

ABOVE THIS LINE FOR DIVISION USE ONLY

CTB

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



Mack  
 Victoria Fed #1  
 Calgary Fed #3

2013 MAY 30 P 2: 16

**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 \_\_\_\_\_

30-605-64689  
 Victoria Federal 1  
 Mack Energy Corp.  
 existing order CTB-671

- [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	
Print or Type Name	Signature	Title	Date
		jerrys@mec.com	
		e-mail Address	

Submit 3 Copies To Appropriate District  
 Office:  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 June 19, 2008

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-005-64089 30-005-64099
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMNM-4434 NMNM-4433
7. Lease Name or Unit Agreement Name Victoria Federal & Calgary Federal
8. Well Number Multiple
9. OGRID Number 013837
10. Pool Name or Wildcat Round Tank; San Andres
11. Elevation (Show whether DR, RKB, RT, GP etc.) Multiple

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR, USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
Mack Energy Corporation

3. Address of Operator  
P.O. Box 960 Artesia, NM 88210

4. Well Location  
 Unit Letter \_\_\_\_\_ feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_ line  
 Section 19 & 25 Township 15S Range 29E & 28E NMPM County Chaves

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Surface Commingle/Off lease Storage <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mack Energy Corporation as operator respectfully requests administrative approval for Off Lease Storage/Surface Commingle of production. It is requested that the Round Tank; San Andres production from the Victoria Federal Lease and the Calgary Federal Lease be Commingled at the Calgary Federal #3 TB located in NENE Sec. 25 T15S R28E.

The tank battery is located in the NE/4 NE/4, Sec. 25 T15S R28E. Proper allocation for production of oil will be measured using periodic well testing at this TB. Mack Energy has made notification to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle. Interests in all pools on this leases are common.

Mack Energy is currently producing the Calgary Federal #3 in the San Andres formation and the Victoria Federal #1 is scheduled to be drilled soon. A diagram of the TB facility will be attached. At this time we are requesting approval Off Lease Storage/Surface Commingling of production from these leases.

Spud Date:  Rig Release Date:

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 5/28/13  
 Type or print name Jerry W. Sherrell E-mail address: jerrys@mec.com PHONE: (575)748-1288  
**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of Approval (if any): \_\_\_\_\_

DISTRICT I  
11825 S. FRENCH DR., HOBBS, NM 88240

RECEIVED OGD

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

2012 MAY 30 12:16

OIL CONSERVATION DIVISION  
11885 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Revised October 12, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV  
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number <b>30-005-64099</b>	Pool Code 52770	Pool Name Round Tank; San Andres
Property Code 37615	Property Name CALGARY FEDERAL	Well Number 3
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3697'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	15-S	28-E		990	NORTH	330	EAST	CHAVES

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
C	25	15-S	28-E		965	NORTH	1650	WEST	CHAVES

Dedicated Acres 120	Joint or Infill	Consolidation Code	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

GRID: AZ: 270°51'33"  
HORIZ. DIST. = 3309.0'

DETAIL

3684.5' 3702.8'  
600'  
600'  
3699.6' 3695.1'

**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jerry W. Sherrell* 8/17/11  
Signature Date

Jerry W. Sherrell  
Printed Name

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**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.

OCTOBER 24 2008

Date Surveyed: 11/5/10

Signature & Seal of Professional Surveyor

*Ronald J. Eidson* 11/05/2010  
10.13.1677.5

Certificate No. GARY G. EIDSON 12641  
RONALD J. EIDSON 3239

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I  
1625 N. FRENCH DR., HOBBBS, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., ALBUQUERQUE, NM 87210

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

RECEIVED 000  
2013 MAY 30 P 2: 1

CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number <b>30-005-64089</b>	Pool Code 52770	Pool Name Round Tank; San Andres
Property Code <b>37558</b>	Property Name VICTORIA FEDERAL	Well Number 1
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3719'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	19	15-S	29-E		330	SOUTH	330	WEST	CHAVES

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.						
40.31									

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>LOT 1</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jerry W. Sherrell</i> 10/8/08 Signature Date</p> <p>Jerry W. Sherrell Printed Name</p>
	<p>LOT 2</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=725758.7 N X=579175.8 E</p> <p>LAT.=32.994912° N LONG.=104.075096° W</p>	
	<p>LOT 3</p>	
	<p>LOT 4</p> <p>SEE DETAIL</p> <p>3722.3' 3731.2'</p> <p>600'</p> <p>600'</p> <p>3719.5' 3724.7'</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>SEPTEMBER 12 2008 Date Surveyed</p> <p><i>Ronald J. Eidson</i> Signature &amp; Seal of Professional Surveyor</p> <p>RONALD J. EIDSON SURVEYOR</p>		<p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>

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# M E M O

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DATE: May 24, 2013

TO: NMOCD

FROM: STACI SANDERS  
MACK ENERGY CORPORATION

RE: VICTORIA FEDERAL  
NMNM-4434  
T15S, R29E  
Section 19: Lots 2, 3, & 4, SE/4NW/4  
Section 30: W/2NE/4  
Section 31: Lot 1  
Chaves County, New Mexico

