

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 - CTB - 816  
 NSL  NSP  SD - MACK ENERGY CORP  
13873
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement W 41  
 DHC  CTB  PLC  PC  OLS  OLM - Ringtail Fed #1  
30-025-42032
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR - Ranger Fed #1  
30-025-40180
- [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**
- [A]  Working, Royalty or Overriding Royalty Interest Owners Pool
- [B]  Offset Operators, Leaseholders or Surface Owner - Youngs Bone
- [C]  Application is One Which Requires Published Legal Notice Spring, north
- [D]  Notification and/or Concurrent Approval by BLM or SLO 65350  
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	3/7/16
Print or Type Name	Signature	Title	Date
		jerrys@mec.com	
		c-mail Address	



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

February 23, 2017

*Oil Conservation Division  
Attn: Michael A. McMillan  
1220 S. St. Francis Drive  
Santa Fe, NM 87505*

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Initial Allocation for gas production will be done using percentages based on production. I have attached the most current (12) months of production. We propose 61/39% split in gas production. 61% allocated to the Ringtail Federal and 39% allocated to the Rangers Federal.

Mack Energy proposes to use Initial Allocation for six months, at that time we propose to shut in either well to get an accurate test. This test will prove numbers for the following six months. Semiannual tests will be performed for the life of this commingling order.

Sincerely,

A handwritten signature in black ink that reads "Jerry W. Sherrell".

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

JWS/

*Enclosures*

**MACK ENERGY CORPORATION**  
**Rangers Federal #1**

	Oil Produced	Gas Prod.	Water Produced	Days
Jan	220	344	171	31
Feb	191	349	220	29
Mar	219	372	169	31
Apr	201	357	182	30
May	188	353	109	31
Jun	180	344	186	30
Jul	179	371	91	31
Aug	168	351	185	31
Sep	175	319	82	30
Oct	177	319	200	31
Nov	169	284	114	30
Dec	128	228	68	31
Monthly Average	182.9166667	332.5833333	148.0833333	

1872 mcf  
 3400

**MACK ENERGY CORPORATION**  
**Ringtail Federal #1**

	Oil Produced	Gas Prod.	Water Produced	Days
Jan	460	621	234	31
Feb	384	553	179	29
Mar	395	563	192	31
Apr	352	524	168	30
May	329	520	97	31
Jun	310	497	180	30
Jul	301	537	93	31
Aug	267	502	143	31
Sep	252	473	93	30
Oct	296	498	168	31
Nov	275	451	104	30
Dec	253	441	379	31
Monthly Average	322.8333333	515	169.1666667	
		847.5833333		

2902 mcf  
 6100

847 x 61% = 517  
 847 x 39% = 330

So - 2000 B LASH  
 1000 mcf  
 Total mcf is 9714  
 \* Actual mcf is 1872  
 3400  
 6100



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

March 7, 2016

*Oil Conservation Division  
Attn: Michael A. McMillan  
1220 S. St. Francis Drive  
Santa Fe, NM 87505*

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

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*

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., 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 Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: MACK ENERGY CORPORATION

OPERATOR ADDRESS: PO BOX 960 ARTESIA, NM 88211-0960

APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. \_\_\_\_\_  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
X Yes  No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables?  Yes  No  
 (3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
 (4) Measurement type:  Metering  Other (Specify) \_\_\_\_\_  
 (5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

- (1) Pool Name and Code. Young; Bone Spring, North 65350  
 (2) Is all production from same source of supply?  Yes  No  
 (3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
 (4) Measurement type:  Metering  Other (Specify) Percentage based on Production.

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

- (1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

- (1) Is all production from same source of supply?  Yes  No  
 (2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.  
 (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
 (3) Lease Names, Lease and Well Numbers, and API Numbers.

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: 3-7-2016

TYPE OR PRINT NAME JERRY W. SHERRELL TELEPHONE NO.: 575-748-1288

E-MAIL ADDRESS: jerrys@mec.com

HOBBS OCD

Form C-102

State of New Mexico  
Energy, Minerals & Natural Resources Department

AUG 08 2014

Revised August 1, 2011

OIL CONSERVATION DIVISION

Submit one copy to appropriate

1220 South St. Francis Dr.

RECEIVED

District Office

Santa Fe, NM 87505

AMENDED REPORT

District I  
1625 N. French Dr., Hobbs, NM 88201  
Phone: (575) 393-6161 Fax: (575) 393-0726  
District II  
511 S. First St., Artesia, NM 88210  
Phone: (775) 748-1281 Fax: (775) 748-0726  
District III  
1060 Rio Brazos Road, Artec, NM 87410  
Phone: (505) 934-6175 Fax: (505) 934-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87508  
Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APP Number <b>30-023-42032</b>		2 Pool Code <b>65350</b>		3 Pool Name <b>Young; Bone Spring, North</b>	
4 Property Code <b>313576</b>		5 Property Name <b>RINGTAIL FEDERAL</b>			6 Well Number <b>1</b>
7 GRID No. <b>13837</b>		8 Operator Name <b>MACK ENERGY CORPORATION</b>			9 Elevation <b>3909.3</b>

" Surface Location

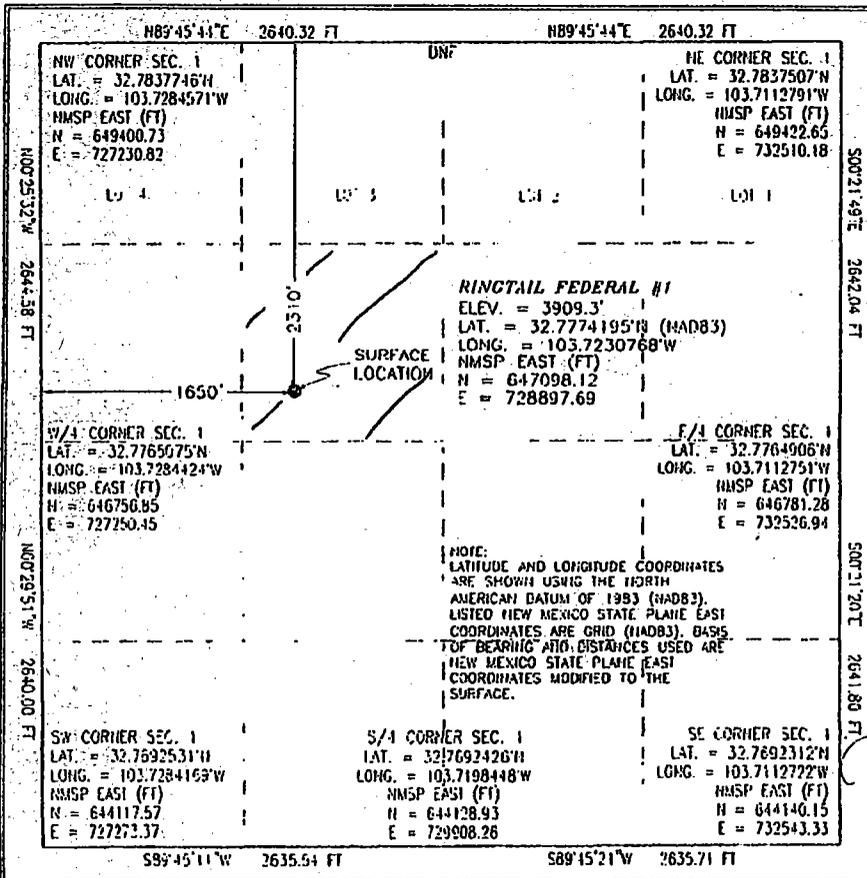
U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	I	18 S	32 E		2310	NORTH	1650	WEST	LEA

" Bottom Hole Location If Different From Surface

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

10 Dedicated Acres <b>40</b>	11 Joint or Infill	12 Consolidation Code	13 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.



" 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 holds a mineral interest in the land including the proposed location to be located 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 as a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jerry W. Sherrell* 5-2-2014  
Signature Date

Jerry W. Sherrell  
Printed Name

jerry5@mec.com  
E-mail Address

" 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.

APRIL 28 2014  
Date of Survey

*Jerry W. Sherrell*  
Signature and Seal of the Surveyor

Certificate Number: TLMN053, JAR 0010, PLS 12797  
SURVEY NO. 2672

AUG 08 2014

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

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

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

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

HOBBS OCD

JUN 27 2011

RECEIVED

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 30-025-40180	Poolblock Code 6535D	Pool Name YOUNG Bone Springs North
Property Code 38683	Property Name RANGERS FEDERAL	Well Number 1
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3919'

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	1	18-S	32-E		990	NORTH	990	WEST	LEA

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 40.07	Joint or Infill	Consolidation Code	Order No.
--------------------------	-----------------	--------------------	-----------

