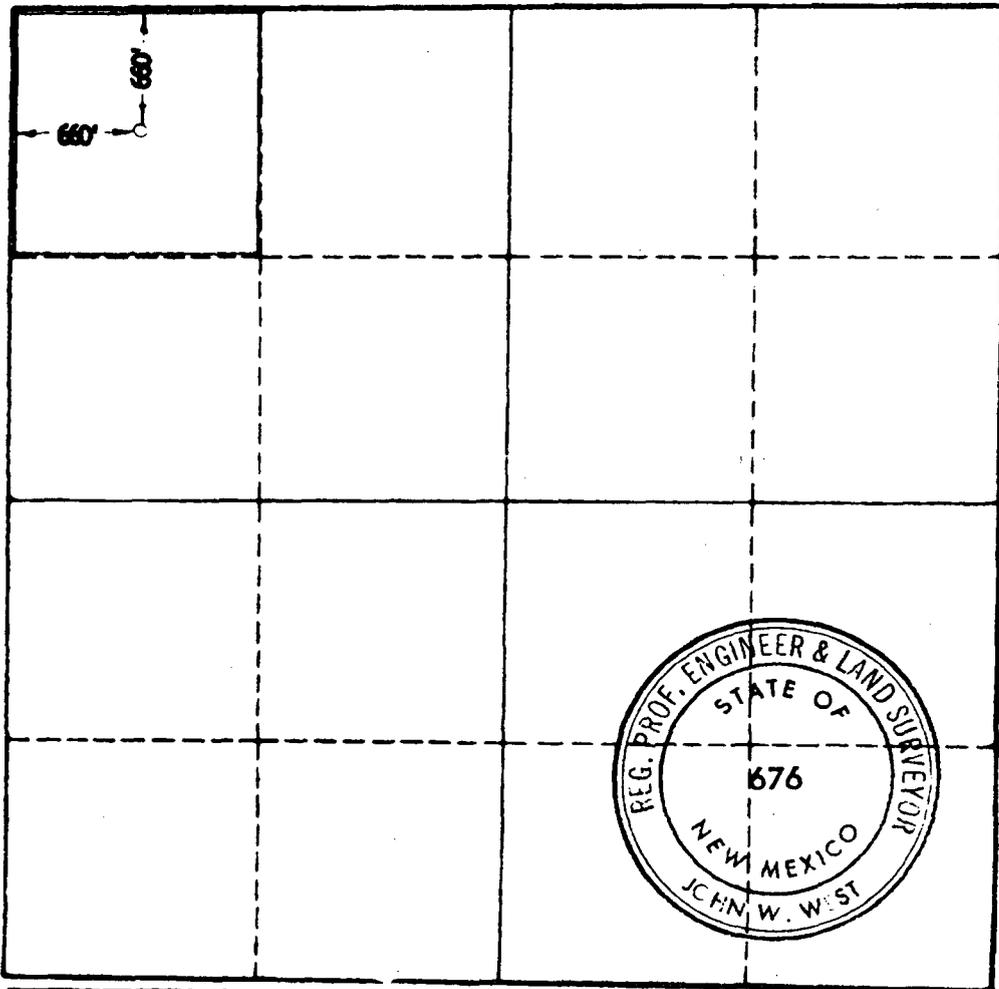
**SECTION A**

Operator Mack Energy Corporation		Lease Gar State		1962 SEP 17 AM 10:10	Well No. 2
Unit Letter D	Section 23	Township 16 SOUTH	Range 33 EAST	County LEA	
Actual Footage Location of Well: 660 feet from the NORTH line and 660 feet from the WEST line					
Ground Level Elev. 4177.5	Producing Formation Queen		Pool Hume	Dedicated Acreage: 40 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES  NO  ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1955 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES  NO . If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

**SECTION B**



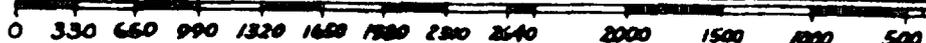
**CERTIFICATION**

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name <i>A. L. Smith</i>
Position Agent
Company Tom Brown Drilg. Co., Inc.
Date 9/17/62

I hereby certify that the well location shown on the plat in SECTION B 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 9-15-62
Registered Professional Engineer and/or Land Surveyor, JOHN W. WEST
<i>John W. West</i>
Certificate No. N.M. - P.E. & L.S. NO. 878