CALGARY FEDERAL  
NMNM-4433  
T15S, R28E  
Section 24: S/2NE/4, SE/4NW/4, E/2SW/4, SE/4  
Section 25: NE/4, NE/4NW/4  
Chaves County, New Mexico

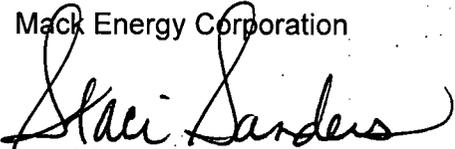
Mack Energy Corporation respectfully requests approval to surface commingle production from our Victoria Federal Lease and the Calgary Federal Lease. Once the Victoria Federal #1 well is drilled it will produce from the San Andres formation. The Calgary Federal #3 well also produces from the San Andres formation. Production from both leases will be commingled at the Calgary Federal tank battery located in the NE/4 NE/4 of Sec. 25, T15S, R28E. Allocation for the oil and gas will be done using periodic well tests.

Both leases have identical working and revenue interests

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

Sincerely,

Mack Energy Corporation

  
Staci Sanders  
Land Department





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

May 28, 2013

**VIA CERTIFIED MAIL 7012 2210 0000 5864 5421**

Bureau of Land Management  
2902 West 2<sup>nd</sup> Street  
Roswell, NM 88201-2019

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of surface commingling of production on our Victoria Federal Lease NMNM-4434 and our Calgary Federal Lease NM-4433. Both Leases produce from the Round Tank; San Andres pool (52770) and will be commingled at a central tank battery located in the NE/4 NE/4 Sec. 25 T15S R28E. There is currently 1 producing well within the Calgary Federal TB. We anticipate drilling the Victoria Federal #1 soon.

Ownership is common between the Victoria Federal lease and the Calgary Federal lease.

Allocation for oil and gas will be done using periodic well tests at the TB shown in the facility diagram. Each well will be tested periodically to insure accurate. Should you have any questions please contact me @ 575-748-1288.

Sincerely,

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

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

JWS/

Enclosures



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

May 28, 2013

**VIA CERTIFIED MAIL 7012 2210 0000 5864 5438**

Commissioner of Public Lands  
PO Box 1148  
Santa Fe, NM 87504-1148

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of surface commingling of production on our Victoria Federal Lease NMNM-4434 and our Calgary Federal Lease NM-4433. Both Leases produce from the Round Tank; San Andres pool(52770) and will be commingled at a central tank battery located in the NE/4 NE/4 Sec. 25 T15S R28E. There is currently 1 producing well within the Calgary Federal TB. We anticipate drilling the Victoria Federal #1 soon.

Ownership is common between the Victoria Federal lease and the Calgary Federal lease.

Allocation for oil and gas will be done using periodic well tests at the TB shown in the facility diagram. Each well will be tested periodically to insure accurate. Should you have any questions please contact me @ 575-748-1288.

Sincerely,

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

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

JWS/

Enclosures



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

May 28, 2013

VIA CERTIFIED MAIL 7012 2210 0000 5864 5445

Slash Exploration Limited Partnership  
PO Box 1973  
Roswell, NM 88202

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of surface commingling of production on our Victoria Federal Lease NMNM-4434 and our Calgary Federal Lease NM-4433. Both Leases produce from the Round Tank; San Andres pool (52770) and will be commingled at a central tank battery located in the NE/4 NE/4 Sec. 25 T15S R28E. There is currently 1 producing well within the Calgary Federal TB. We anticipate drilling the Victoria Federal #1 soon.

Ownership is common between the Victoria Federal lease and the Calgary Federal lease.

Allocation for oil and gas will be done using periodic well tests at the TB shown in the facility diagram. Each well will be tested periodically to insure accurate. Should you have any questions please contact me @ 575-748-1288.

Sincerely,

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

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

JWS/

Enclosures



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

May 28, 2013

**VIA CERTIFIED MAIL 7012 2210 0000 5864 5339**

Chimney Rock Oil & Gas, LLC  
PO Box 1973  
Roswell, NM 88202

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of surface commingling of production on our Victoria Federal Lease NMNM-4434 and our Calgary Federal Lease NM-4433. Both Leases produce from the Round Tank; San Andres pool (52770) and will be commingled at a central tank battery located in the NE/4 NE/4 Sec. 25 T15S R28E. There is currently 1 producing well within the Calgary Federal TB. We anticipate drilling the Victoria Federal #1 soon.

Ownership is common between the Victoria Federal lease and the Calgary Federal lease.

Allocation for oil and gas will be done using periodic well tests at the TB shown in the facility diagram. Each well will be tested periodically to insure accurate. Should you have any questions please contact me @ 575-748-1288.