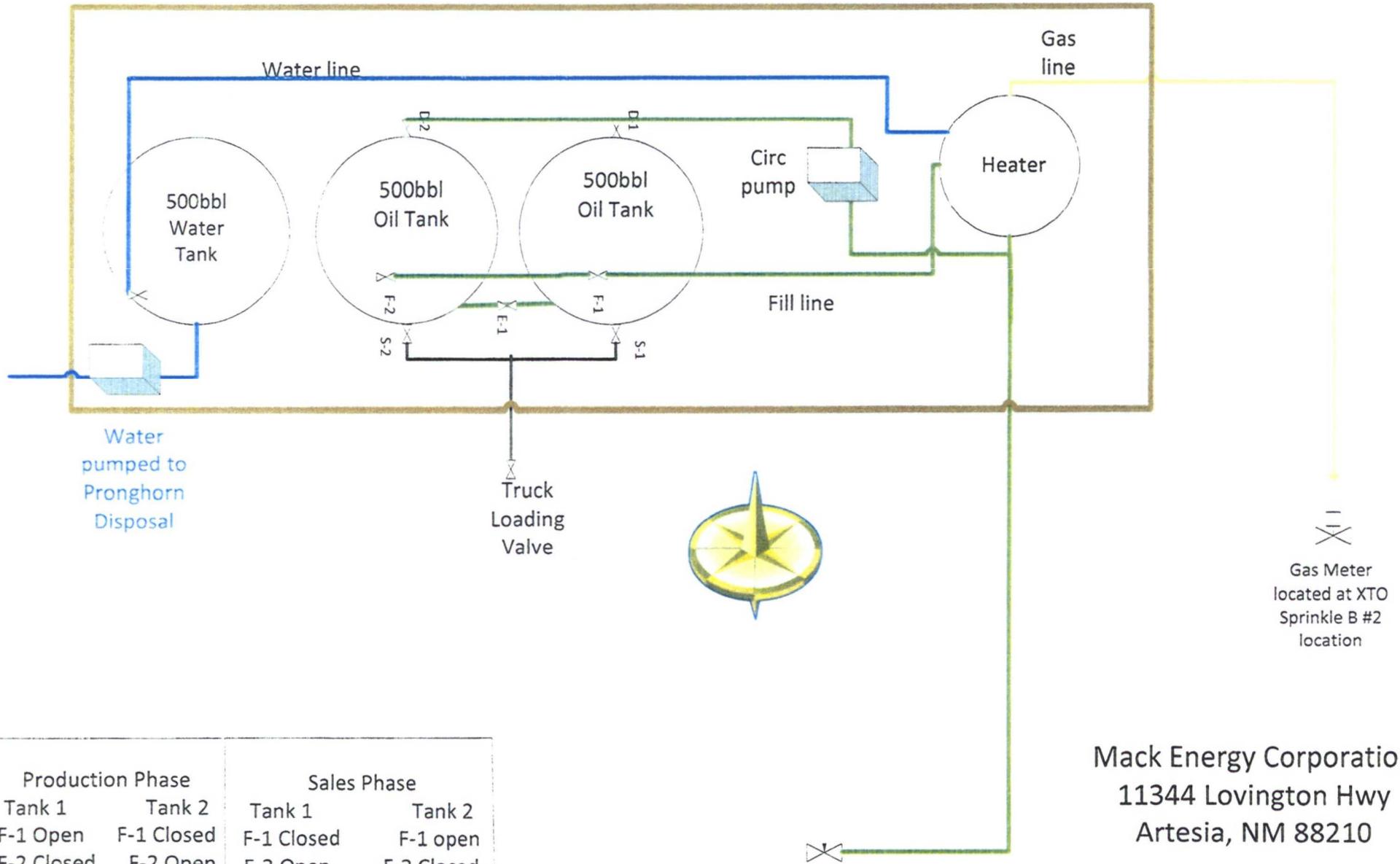
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4	LOT 3	LOT 2	LOT 1
	40 05 AC	40 03 AC	40 01 AC
<p>DETAIL</p> <p>3921 7' 3921 9'</p> <p>600'</p> <p>600'</p> <p>3913.7' 3915 4'</p>			
<p>GEODEIC COORDINATES NAD 27 NME</p> <p>Y=648351.0 N X=687049 4 E</p> <p>LAT = 32 780929" N LONG = 103 724728" W</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> 2/24/11 Signature Date</p> <p>Jerry W. Sherrell Printed Name</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>DECEMBER 2, 2010</p> <p>Date Surveyed: LA</p> <p>Signature &amp; Seal of J. EIDSON Professional Surveyor</p> <p><i>Gary G. Eidson</i> 12/2/2010 10-11-1738</p> <p>Certificate No. Gary G. Eidson 12641 Ronald J. Eidson 3239</p>			

JUN 29 2011

**MACK ENERGY CORPORATION**

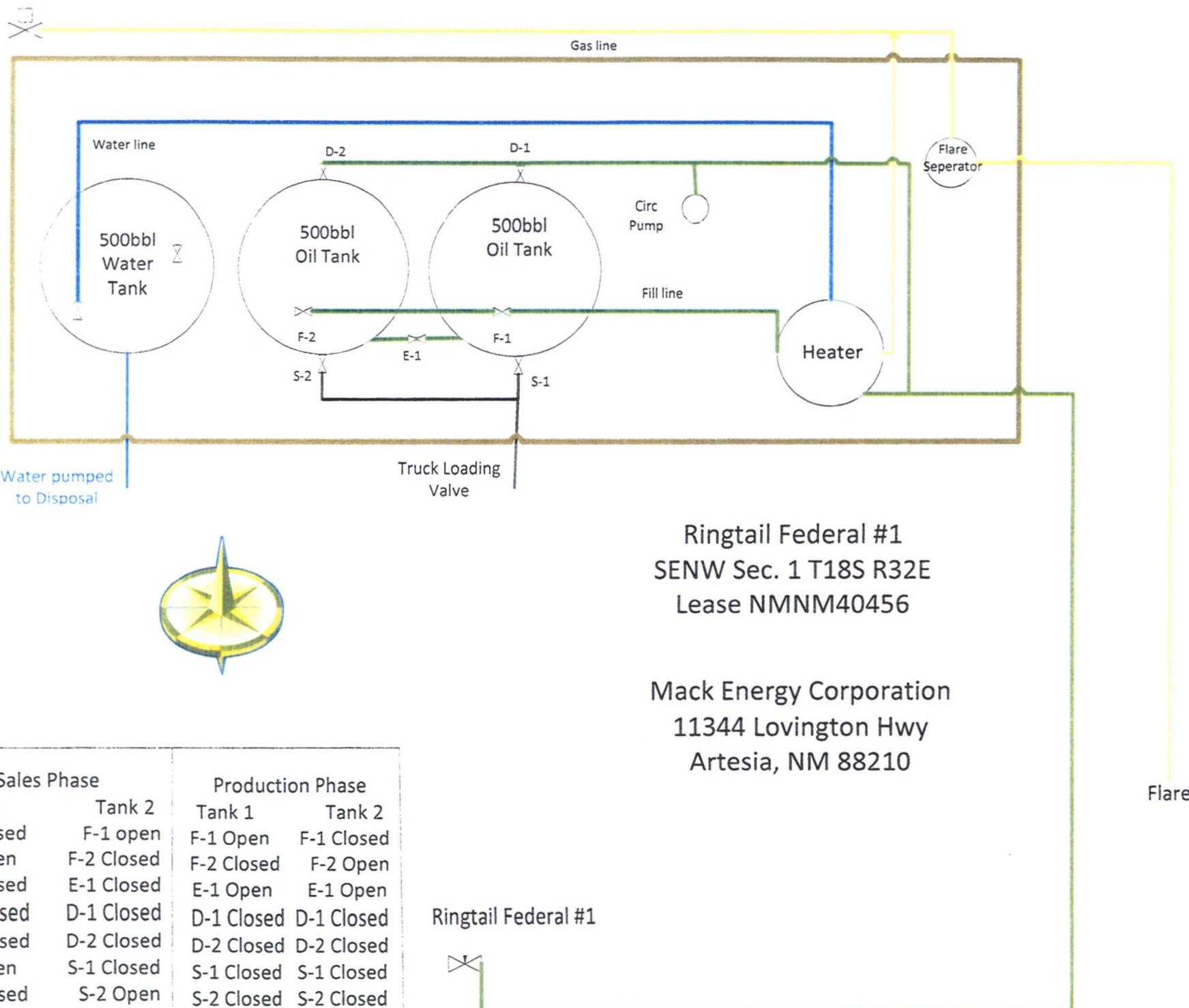
	Monthly Production	Oil Produced	Gas Prod.
Aug-15	Ranger Federal	153	372
Sep-15	Ranger Federal	211	369
Oct-15	Ranger Federal	156	295
Nov-15	Ranger Federal	257	382
Dec-15	Ranger Federal	201	349
Jan-16	Ranger Federal	220	344
Monthly Average		<u>199.6666667</u>	<u>351.8333</u>
Aug-15	Ringtail Federal	936	1258
Sep-15	Ringtail Federal	717	1020
Oct-15	Ringtail Federal	614	879
Nov-15	Ringtail Federal	514	702
Dec-15	Ringtail Federal	455	621
Jan-16	Ringtail Federal	460	621
Monthly Average		<u>616</u>	<u>850.1667</u>



Production Phase		Sales Phase	
Tank 1	Tank 2	Tank 1	Tank 2
F-1 Open	F-1 Closed	F-1 Closed	F-1 open
F-2 Closed	F-2 Open	F-2 Open	F-2 Closed
E-1 Open	E-1 Open	E-1 Closed	E-1 Closed
D-1 Closed	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Closed
S-1 Closed	S-1 Closed	S-1 Open	S-1 Closed
S-2 Closed	S-2 Closed	S-2 Closed	S-2 Open

Mack Energy Corporation  
 11344 Lovington Hwy  
 Artesia, NM 88210

Rangers Federal #1  
 NWNW Sec. 1 T18S R32E  
 Lease NMNM121480



Gas Meter located in SWNW Sec. 1 T18S R32E Meter #742594



Ringtail Federal #1  
 SENW Sec. 1 T18S R32E  
 Lease NMNM40456

Mack Energy Corporation  
 11344 Lovington Hwy  
 Artesia, NM 88210

Sales Phase		Production Phase	
Tank 1	Tank 2	Tank 1	Tank 2
F-1 Closed	F-1 open	F-1 Open	F-1 Closed
F-2 Open	F-2 Closed	F-2 Closed	F-2 Open
E-1 Closed	E-1 Closed	E-1 Open	E-1 Open
D-1 Closed	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Closed
S-1 Open	S-1 Closed	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Open	S-2 Closed	S-2 Closed