**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**

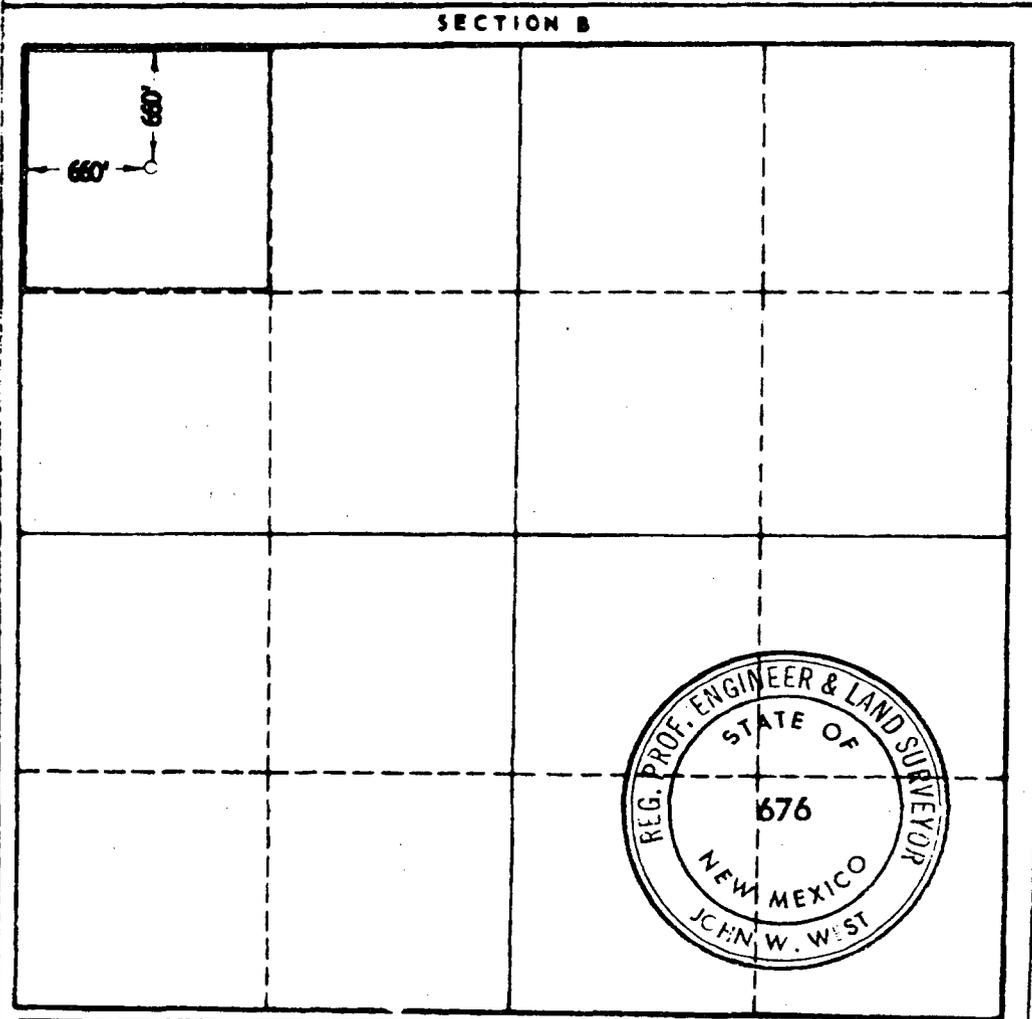
FORM C-128  
 Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

Operator <b>Mack Energy Corporation</b>				Lease <b>1952 SEP 17 AM 10:11 80</b>	
Unit Letter <b>D</b>				Gar State <b>2</b>	
Section <b>23</b>	Township <b>16 SOUTH</b>	Range <b>33 EAST</b>	County <b>LEA</b>		
Actual Footage Location of Well: <b>660</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>WEST</b> line					
Ground Level Elev. <b>4177.5</b>	Producing Formation <b>Grayburg</b>	Pool <b>Wildcat</b>	Dedicated Acreage: <b>40</b> Acres		

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES  NO \_\_\_\_\_ ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (a) NMSA 1955 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES \_\_\_\_\_ NO \_\_\_\_\_. If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description



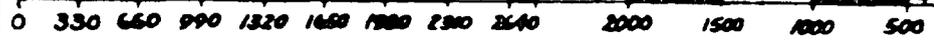
**CERTIFICATION**

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name *A. L. Smith*  
 Position **Agent**  
 Company **Tom Brown Drilg. Co., Inc.**  
 Date **9/17/62**