Sincerely,

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

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

JWS/

Enclosures



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

May 28, 2013

**VIA CERTIFIED MAIL 7012 2210 0000 5864 5346**

Armstrong Energy Corporation  
PO Box 1973  
Roswell, NM 88202

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of surface commingling of production on our Victoria Federal Lease NMNM-4434 and our Calgary Federal Lease NM-4433. Both Leases produce from the Round Tank; San Andres pool (52770) and will be commingled at a central tank battery located in the NE/4 NE/4 Sec. 25 T15S R28E. There is currently 1 producing well within the Calgary Federal TB. We anticipate drilling the Victoria Federal #1 soon.

Ownership is common between the Victoria Federal lease and the Calgary Federal lease.

Allocation for oil and gas will be done using periodic well tests at the TB shown in the facility diagram. Each well will be tested periodically to insure accurate allocation.

Should you have any questions please contact me @ 575-748-1288.

Sincerely,

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

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

JWS/

Enclosures

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM-4434

6. If Indian, Allottee or Tribe Name

*SUBMIT IN TRIPLICATE - Other instructions on page 2.*

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
Mack Energy Corporation

3a. Address  
P.O. Box 960 Artesia, NM 88210-0960

3b. Phone No. (include area code)  
(575) 748-1288

4. Location of Well (Footage, Sec., T,R,M. or Survey Description)  
Sec. 19 T15S R29E

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.  
Victoria Federal #1 & #2

9. API Well No.  
Multiple

10. Field and Pool or Exploratory Area  
Round Tank; San Andres

11. Country or Parish, State  
Chaves, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Surface Commingle</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Off Lease Storage</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Mack Energy Corporation as operator respectfully requests approval to surface commingle and Off lease storage and measurement of production. It is requested that surface commingling of Victoria Federal Lease NMNM-4434 at the Calgary Federal TB. All wells produce from the Round Tank; San Andres pool.

The tank battery is located in the NE/4 NE/4, Sec. 25 T15S R28E. Proper allocation for production will be measured using periodic well tests. This facility is equipped with testing equipment to ensure proper allocation. Mack Energy has made notification to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle.

Mack Energy is currently producing the Calgary Federal #3 from the Round Tank; San Andres and intend to drill and complete the Victoria Federal #1 in the same formation. At this time we are requesting approval to add the Victoria production to this facility.

Note: There is an approved sundry to commingle the Victoria at the Eskimo State TB. At this time we would like to cancel that request.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Jerry W. Sherrell

Title Production Clerk

Signature *Jerry W. Sherrell* Date 5/28/13

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title \_\_\_\_\_ Date \_\_\_\_\_

Office \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for my person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



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

May 28, 2013

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of surface commingling of production on our Victoria Federal Lease NMNM-4434 and our Calgary Federal Lease NM-4433. Both Leases produce from the Round Tank; San Andres pool (52770) and will be commingled at a central tank battery located in the NE/4 NE/4 Sec. 25 T15S R28E. There is currently 1 producing well within the Calgary Federal TB. We anticipate drilling the Victoria Federal #1 soon.

Ownership is common between the Victoria Federal lease and the Calgary Federal lease.

Allocation for oil and gas will be done using periodic well tests at the TB shown in the facility diagram. Each well will be tested periodically to insure accurate

Should you have any questions please contact me @ 575-748-1288.

Sincerely,

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

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

JWS/

Enclosures

RECEIVED OGD  
2013 MAY 30 P 2:16

**Brooks, David K., EMNRD**

---

**From:** Brooks, David K., EMNRD  
**Sent:** Monday, July 01, 2013 6:27 PM  
**To:** jerrys@mec.com  
**Subject:** Victoria Federal #1 and Calgary Federal #3; Surface Commingling Application

Good evening, Mr. Sherrell

This is confusing. I have before me an application, filed May 30, 2013, to surface commingle production from these two wells. However, on March 29, 2013 we issued Administrative Order No. CTB-671 granting your application authorizing commingling of production from the Victoria Federal #1 and #2 with various Eskimo State wells.

Please advise what is the relationship between these two applications, and exactly what you now propose to do in this respect.

Sincerely

David K. Brooks

## Brooks, David K., EMNRD

---

**From:** Jerry Sherrell <jerrys@mec.com>  
**Sent:** Tuesday, July 02, 2013 6:58 AM  
**To:** Brooks, David K., EMNRD  
**Cc:** Deana Weaver  
**Subject:** RE: Victoria Federal #1 and Calgary Federal #3; Surface Commingling Application

We originally intended to use the Eskimo State TB as the CTB. My engineer decided that facility was unable to accomidate this production. The Calgary is a new production facility and better equipped to handle the added production. We no longer need the CTB-671.

---

**From:** Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]  
**Sent:** Monday, July 01, 2013 6:27 PM  
**To:** Jerry Sherrell  
**Subject:** Victoria Federal #1 and Calgary Federal #3; Surface Commingling Application

Good evening, Mr. Sherrell

This is confusing. I have before me an application, filed May 30, 2013, to surface commingle production from these two wells. However, on March 29, 2013 we issued Administrative Order No. CTB-671 granting your application authorizing commingling of production from the Victoria Federal #1 and #2 with various Eskimo State wells.

Please advise what is the relationship between these two applications, and exactly what you now propose to do in this respect.

Sincerely

David K. Brooks