Ringtail Federal #1



Flare

DCP Gas Line

Header

Ringtail Meter Valve  
Rangers Meter Valve

Sprinkle B Meter

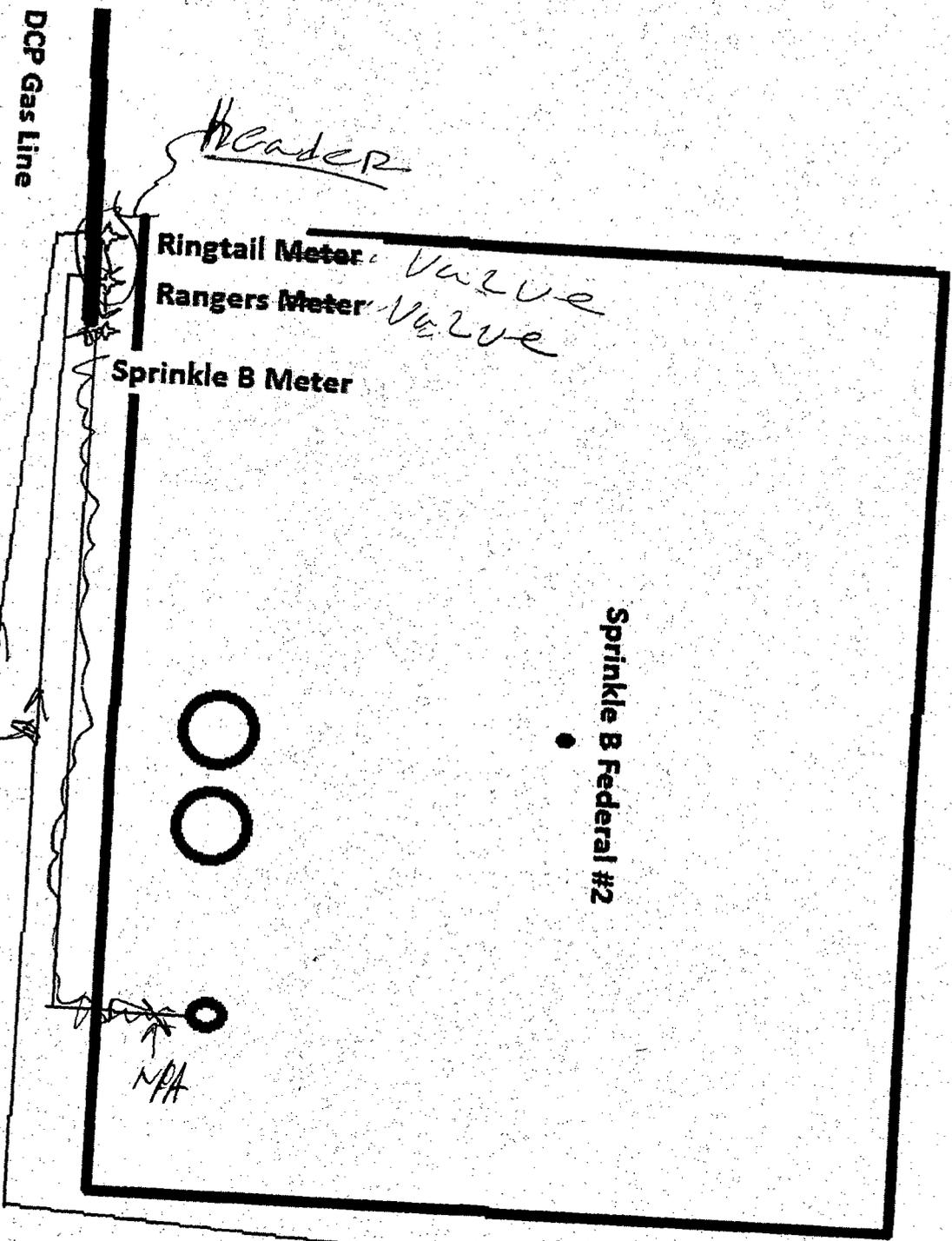
Sprinkle B Federal #2

Flow direction

NPA

Ringtail Flowline

Rangers Flowline



## Division Order Attachment

Owner Code      Owner Name      Addr Sub #      Net Revenue Interest      Interest Type      Susp Code      Tax Id

Deck: 16843      Description: RINGTAIL FED - REV DISTR      Inactive: No

Property: 3460      Ringtail Federal

County, State: Lea County, NM

Map Reference: Township: 018-S      Range: 032-E      Section: 01      Qtr/Qtr: Lots 2 & 3;  
SW/NE/4; S/2NW/4

Effective Date: 06/01/2015      Payor: Mack Energy Corporation

Owner Code	Owner Name	Addr Sub #	Net Revenue Interest	Interest Type	Susp Code	Tax Id
001900	Office of Natural Resources Revenue	00002	0.12500000	RI	MIN	53-0196958
	P. O. Box 25627 Denver, CO 80225-0627      US					
002675	Lynx Petroleum Consultants	00001	0.00500000	ORRI	MIN	85-0293995
	P.O. Box 1708      Anita Hobbs, NM 88241-0000      US      575/392-6950					
015751	Hurley Oil Property Partnership	00001	0.00750000	ORRI	MIN	83-0257075
	1738 S. Poplar Street Casper, WY 82601      US      307-234-4507					
015787	Boekel Energy LLC	00001	0.00500000	ORRI	MIN	26-1323702
	P. O. Box 6821 Great Falls, MT 59406      US      303-877-8800					
015788	Patricia Ann Boekel Trust	00001	0.00500000	ORRI	MIN	20-6869508
	Catherine J Porter, Trustee P O Box 4232 Englewood, CO 80155      US      303-770-6733					
015792	Catherine J Porter	00001	0.00500000	ORRI	MIN	521-78-5462
	P O Box 4232 Englewood, CO 80155      US      303-770-6733					
018969	Diamond S Energy Company	00001	0.07500000	ORRI	MIN	06-1709473
	6608 Bryant Irvin Road Fort Worth, TX 76132      US      817-263-3500					
019093	<del>James S Pobrislo</del> <i>Marlene Pobrislo</i>	00001	0.01500000	ORRI	ADD	
	3485 South Gaylord Ct C417 Englewood, CO 80113      US					
023111	<del>Gordon Smale</del> <i>Roswitha Smale</i>	00001	0.00750000	ORRI	ADD	
	1775 E. Palm Canyon Drive, Suite #110-359 Palm Springs, CA 92264      US					
101	Chase Oil Corporation	00001	0.63750000	WI	MIN	85-0403681
	P.O. Box 1767 Artesia, NM 88211-1767      US      (575) 746-9853					
110	Robert C. Chase	00001	0.03750000	WI	MIN	585-80-7468
	P.O. Box 297 Artesia, NM 88211-0297      US      505-748-1288					
185	Ventana Minerals LLC	00001	0.03750000	WI	MIN	27-1251162
	P. O. Box 359 Artesia, NM 88211      US					
195	DiaKan Minerals LLC	00001	0.03750000	WI	MIN	27-1243802
	P. O. Box 693 Artesia, NM 88211-0693      US					

13

1.00000000

# Division Order Attachment

Owner Code	Owner Name	Addr Sub #	Net Revenue Interest	Interest Type	Susp Code	Tax Id
Deck: 14326	Description: RANGERS FEDERAL - REV DISTR				Inactive: No	
Property: 2677	Rangers Federal					
County, State: Lea County, NM						
Map Reference: Township: 018-S Range: 032-E Section: 01 Qtr/Qtr: Lot 4						
Effective Date: 01/01/2013	Payor: Mack Energy Corporation					
001900	Office of Natural Resources Revenue	00002	0.12500000	RI	MIN	53-0196958
	<div style="border: 1px solid black; padding: 2px;"> <del>P. O. Box 25627</del>  <del>Denver, CO 80225-0627</del> </div>					
101	Chase Oil Corporation	00001	0.74375000	WI	MIN	85-0403681
	<div style="border: 1px solid black; padding: 2px;"> P.O. Box 1767  Artesia, NM 88211-1767 </div>					
110	Robert C. Chase	00001	0.04375000	WI	MIN	585-80-7468
	<div style="border: 1px solid black; padding: 2px;"> P.O. Box 297  Artesia, NM 88211-0297 </div>					
185	Ventana Minerals LLC	00001	0.04375000	WI	MIN	27-1251162
	<div style="border: 1px solid black; padding: 2px;"> P. O. Box 359  Artesia, NM 88211 </div>					
195	DiaKan Minerals LLC	00001	0.04375000	WI	MIN	27-1243802
	<div style="border: 1px solid black; padding: 2px;"> P. O. Box 693  Artesia, NM 88211-0693 </div>					
<hr/>		<hr/>				
5			1.00000000			



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

March 7, 2016

**VIA CERTIFIED MAIL 7015 0640 0006 7031 3694**

Boekel Energy LLC  
P.O. Box 6821  
Great Falls, MT 59406

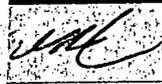
Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production, 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

*Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.*

7031 3694  
TELE 9000  
0006 7031 3694

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only		<b>COMPLETE THIS SECTION ON DELIVERY</b>	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>		Signature: 	
<b>OFFICIAL USE</b>		Agent <input type="checkbox"/> Addressee <input type="checkbox"/>	
Certified Mail Fee \$	Extra Services & Fees (check box, add fee as appropriate)	(Printed Name) BOEKEL	
<input type="checkbox"/> Return Receipt (hardcopy)	<input type="checkbox"/> Return Receipt (electronic)	C. Date of Delivery	
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Adult Signature Required	Address different from item 1? <input type="checkbox"/> Yes If delivery address below: <input type="checkbox"/> No	
<input type="checkbox"/> Adult Signature Restricted Delivery	Postage	Restricted Delivery <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery	
Total Postage and Fees \$ 7.67	Sent To Boekel Energy LLC P.O. Box 6821 Great Falls, MT 59406	Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise Very Restricted Delivery <input type="checkbox"/> Signature Confirmation™ Restricted Delivery <input type="checkbox"/> Signature Confirmation™ Restricted Delivery	
PS Form 3800		Domestic Return Receipt	

ARTESIA, NM  
Postmark Here  
USPS 88210



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

March 7, 2016

VIA CERTIFIED MAIL 7015 0640 0006 7031 3717

Catherine J. Porter
P.O. Box 4232
Englewood, CO 80155

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.

2015 0640 0006 7031 3717

U.S. Postal Service CERTIFIED MAIL RECEIPT
Domestic Mail Only
Official Use
Postmark ARTESIA, NM MAR 7 2016 USPS 88210
THIS SECTION ON DELIVERY
Agent
Addressee
Delivered by (Printed Name)
Date of Delivery
Address different from item 1?
Enter delivery address below
Priority Mail Express
Registered Mail
Registered Mail Restricted Delivery
Return Receipt for Merchandise
Signature Confirmation
Signature Confirmation Restricted Delivery

Catherine J. Porter
P.O. Box 4232
Englewood, CO 80155



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

March 7, 2016

**VIA CERTIFIED MAIL 7015 0640 0006 7031 3724**

Diamond S. Energy Company  
 6608 Bryant Irvin Road  
 Fort Worth, TX 76132

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

*Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.*

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
U.S. Postal Service™ <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only			
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>			
<b>OFFICIAL USE</b>			
Certified Mail Fee \$		<input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
Extra Services & Fees (check box, add fees as appropriate) <input type="checkbox"/> Return Receipt (hardcopy) \$ <input type="checkbox"/> Return Receipt (electronic) \$ <input type="checkbox"/> Certified Mail Restricted Delivery \$ <input type="checkbox"/> Adult Signature Required \$ <input type="checkbox"/> Adult Signature Restricted Delivery \$		Recipient's Name (Printed Name) M. Kahn	
Postage \$ Total Postage and Fees \$ 7.67		Date of Delivery <input type="checkbox"/> Yes <input type="checkbox"/> No	
Sent To Street and Apt. City, State, ZIP		<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input checked="" type="checkbox"/> Signature Confirmation™ <input checked="" type="checkbox"/> Signature Confirmation Restricted Delivery	
Diamond S. Energy Company 6608 Bryant Irvin Road		ARTESIA, NM USPS 88210	

7031 0640 0006 7031 3724



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

March 7, 2016

**VIA CERTIFIED MAIL 7015 0640 0006 7031 3687**

Hurley Oil Property Partnership  
1738 S. Poplar Street  
Casper, WY 82601

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCDC for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

*Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.*

7015 0640 0006 7031 3687

**SENDER: COMPLETE THIS SECTION**

U.S. Postal Service  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

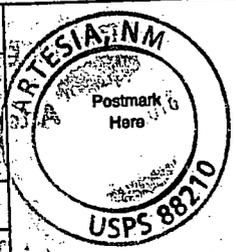
For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Certified Mail Fee \$  
Extra Services & Fees (check box, add fee as appropriate)  
 Return Receipt (hardcopy)  
 Return Receipt (electronic)  
 Certified Mail Restricted Delivery \$  
 Adult Signature Required  
 Adult Signature Restricted Delivery \$  
Postage \$  
**Total Postage and Fees \$ 7.67**