I hereby certify that the well location shown on the plat in SECTION B 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 **9-15-62**  
 Registered Professional Engineer and/or Land Surveyor, **JOHN W. WEST**  
*John W. West*  
 Certificate No. \_\_\_\_\_



District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 811 S. 1st Street Artesia, NM 88210-1404  
 District III  
 1000 Rio Brazos Rd, Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
 PO Box 2088  
 Santa Fe, NM 87504-2088

Form C-101  
 Revised February 10, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 6 Copies  
 Fee Lease - 5 Copies

AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

Operator Name and Address Mack Energy Corporation P.O. Box 960 Artesia, NM 88211-0960		OGRID Number 013837
		API Number 30-025-01264
Property Code	Property Name Gar State	Well No. 2

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	23	16S	33E		660	North	660	West	Lea

**Proposed 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
Proposed Pool 1 Wildcat Grayburg					Proposed Pool 2 Hume Queen West				

Work Type Code E Multiple Yes	Well Type Code O Proposed Depth 4600'	Cable/Rotary R Formation Queen/Grayburg	Lease Type Code S Contractor	Ground Level Elevation 4178' Spud Date 6/30/2005
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**Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11	8 5/8"	20	330'	200 sx	Circulated
7 7/8	5 1/2"	17	4600'	1200 sx	0

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Mack Energy Corporation proposes to Re-enter the formerly Humble State #1 now Gar State #2 to a depth of 4600' log well and evaluate the Queen/GB formation, run 5 1/2" casing and cement. Put well on production.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief		<b>OIL CONSERVATION DIVISION</b>	
Signature <i>Jerry W. Sherrell</i>			
Printed name: Jerry W. Sherrell		Approval by:	
Title: Production Clerk		Title:	
Date: 6/21/2005		Approval Date:	
Phone: (505)748-1288		Expiration Date:	
Conditions of Approval: Attached <input type="checkbox"/>			

**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**

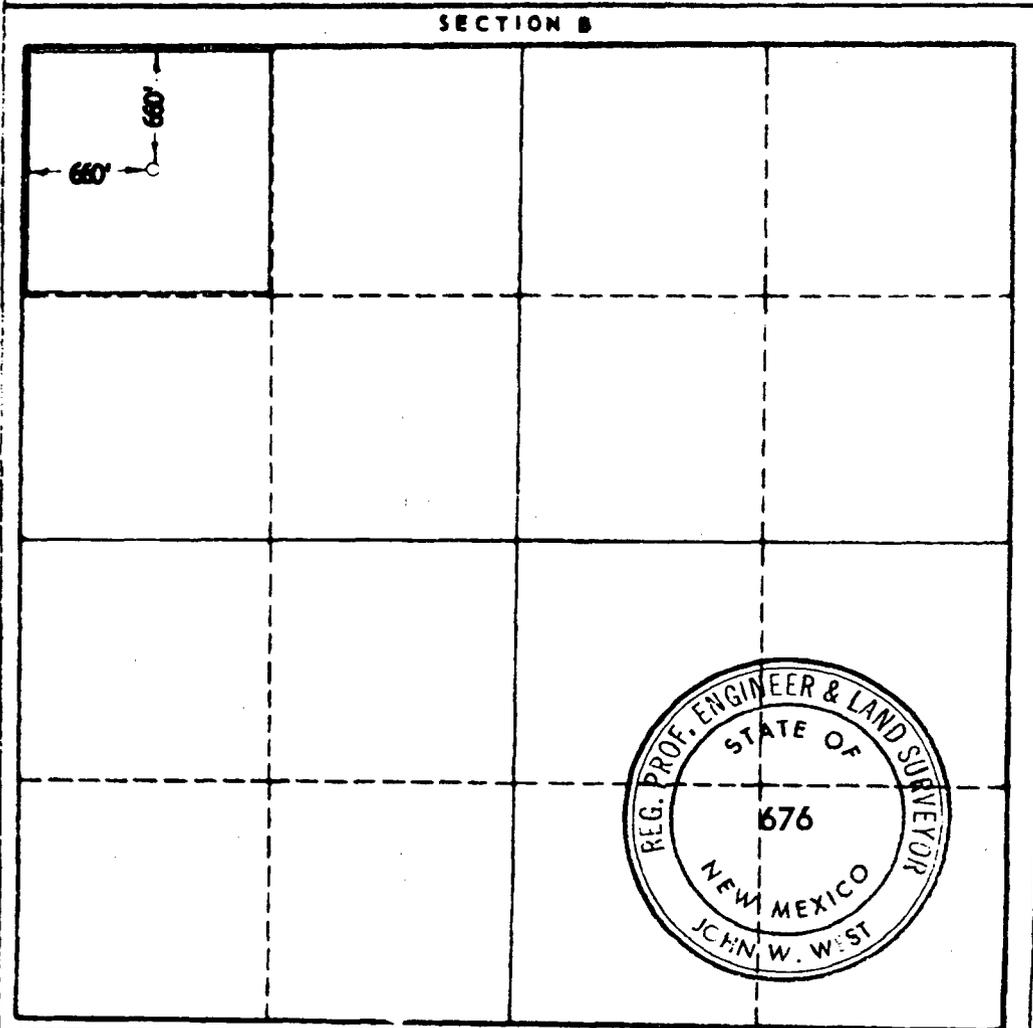
FORM C-128  
 Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

