

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



October 30, 2014

Mack Energy Corp
Attn: Mr. Jerry Sherrell

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7181
Administrative Application Reference No. pMAM1428258099

Mack Energy Corp
OGRID 13837
Robin Federal Well No. 1
API No. 30-015-35198

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	310 FNL & 2530FWL	C	9	23S	25E	Eddy
Top perforations	310 FNL & 2574FWL	C	9	23S	25E	Eddy
Terminus	678FNL & 1995FWL	C	9	23S	25E	Eddy

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NE/4 NW/4 of Section 9	40	Wildcat; Bone Spring	96403

Reference is made to your application received on October 9, 2014.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

An unorthodox location is necessary because the well was initially a Strawn producer, and now will be recompleted in the Bone Spring formation.

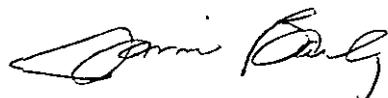
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Done at Santa Fe, New Mexico, on October 30, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is cursive and somewhat stylized, with a large initial "J" and "B".

Jami Bailey
Director

JB/mam

cc: New Mexico Oil Conservation Division – Hobbs
Bureau of Land Management - Carlsbad