Sent To  
Street and  
City, State

Hurley Oil Property Partnership  
1738 S. Poplar Street  
Casper, WY 82601



**COMPLETE THIS SECTION ON DELIVERY**

by (Printed Name) *William Hurley*  Agent  Addressee  
*Hurley* C. Date of Delivery *03-12-16*  
address different from item 1?  Yes  
inter delivery address below:  No

Priority Mail Express®  
 Registered Mail™  
 Registered Mail Restricted Delivery  
 Return Receipt for Merchandise  
 Signature Confirmation™  
 Signature Confirmation Restricted Delivery  
 Domestic Return Receipt



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

March 7, 2016

**VIA CERTIFIED MAIL 7015 0640 0006 7031 3670**

Lynx Petroleum Consultants  
 P.O. Box 1708  
 Hobbs, NM 88241-0000

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

*Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.*

SENDER'S COPY <b>U.S. Postal Service™</b> <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>		<b>NOTE THIS SECTION ON DELIVERY</b> Signature: <i>[Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee Delivered by (Printed Name): <i>[Signature]</i> Date of Delivery: <i>3-14-16</i> Delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Enter delivery address below:	
<b>OFFICIAL USE</b> Certified Mail Fee: \$ Extra Services & Fees (check box, add fee as appropriate): <input type="checkbox"/> Return Receipt (hardcopy) \$ <input type="checkbox"/> Return Receipt (electronic) \$ <input type="checkbox"/> Certified Mail Restricted Delivery \$ <input type="checkbox"/> Adult Signature Required \$ <input type="checkbox"/> Adult Signature Restricted Delivery \$ Postage: \$ Total Postage and Fees: \$ <i>7.67</i>		ARTESIA, NM Postmark Here USPS 88210	
Sent To: <b>Lynx Petroleum Consultants</b> <b>P.O. Box 1708</b> <b>Hobbs, NM 88241-0000</b>		<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery	

2015 0640 0006 7031 3670



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

March 7, 2016

**VIA CERTIFIED MAIL 7015 0640 0006 7031 3731**

Marlene Pobrislo  
3485 South Gaylord Ct. C417  
Englewood, CO 80113

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

*Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.*

<b>U.S. Postal Service™</b> <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only		<b>COMPLETE THIS SECTION ON DELIVERY</b>	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>		Signature: <i>[Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
<b>OFFICIAL USE</b>		Delivered by (Printed Name): <i>Ariz</i>	Date of Delivery: <i>3/10/16</i>
Certified Mail Fee \$		Delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Extra Services & Fees (check box, add fee as appropriate): <input type="checkbox"/> Return Receipt (hardcopy) <input type="checkbox"/> Return Receipt (electronic) <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery		S. enter delivery address below:	
Postage \$	Package Type: <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery		
Total Postage and Fees \$ <i>7.65</i>	Sent To: <b>Marlene Pobrislo</b> <b>3485 South Gaylord Ct. C417</b> <b>Englewood, CO 80113</b>		

TELE 2015 0640 0006 7031 3731



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

March 7, 2016

**VIA CERTIFIED MAIL 7015 0640 0006 7031 3700**

Patricia Ann Boekel Trust  
 Catherine J. Porter, Trustee  
 P.O. Box 4232  
 Englewood, CO 80155

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

*Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.*

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only		COMPLETE THIS SECTION ON DELIVERY	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>			
<b>OFFICIAL USE</b>		by (Printed Name) <i>PA</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
Certified Mail Fee \$	Extra Services & Fees (check box, add fee as appropriate)	C. Date of Delivery	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Return Receipt (hardcopy) \$		address different from item after delivery address below	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Return Receipt (electronic) \$		<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery	
<input type="checkbox"/> Certified Mail Restricted Delivery \$		<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$		Postage \$	
Total Postage and Fees \$ <i>7.67</i>	Sent To Patricia Ann Boekel Trust Catherine J. Porter, Trustee P.O. Box 4232		

2015 0640 0006 7031 3700



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

March 7, 2016

**VIA CERTIFIED MAIL 7015 0640 0006 7031 3748**

Roswitha Smale  
 1775 E. Palm Canyon Drive  
 Suite #110-359  
 Palm Springs, CA 92264

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

*Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.*

<b>U.S. Postal Service™</b> <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only		<b>THIS SECTION ON DELIVERY</b>	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> ®		<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
<b>OFFICIAL USE</b>		By (Printed Name) <i>Mack Energy</i>	C. Date of Delivery 3-10
Certified Mail Fee \$	Extra Services & Fees (check box, add fee as appropriate): <input type="checkbox"/> Return Receipt (hardcopy) \$ <input type="checkbox"/> Return Receipt (electronic) \$ <input type="checkbox"/> Certified Mail Restricted Delivery \$ <input type="checkbox"/> Adult Signature Required \$ <input type="checkbox"/> Adult Signature Restricted Delivery \$	<input type="checkbox"/> address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> After delivery address below: <input type="checkbox"/> No	
Postage \$		<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery	
Total Postage and Fees \$ 7.67		Restricted Delivery Restricted Delivery Restricted Delivery Restricted Delivery	
Sent To Street and Apt. City, State, Zip	Roswitha Smale 1775 E. Palm Canyon Drive Suite #110-359		

7015 0640 0006 7031 3748

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-121480 & NMNM-40456

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well

Oil Well     Gas Well     Other

8. Well Name and No.

Rangers Federal #1 & Ringtail Federal #1

2. Name of Operator

Mack Energy Corporation

9. API Well No.

30-025-40180 & 30-025-42032

3a. Address

P.O. Box 960 Artesia, NM 88210-0960

3b. Phone No. (include area code)

(575) 748-1288

10. Field and Pool or Exploratory Area

Young; Bone Spring, North

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

NW/4, W/2 NE/4, Sec. 1 T18S R32E

11. Country or Parish, State

Lea, 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 Gas Production</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 is requesting approval to Surface Commingle gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

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 3/7/16

THIS SPACE FOR FEDERAL OR STATE OFFICE USE FEB 9 2016

Approved by

Title

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.

Office

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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.

(Instructions on page 2)

**APPLICATION FOR SURFACE COMMINGLE, OFF LEASE MEASUREMENT,  
SALES & STORAGE**

State of New Mexico - Santa Fe  
Oil Conservation Division  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Bureau Of Land Management  
620 E Greene Street  
Carlsbad, NM 88220-6292

**Off Lease Measurement proposal for Rangers Federal leases:**  
Mack Energy Corporation is requesting approval for Off Lease Measurement, Sales from the following well:

**Federal Lease NMNM121480**

Well Name	Location	API #	Pool 44500	BOPD	Oil Gravity	Mcfpd	BTU
Rangers Federal #1	Sec 1-T18S-32E	30-025-40180	Young;Bone Spring,North	6	35.8	11	1.2593

**Federal Lease NMNM40456**

Well Name	Location	API #	Pool 44500	BOPD	Oil Gravity	Mcfpd	BTU
Ringtail Federal #1	Sec 1-T18S-32E	30-025-42032	Young;Bone Spring,North	15	38.3	20	1.3333

A map is enclosed showing the Federal leases and well locations in Section 1, T18S, R32E. The gas lines and current meter setting location on DCP Midstream's pipeline Meter(s) #727034-00(Rangers) and #742594-00(Ringtail).

**Oil & Gas metering:**

Oil and water volumes for the Rangers Federal #1 will continue to be measured at the Rangers Federal Tank Battery. Oil and gas production for the Ringtail Federal #1 will continue to be measured and the Ringtail Federal Tank Battery. The gas production from both wells will be commingled and sold off lease via pipeline at the Sprinkle B Federal #1 location NMNM40456, thru a common gas meter specifically for the Ringtail and Rangers Leases.

**Process and Flow Descriptions:**

Please see attached diagram(s) for the current Ringtail and Rangers Federal TB's. The flow of produced fluids is shown in detail along with a description of each vessel. The gas will be piped to the commingled sales meter via pipeline.

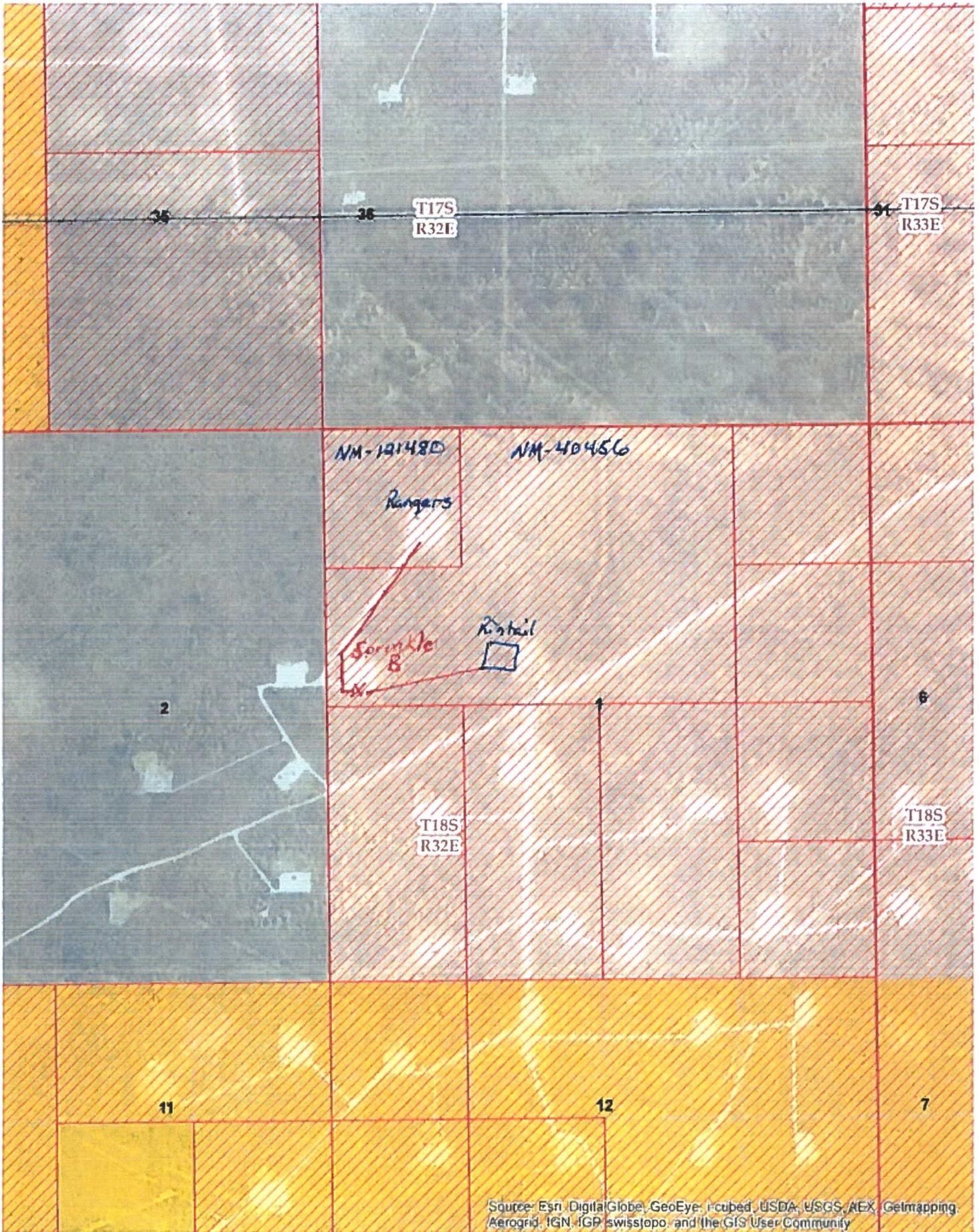
Mack Energy Corporation currently has approved ROW for both Gas(Fee surface) and SWD lines.