Operator Mack Energy Corporation			Lease Gar State		1962 SEP 17 AM 10 Cell 84	2
Unit Letter D	Section 23	Township 16 SOUTH	Range 33 EAST	County LEA		
Actual Footage Location of Well: 660 feet from the NORTH line and 660 feet from the WEST line						
Ground Level Elev. 4177.5	Producing Formation Queen		Pool Hume	Dedicated Acreage: 40 Acres		

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES  NO  ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1955 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES  NO . If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description



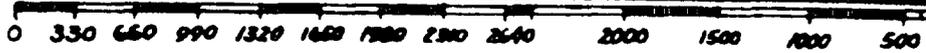
**CERTIFICATION**

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name <i>A. L. Smith</i>
Position Agent
Company Tom Brown Drilg. Co., Inc.
Date 9/17/62

I hereby certify that the well location shown on the plat in SECTION B 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 9-15-62
Registered Professional Engineer and/or Land Surveyor, JOHN W. WEST
<i>John W. West</i>
Certificate No. N.M. - P.E. & L.S. NO. 474



**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**

FORM C-128  
 Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

<b>SECTION A</b>	
Operator Mack Energy Corporation	Lease 1962 SEP 17 AM 10:11 80 Gar State _____ 2

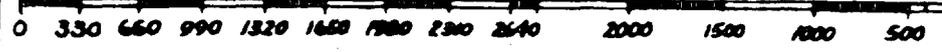
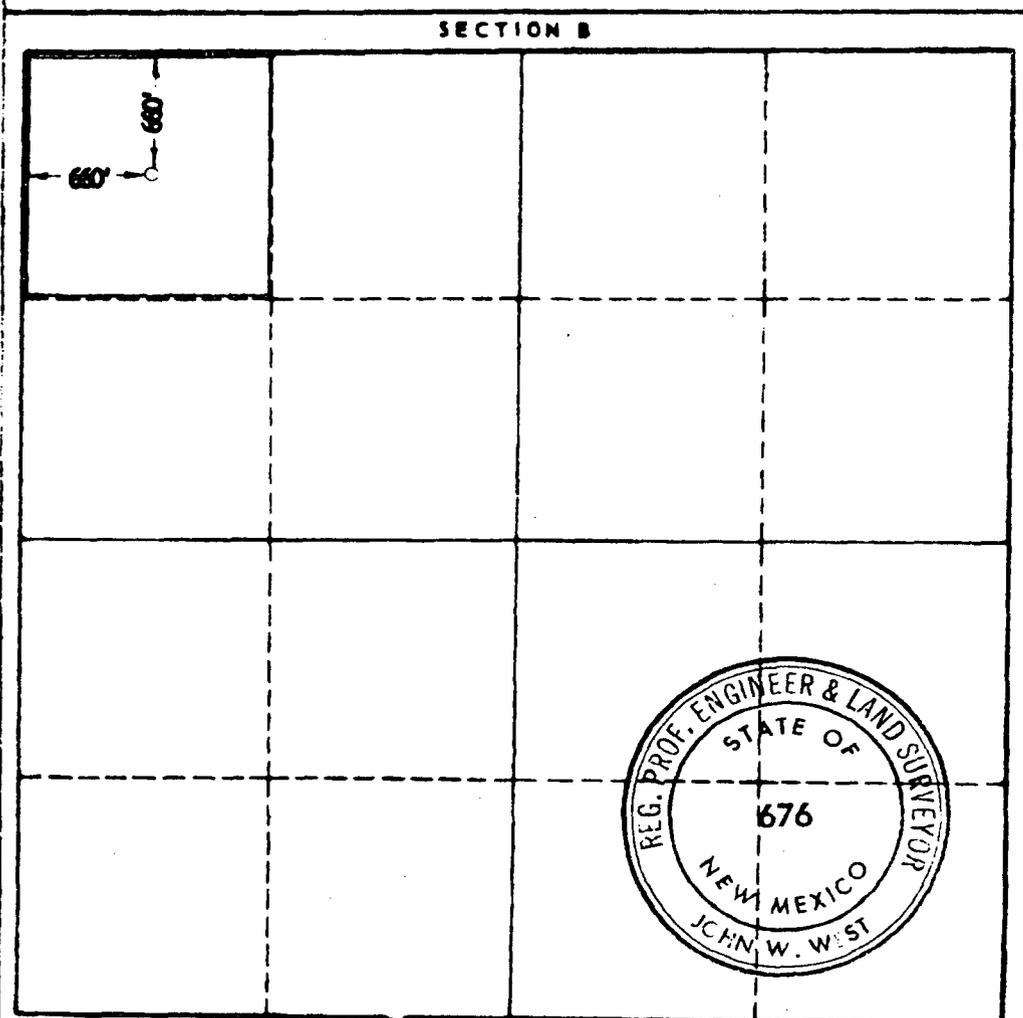
Unit Letter <b>D</b>	Section <b>23</b>	Township <b>16 SOUTH</b>	Range <b>33 EAST</b>	County <b>LEA</b>
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Actual Footage Location of Well:  
**660** feet from the **NORTH** line and **660** feet from the **WEST** line