Signed: \_\_\_\_\_

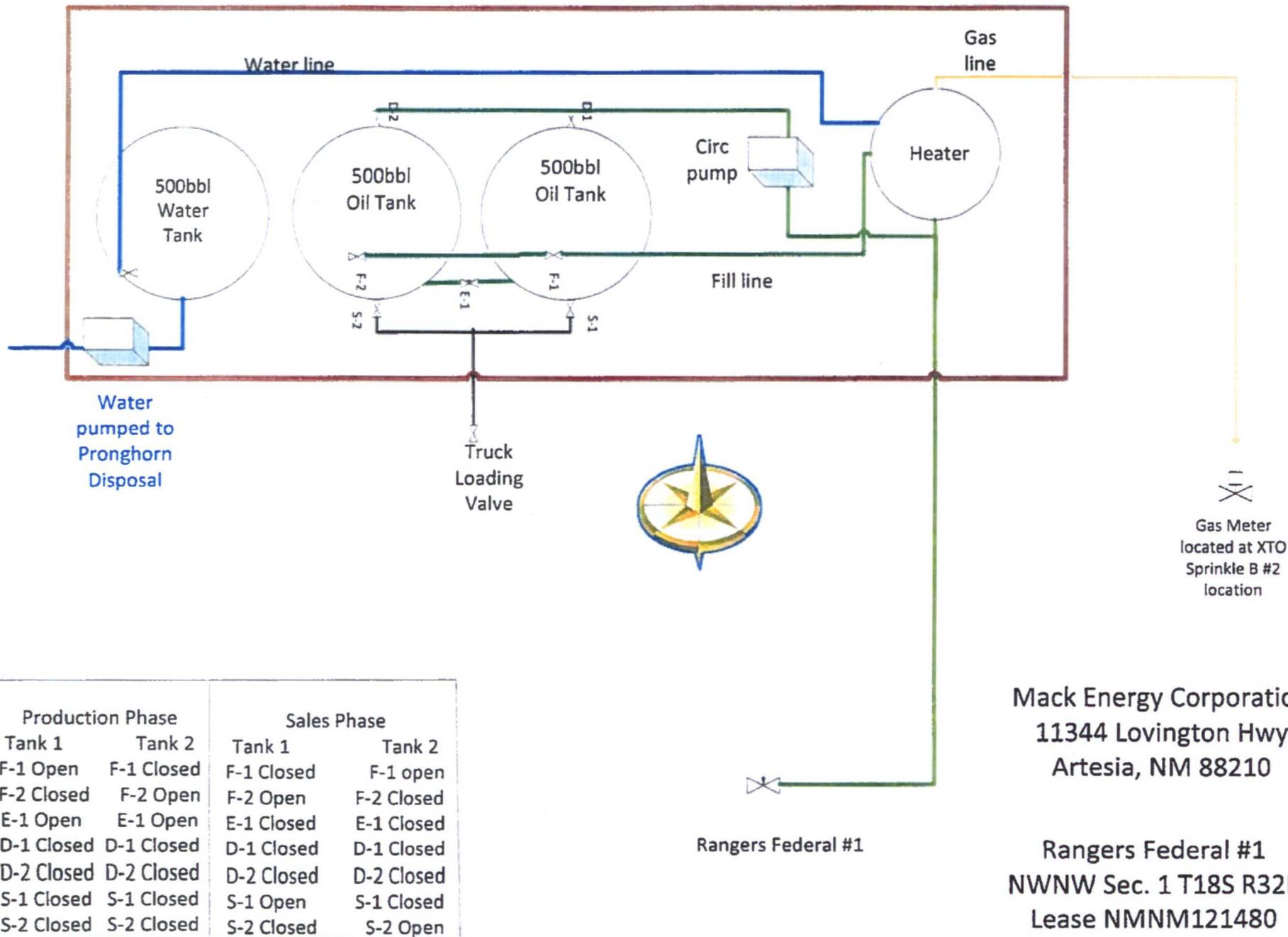
Printed Name: Jerry W. Sherrell

Title: Production Clerk

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

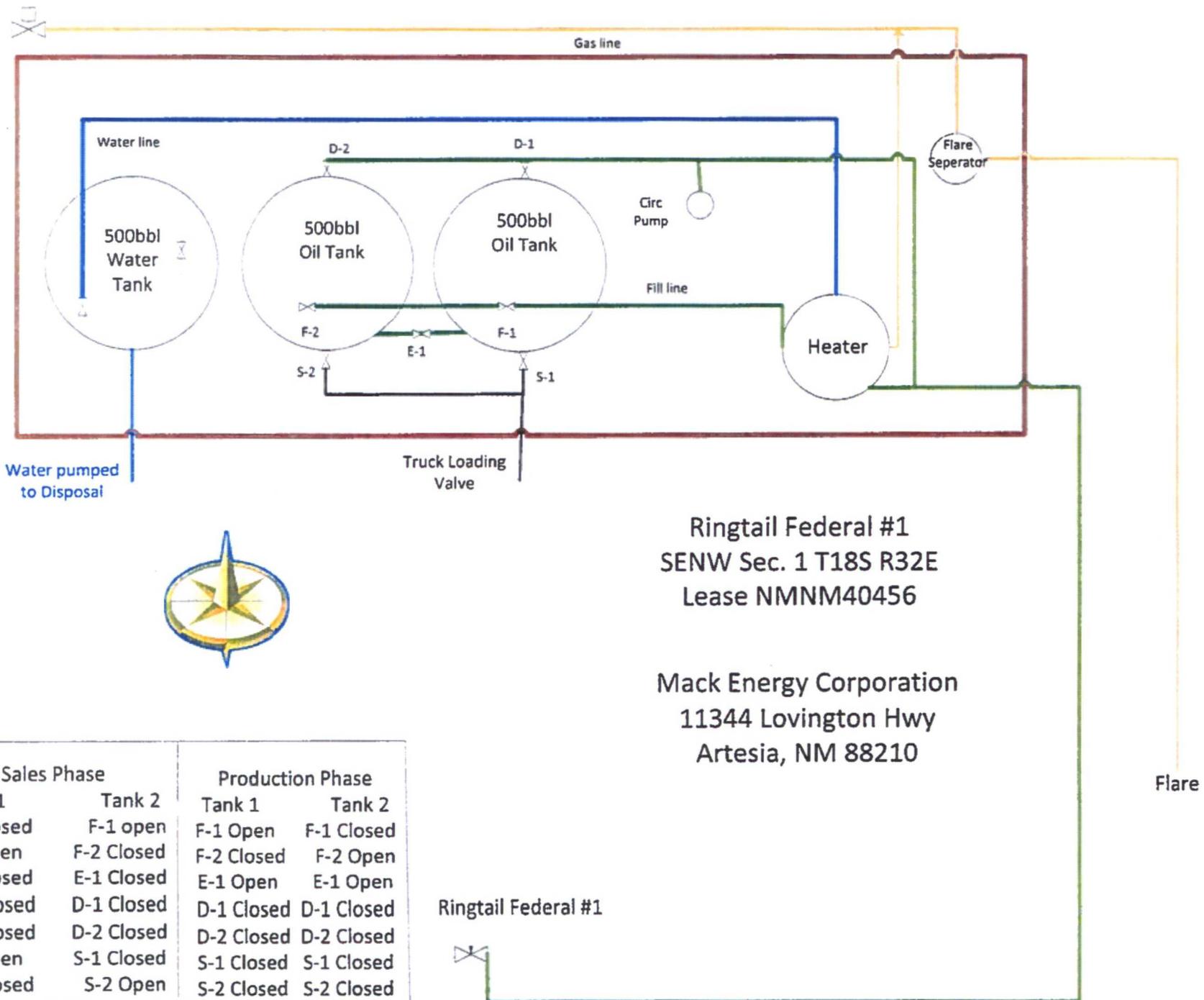


Source: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



Production Phase		Sales Phase	
Tank 1	Tank 2	Tank 1	Tank 2
F-1 Open	F-1 Closed	F-1 Closed	F-1 open
F-2 Closed	F-2 Open	F-2 Open	F-2 Closed
E-1 Open	E-1 Open	E-1 Closed	E-1 Closed
D-1 Closed	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Closed
S-1 Closed	S-1 Closed	S-1 Open	S-1 Closed
S-2 Closed	S-2 Closed	S-2 Closed	S-2 Open

Gas Meter located in SWNW Sec. 1 T18S R32E Meter #742594



Water pumped to Disposal

Truck Loading Valve



Ringtail Federal #1  
 SENW Sec. 1 T18S R32E  
 Lease NMNM40456

Mack Energy Corporation  
 11344 Lovington Hwy  
 Artesia, NM 88210

Flare

Ringtail Federal #1

Sales Phase		Production Phase	
Tank 1	Tank 2	Tank 1	Tank 2
F-1 Closed	F-1 open	F-1 Open	F-1 Closed
F-2 Open	F-2 Closed	F-2 Closed	F-2 Open
E-1 Closed	E-1 Closed	E-1 Open	E-1 Open
D-1 Closed	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Closed
S-1 Open	S-1 Closed	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Open	S-2 Closed	S-2 Closed

**MACKENERGY CORPORATION**

	Monthly Production	Oil Produced	Gas Prod.
Aug-15	Ranger Federal	153	372
Sep-15	Ranger Federal	211	369
Oct-15	Ranger Federal	156	295
Nov-15	Ranger Federal	257	382
Dec-15	Ranger Federal	201	349
Jan-16	Ranger Federal	220	344
Monthly Average		<u>199.666667</u>	<u>351.8333</u>
Aug-15	Ringtail Federal	936	1258
Sep-15	Ringtail Federal	717	1020
Oct-15	Ringtail Federal	614	879
Nov-15	Ringtail Federal	514	702
Dec-15	Ringtail Federal	455	621
Jan-16	Ringtail Federal	460	621
Monthly Average		<u>616</u>	<u>850.1667</u>

Hobbs  
 422 N French St., Hobbs, NM 88240  
 Phone: (505) 291-6101 Fax: (505) 291-6102  
 (24 hrs.)  
 111 S. First St., Artesia, NM 88210  
 Phone: (505) 749-4294 Fax: (505) 749-4295  
 (24 hrs.)  
 1000 Old Heaton Road, Abo, NM 88210  
 Phone: (505) 334-6174 Fax: (505) 334-6175  
 (24 hrs.)  
 1230 S. St. Francis Dr., Santa Fe, NM 87505  
 Phone: (505) 436-1460 Fax: (505) 436-3162

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

**HOBBS OCD**

**AUG 08 2014**

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

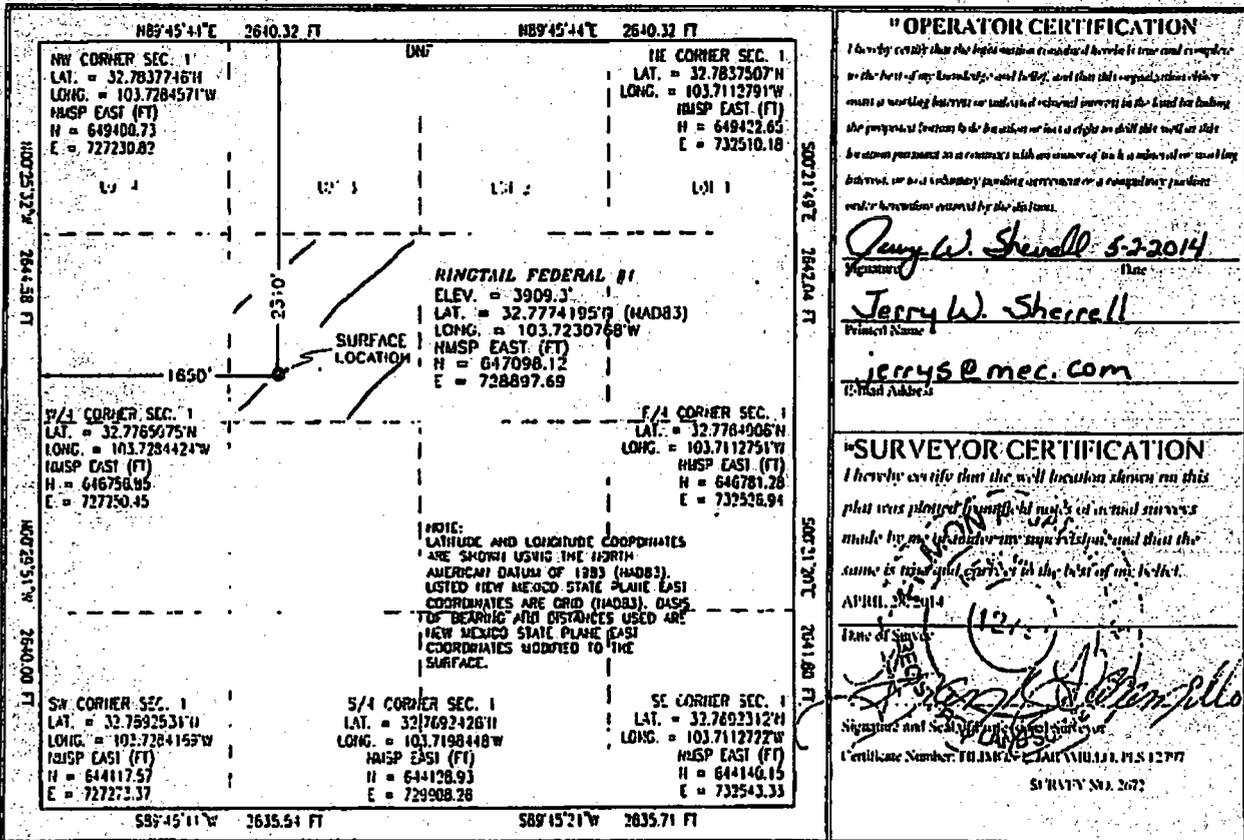
**RECEIVED**

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-023-42032</b>		Pool Code <b>65350</b>		Pool Name <b>Young; Bone Spring, North</b>	
Property Code <b>313576</b>	Property Name <b>RINGTAIL FEDERAL</b>			Well Number <b>1</b>	
OGUID No. <b>13837</b>	Operator Name <b>MACK ENERGY CORPORATION</b>			Elevation <b>3909.3</b>	
<b>Surface Location</b>					
CT or lot no. <b>F</b>	Section <b>1</b>	Township <b>18 S</b>	Range <b>32 E</b>	Lot No. <b></b>	Feet from the North/South line <b>2310</b>
			North/South line <b>NORTH</b>		Feet from the East/West line <b>1650</b>
			East/West line <b>WEST</b>		County <b>LEA</b>
<b>Bottom Hole Location If Different From Surface</b>					
CT or lot no. <b></b>	Section <b></b>	Township <b></b>	Range <b></b>	Lot No. <b></b>	Feet from the North/South line <b></b>
			North/South line <b></b>		Feet from the East/West line <b></b>
			East/West line <b></b>		County <b></b>
Dedicated Acres <b>40</b>		Joint or InHH <b></b>	Consolidation Code <b></b>	Order No. <b></b>	

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.



**AUG 08 2014**

DISTRICT I  
1623 N. FRENCH DR., HOBBBS, NM 87240

DISTRICT II  
1341 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV  
1185 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

HOBBBS OCD

JUN 27 2011

RECEIVED

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

OIL CONSERVATION DIVISION

1185 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-40180	Public/State 6535D	Pool Name YDUNG Bone Springs North
Property Code 38683	Property Name RANGERS FEDERAL	Well Number 1
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3919'

Surface Location

UT or lot No.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
4	1	18-S	32-E		990	NORTH	990	WEST	LEA

Bottom Hole Location If Different From Surface

UT or lot No.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40.07	Joint or Infill	Consolidation Code	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

LOT 4	LOT 3	LOT 2	LOT 1
<p>SEE DETAIL 980'</p> <p>40 07 AC</p>	<p>40 05 AC</p>	<p>40 03 AC</p>	<p>40 01 AC</p>
<p>DETAILED</p> <p>3921.7' 3921.9'</p> <p>600'</p> <p>600'</p> <p>3913.7' 3915.4'</p>			
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=648351.0 N X=687049.4 E</p> <p>LAT = 32 780929' N LONG = 103 724728' W</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 leased 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> 2/24/11 Signature Date</p> <p>Jerry W. Sherrell Printed Name</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>DECEMBER 2, 2010</p> <p>Date Surveyed LA</p> <p>Signature of Surveyor Professional Surveyor J. EIDSON 12/2/2010</p> <p>Certificate No. Gary G. Eidson 12641 3239</p>			

JUN 29 2011

## **McMillan, Michael, EMNRD**

---

**From:** McMillan, Michael, EMNRD  
**Sent:** Tuesday, March 7, 2017 4:44 PM  
**To:** Jerry Sherrell  
**Cc:** Jones, William V, EMNRD  
**Subject:** RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Jerry:  
I talked to Will, and he said using the 6 month allocation with each well being shut in for 24 hours would suffice. The only additional requirement being that the other well two weeks later being shut in for 24 hours. From this getting the allocation for the next 6 months would work.  
Also, the OCD would require Mack to notice the Hobbs District Office that the wells are being shut in. A 24 hour notice would be required

Thanks  
Mike

---

**From:** McMillan, Michael, EMNRD  
**Sent:** Tuesday, March 7, 2017 4:18 PM  
**To:** Jerry Sherrell <jerrys@mec.com>  
**Cc:** Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>  
**Subject:** Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Jerry:  
I am glad to see that operators are developing methods to get around low volume charges that pipelines are charging I need to get a couple of points clarified

- I need clarification for the allocation percentages  
The February 23, 2017 letter states a 61/39 breakdown of production with Ringtail getting 61%.  
The March 7, 2017 shows a 71/29 breakdown of production with Ringtail getting 71%.
- I will need a facility diagram of the Sprinkles Federal Well No. 1 that shows where the gas lines from the two wells, and where the meter is located

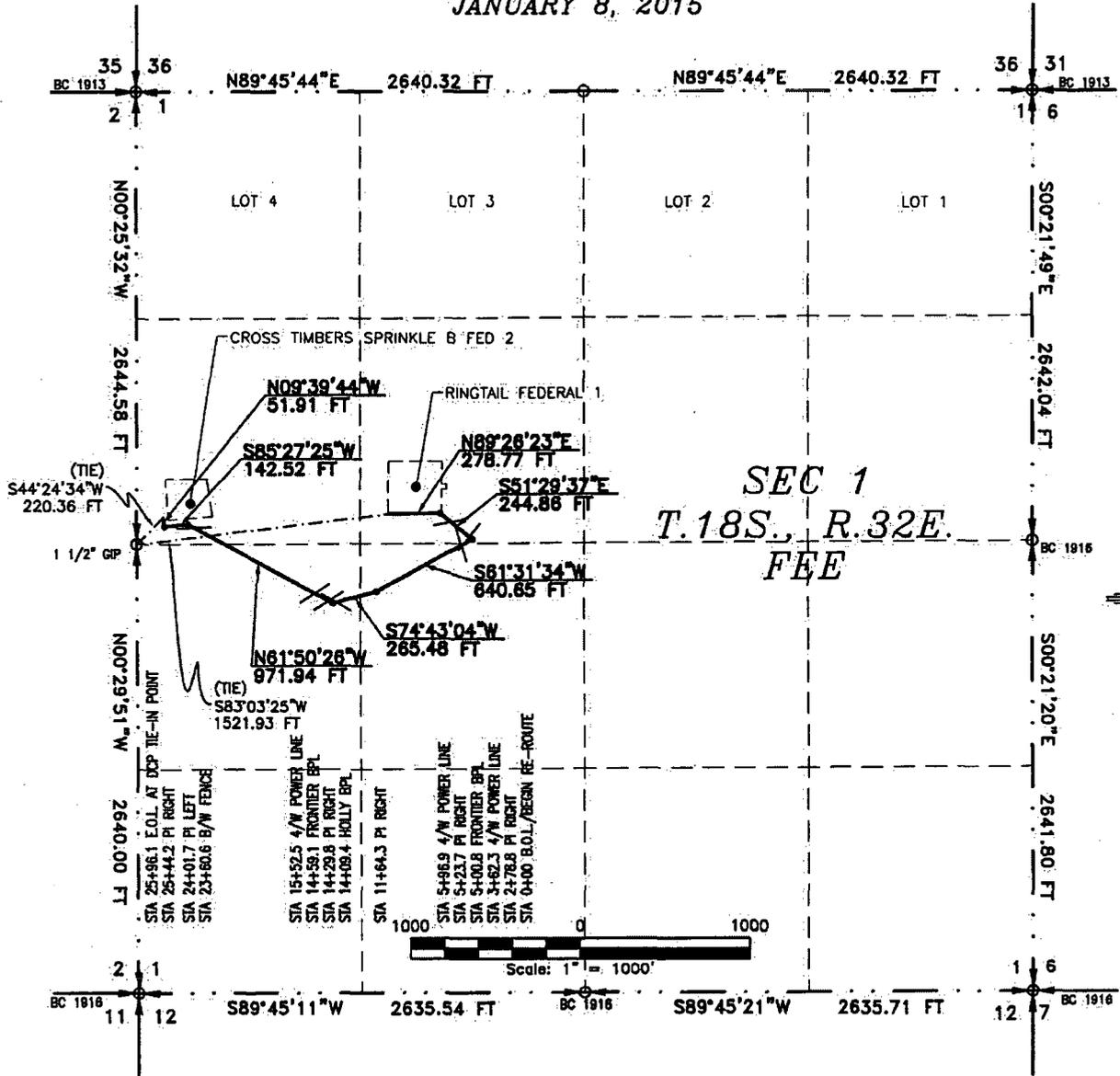
I will need to get with Will to see if this can be approved. If not, it may have to go to hearing, since no operator has suggested shutting in wells to get production percentages.