Ground Level Elev. <b>4177.5</b>	Producing Formation Grayburg	Pool Wildcat	Dedicated Acreage: <b>40</b> Acres
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1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES  NO \_\_\_\_\_ ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (a) NMSA 1955 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES \_\_\_\_\_ NO \_\_\_\_\_. If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description



**CERTIFICATION**

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name <i>A. L. Smith</i>
Position <b>Agent</b>
Company <b>Tom Brown Drlg. Co., Inc.</b>
Date <b>9/17/62</b>

I hereby certify that the well location shown on the plat in SECTION B 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>9-15-62</b>
Registered Professional Engineer and/or Land Surveyor, <b>JOHN W. WEST</b>
<i>John W. West</i>
Certificate No. _____

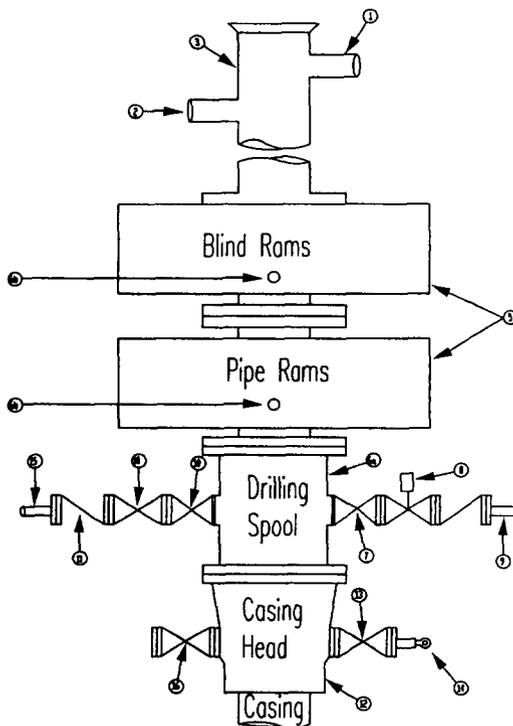
**Mack Energy Corporation**  
**Minimum Blowout Preventer Requirements**  
**2000 psi Working Pressure**  
**2 MWP**  
**EXHIBIT #1-A**

**Stack Requirements**

NO.	Items	Min. I.D.	Min. Nominal
1	Flowline		2"
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		
5	Two single or one dual hydraulically operated rams		
6a	Drilling spool with 2" min. kill line and 3" min choke line outlets		2" Choke
6b	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above)		
7	Valve Gate Plug	3 1/8	
8	Gate valve-power operated	3 1/8	
9	Line to choke manifold		3"
10	Valve Gate Plug	2 1/16	
11	Check valve	2 1/16	
12	Casing head		
13	Valve Gate Plug	1 13/16	
14	Pressure gauge with needle valve		
15	Kill line to rig mud pump manifold		2"