Thanks  
Mike

**MICHAEL A. MCMILLAN**  
Engineering Bureau, Oil Conservation Division  
1220 south St. Francis Dr., Santa Fe NM 87505  
O: 505.476.3448  
[Michael.McMillan@state.nm.us](mailto:Michael.McMillan@state.nm.us)

**FLOWLINE PLAT**  
 RE-ROUTE GAS LINE RIGHT-OF-WAY BEGINNING AT THE RINGTAIL FEDERAL 1 AND ENDING AT A  
 DCP TIE-IN POINT

**MACK ENERGY CORPORATION**  
 CENTERLINE SURVEY OF A PIPELINE CROSSING  
 SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.  
 LEA COUNTY, STATE OF NEW MEXICO  
 JANUARY 8, 2015



SEE NEXT SHEET (2-4) FOR DESCRIPTION

**SURVEYOR CERTIFICATE**

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, THIS 16<sup>th</sup> DAY OF JANUARY 2015

MADRON SURVEYING, INC.  
 301 SOUTH CANAL  
 CARLSBAD, NEW MEXICO 88220  
 Phone (575) 234-3341

FILMON F. JARAMILLO, RES. 12797

SURVEY NO. 3556A

- GENERAL NOTES**
- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
  - 2.) BASIS OF BEARING IS NMSP EAST MODIFIED TO SURFACE COORDINATES.

SHEET: 1-4

**MADRON SURVEYING, INC.** 301 SOUTH CANAL CARLSBAD, NEW MEXICO (575) 234-3341

**FLOWLINE PLAT**  
RE-ROUTE GAS LINE RIGHT-OF-WAY BEGINNING AT THE RINGTAIL FEDERAL 1 AND ENDING AT A  
DCP TIE-IN POINT

**MACK ENERGY CORPORATION**  
CENTERLINE SURVEY OF A PIPELINE CROSSING  
SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.  
LEA COUNTY, STATE OF NEW MEXICO  
JANUARY 8, 2015

**DESCRIPTION**

A STRIP OF LAND 30 FEET WIDE CROSSING FEE LAND IN SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE SE/4 NW/4 OF SAID SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., WHENCE THE WEST QUARTER CORNER OF SAID SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M. BEARS S83°03'25"W, A DISTANCE OF 1521.93 FEET;

THENCE N89°26'23"E A DISTANCE OF 278.77 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE S51°29'37"E A DISTANCE OF 244.86 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE S61°31'34"W A DISTANCE OF 640.65 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE S74°43'04"W A DISTANCE OF 265.48 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE N61°50'26"W A DISTANCE OF 971.94 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE S85°27'25"W A DISTANCE OF 142.52 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE N09°39'44"W A DISTANCE OF 51.91 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE WEST QUARTER CORNER OF SAID SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M. BEARS S44°24'34"W, A DISTANCE OF 220.36 FEET;

SAID STRIP OF LAND BEING 2596.13 FEET OR 157.34 RODS IN LENGTH, CONTAINING 1.788 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 NW/4	576.68 L.F.	34.95 RODS	0.397 ACRES
NE/4 SW/4	686.90 L.F.	41.63 RODS	0.473 ACRES
NW/4 SW/4	894.17 L.F.	54.19 RODS	0.616 ACRES
SW/4 NW/4	438.38 L.F.	28.57 RODS	0.302 ACRES

**SURVEYOR CERTIFICATE**

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MEXICO, THIS 16<sup>th</sup> DAY OF JANUARY 2015

MADRON SURVEYING, INC.  
301 SOUTH CANAL  
CARLSBAD, NEW MEXICO 88220  
Phone (575) 234-3341

FILIMON F. JARAMILLO, 12797

SURVEY NO. 3556A

**GENERAL NOTES**

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

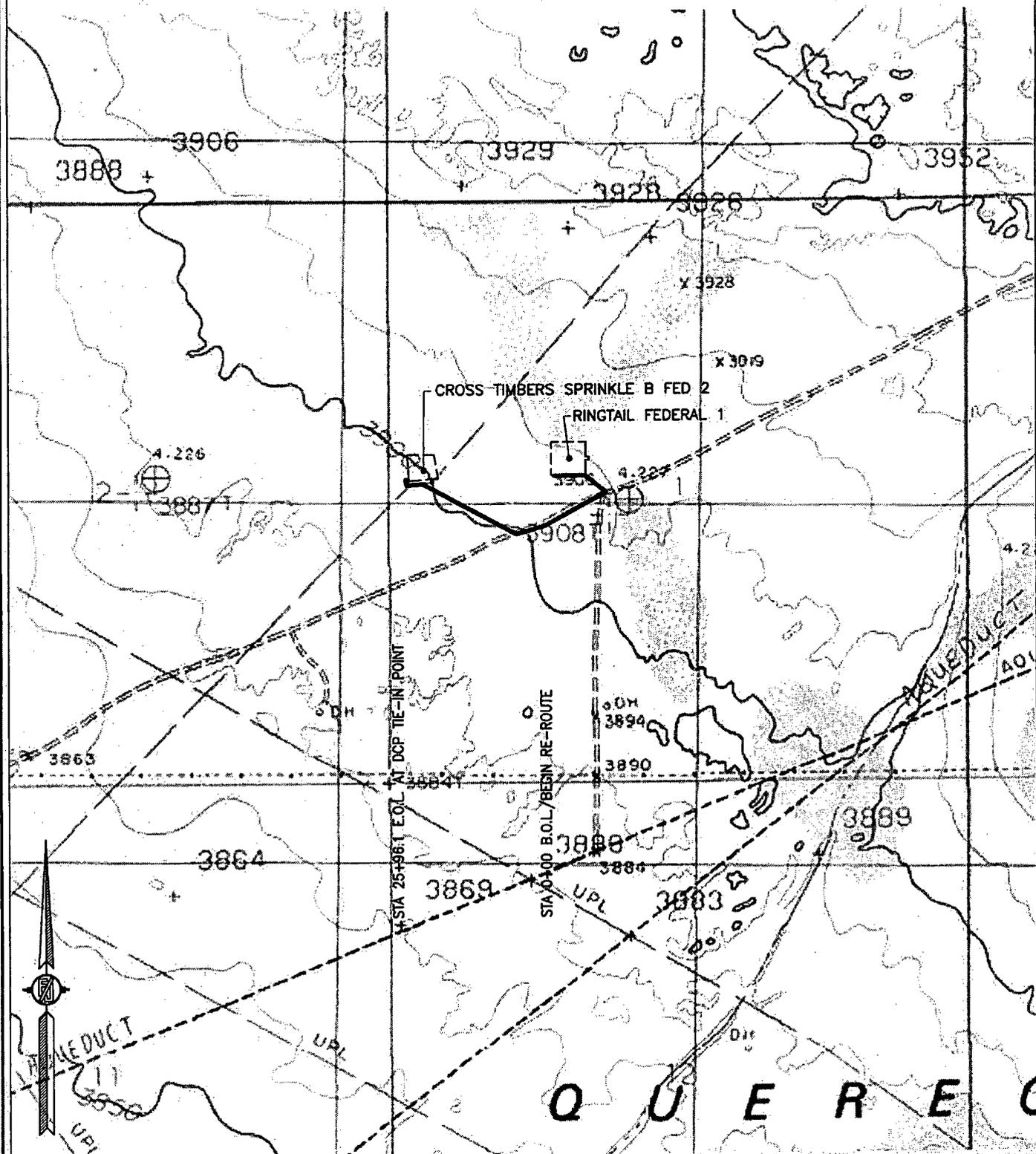
2.) BASIS OF BEARING IS NMSP EAST MODIFIED TO SURFACE COORDINATES.