**OPTIONAL**

16	Flanged Valve	1 13/16	
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**CONTRACTOR'S OPTION TO FURNISH:**

1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 2000 psi minimum.
2. Automatic accumulator (80 gallon, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
3. BOP controls, to be located near drillers' position.
4. Kelly equipped with Kelly cock.
5. Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
6. Kelly saver-sub equipped with rubber casing protector at all times.
7. Plug type blowout preventer tester.
8. Extra set pipe rams to fit drill pipe in use on location at all times.
9. Type RX ring gaskets in place of Type R.

**MEC TO FURNISH:**

1. Bradenhead or casing head and side valves.
2. Wear bushing. If required.

**GENERAL NOTES:**

1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through choke valves must be full opening and suitable for high pressure mud service.
3. Controls to be of standard design and each marked, showing opening and closing position
4. Chokes will be positioned so as not to hamper or delay changing of choke beans. Replaceable parts for adjustable choke, or bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with handwheels or handles ready for immediate use.
6. Choke lines must be suitably anchored.

7. Handwheels and extensions to be connected and ready for use.
8. Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
9. All seamless steel control piping (2000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
10. Casinghead connections shall not be used except in case of emergency.
11. Do not use kill line for routine fill up operations.

# Mack Energy Corporation

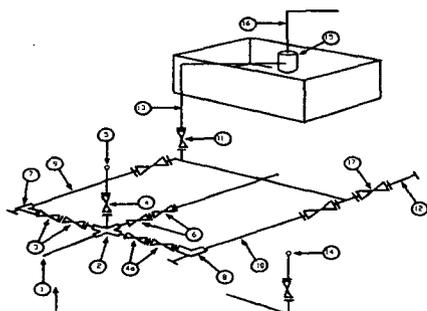
Exhibit #1-A

## MINIMUM CHOKE MANIFOLD

3,000, 5,000, and 10,000 PSI Working Pressure

2 M will be used or greater

3 MWP - 5 MWP - 10 MWP



Mud Pit

Reserve Pit

\* Location of separator optional

Below Substructure

### Minimum requirements

No.		3,000 MWP			5,000 MWP			10,000 MWP		
		I.D.	NOMINAL	Rating	I.D.	Nominal	Rating	I.D.	Nominal	Rating
1	Line from drilling Spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3" x 3" x 3" x 2"			3,000			5,000			
2	Cross 3" x 3" x 3" x 2"									10,000
3	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
4	Valve Gate Plug	1 13/16		3,000	1 13/16		5,000	1 13/16		10,000
4a	Valves (1)	2 1/16		3,000	2 1/16		5,000	2 1/16		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
7	Adjustable Choke (3)	2"		3,000	2"		5,000	2"		10,000
8	Adjustable Choke	1"		3,000	1"		5,000	2"		10,000
9	Line		3"	3,000		3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000		2"	10,000
11	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000
12	Line		3"	1,000		3"	1,000		3"	2,000
13	Line		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound Standpipe pressure gauge			3,000			5,000			10,000
15	Gas Separator		2' x 5'			2' x 5'			2' x 5'	
16	Line		4"	1,000		4"	1,000		4"	2,000
17	Valve Gate Plug	3 1/8		3,000	3 1/8		5,000	3 1/8		10,000

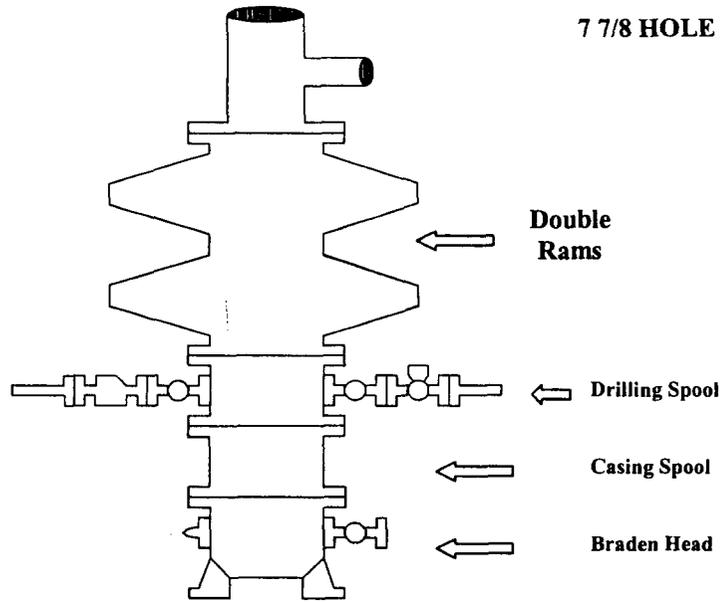
- (1) Only one required in Class 3M
- (2) Gate valves only shall be used for Class 10 M
- (3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

### EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTION

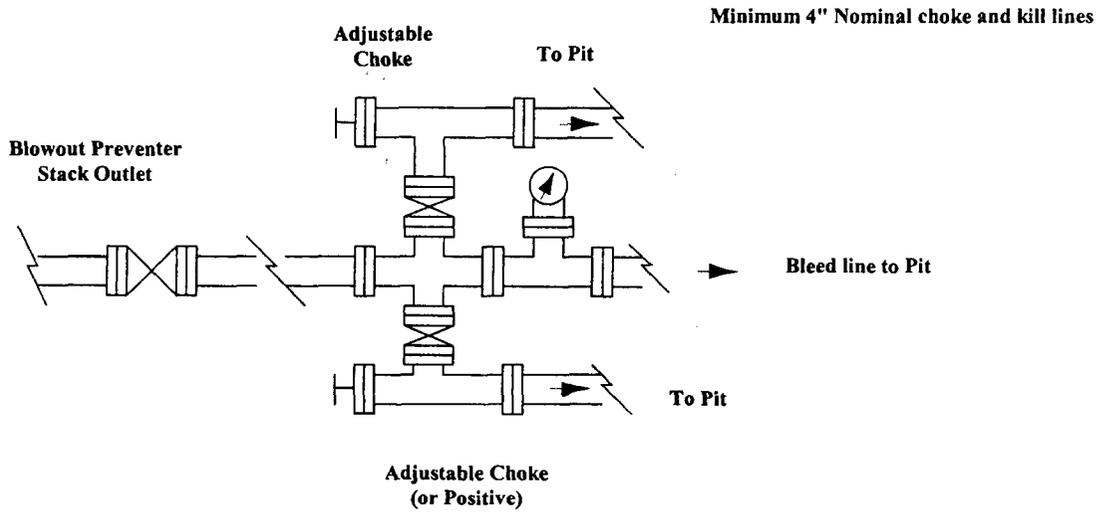
1. All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
2. All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
3. All lines shall be securely anchored.
4. Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
5. Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
6. Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bends or 90 degree bends using bull plugged tees.

# Mack Energy Corporation

## Exhibit #1-A BOPE Schematic



### Choke Manifold Requirement (2000 psi WP) No Annular Required



District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes  No

Type of action: Registration of a pit or below-grade tank  Closure of a pit or below-grade tank

Operator: **Mack Energy Corporation** Telephone: **(505)748-1288** e-mail address: **jerrys@mackenergycorp.com**  
Address: **P.O. Box 960, Artesia, NM 88211-0960**  
Facility or well name: **Gar State #2** API #: **30-025-01264** U/L or Qtr/Qtr **D** Sec **23** T **16S** R **33E**  
County: **Lea** Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927  1983  Surface Owner Federal  State  Private  Indian

Pit Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input checked="" type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume <u>300</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not, _____	
	Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points)	<b>0 Points</b>
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points)	<b>0 Points</b>
<b>Ranking Score (Total Points)</b>		<b>10 Points</b>

**If this is a pit closure:** (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite  offsite  If offsite, name of facility \_\_\_\_\_ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No  Yes  If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan

Date: 6/21/2005

Printed Name/Title **Jerry W. Sherrell/Production Clerk** Signature *Jerry W. Sherrell*

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

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

Printed Name/Title \_\_\_\_\_ Signature \_\_\_\_\_

DATE IN 6.24.05	SUSPENSE	ENGINEER Jones	LOGGED IN 6.27.05	TYPE DHC 3496	APP NO. DSEM0517832064
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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 \_\_\_\_\_

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- [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	6/21/2005
Print or Type Name	Signature	Title	Date

jerrys@mackenergycorp.com  
e-mail Address