SHEET 2-4

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO (575) 234-3341

**FLOWLINE PLAT**  
RE-ROUTE GAS LINE RIGHT-OF-WAY BEGINNING AT THE RINGTAIL FEDERAL 1 AND ENDING AT A  
DCP TIE-IN POINT

**MACK ENERGY CORPORATION**  
CENTERLINE SURVEY OF A PIPELINE CROSSING  
SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.  
LEA COUNTY, STATE OF NEW MEXICO  
JANUARY 8, 2015



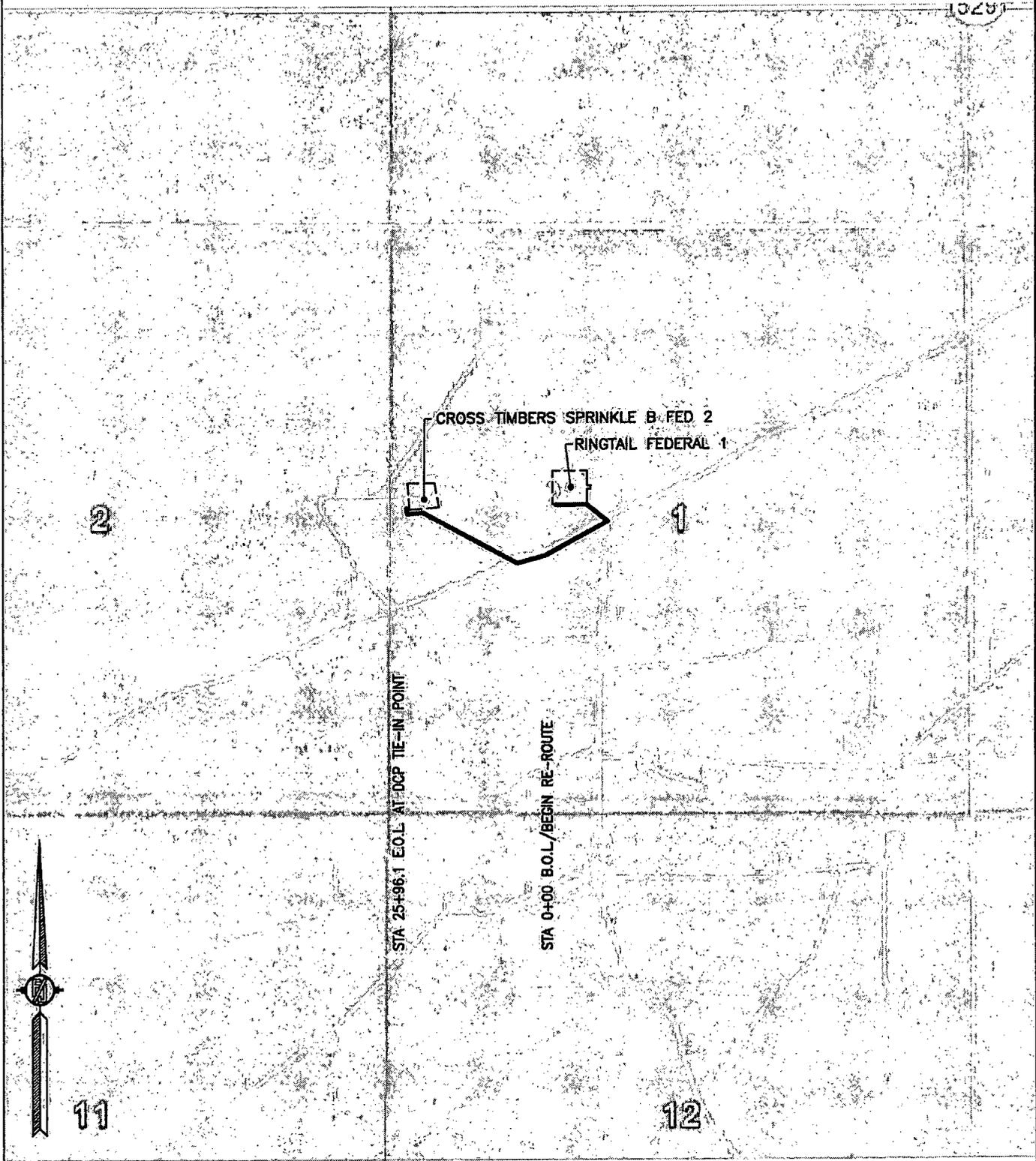
SHEET: 3-4

SURVEY NO. 3556A

MADRON SURVEYING, INC. 301 SOUTH CANAL. CARLSBAD, NEW MEXICO  
(575) 234-3341

**FLOWLINE PLAT**  
RE-ROUTE GAS LINE RIGHT-OF-WAY BEGINNING AT THE RINGTAIL FEDERAL 1 AND ENDING AT A  
DCP TIE-IN POINT

**MACK ENERGY CORPORATION**  
CENTERLINE SURVEY OF A PIPELINE CROSSING  
SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.  
LEA COUNTY, STATE OF NEW MEXICO  
JANUARY 8, 2015



STA 25+96.1 E.O.L. AT DCP TIE-IN POINT

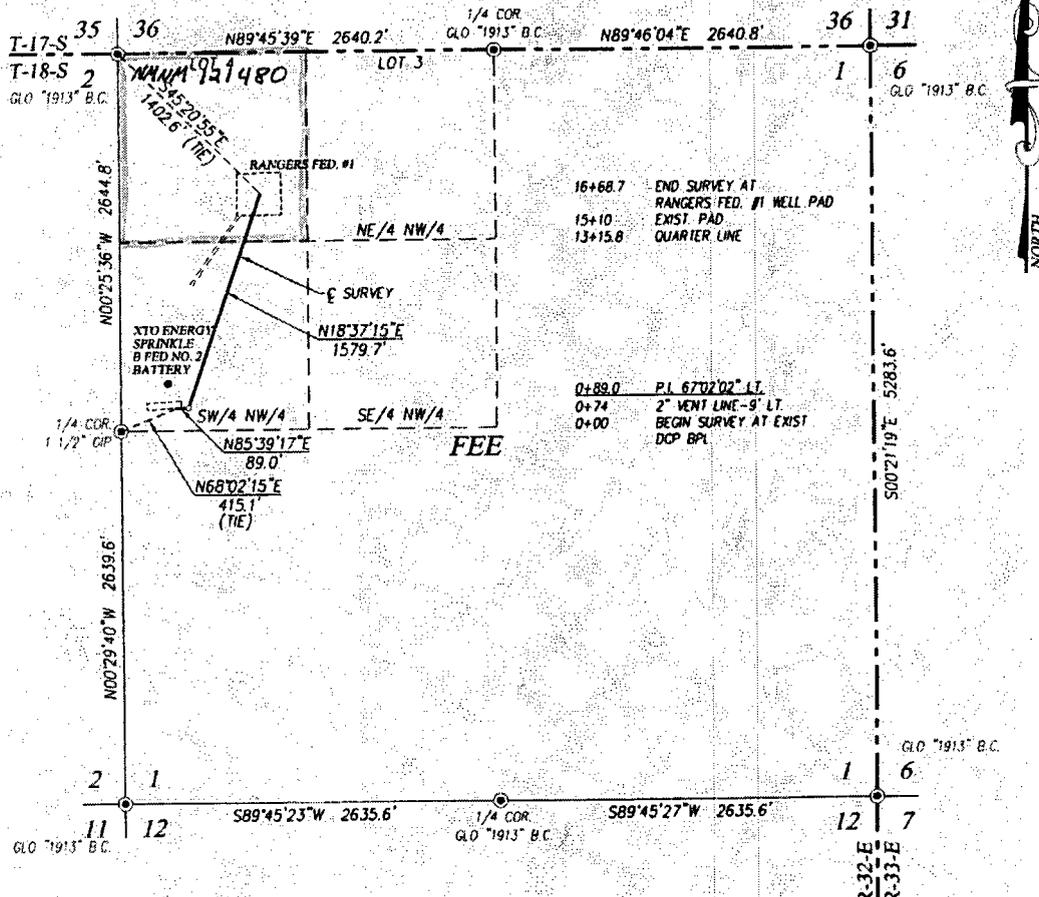
STA 0+00 B.O.L./BEGIN RE-ROUTE

SHEET: 4-4

SURVEY NO. 3556A

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO  
(575) 234-3341

SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,  
LEA COUNTY NEW MEXICO



**DESCRIPTION**

SURVEY OF A PIPELINE CROSSING SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 1, WHICH LIES N68°02'15"E 415.1 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION; THEN N85°39'17"E 89.0 FEET, THEN N18°37'15"E 1579.7 FEET TO A POINT IN LOT 4 OF SAID SECTION, WHICH LIES S45°20'55"E 1402.6 FEET FROM THE NORTHWEST CORNER OF SAID SECTION.

TOTAL LENGTH EQUALS 1668.7 FEET OR 101.13 RODS.

SW/4 NW/4= 1315.8 FEET OR 79.74 RODS  
LOT 4= 352.9 FEET OR 21.39 RODS

**NOTE**

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

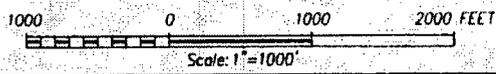
I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 3239, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

RONALD J. EIDSON *Ronald J. Eidson*  
DATE: 05/14/2012

PROVIDING SURVEYING SERVICES SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
412 N. DAL PASO  
HOBBS, N.M. 88240  
(575) 393-3117 www.jwsc.biz

**LEGEND**

- ⊙ DENOTES FOUND CORNER AS NOTED
- ⊗ DENOTES CALCULATED CORNER



**MACK ENERGY CORPORATION**

SURVEY OF A PIPELINE  
CROSSING SECTION 1,  
TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.  
LEA COUNTY, NEW MEXICO

Survey Date: 3/31/12	CAD Date: 4/20/12	Drawn By: ACR
W.O. No.: 12110558	Rev: 5/11/12	Rel. W.O.:

## McMillan, Michael, EMNRD

---

**From:** Jerry Sherrell <jerrys@mec.com>  
**Sent:** Wednesday, March 8, 2017 10:18 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

The numbers for the newest letter are correct. That being said, I see what you are getting at, that they are different from numbers sent to the affected parties. These numbers could potentially change at every six month testing period. The test will keep allocation accurate.

---

**From:** McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]  
**Sent:** Wednesday, March 08, 2017 10:09 AM  
**To:** Jerry Sherrell  
**Subject:** RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

So which letter is correct-the letter to the affected parties, or the letter to the OCD?  
Mike

---

**From:** Jerry Sherrell [mailto:jerrys@mec.com]  
**Sent:** Wednesday, March 8, 2017 10:04 AM  
**To:** McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>  
**Subject:** RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Yes I did. The production has changed. The Rangers is an older well and has declined. The six month testing should keep us on track as to any decline in either well and prevent early plugging and loss of resources.

---

**From:** McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]  
**Sent:** Wednesday, March 08, 2017 9:59 AM  
**To:** Jerry Sherrell  
**Subject:** RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Di you look at the letters for part that deals with allocation  
Mike

---

**From:** Jerry Sherrell [mailto:jerrys@mec.com]  
**Sent:** Wednesday, March 8, 2017 9:55 AM  
**To:** McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>  
**Cc:** Lee Livingston <leel@mec.com>  
**Subject:** RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Mike,

That sounds completely reasonable to us. I am working on the diagram for our sales meters at the Sprinkle location. They are located just off the edge of that location adjacent to DCP gathering line. I have attached the plats for both lines.

---

**From:** McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]  
**Sent:** Tuesday, March 07, 2017 4:44 PM  
**To:** Jerry Sherrell

**Cc:** Jones, William V, EMNRD

**Subject:** RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Jerry:

I talked to Will, and he said using the 6 month allocation with each well being shut in for 24 hours would suffice. The only additional requirement being that the other well two weeks later being shut in for 24 hours. From this getting the allocation for the next 6 months would work.

Also, the OCD would require Mack to notice the Hobbs District Office that the wells are being shut in. A 24 hour notice would be required.

Thanks  
Mike

---

**From:** McMillan, Michael, EMNRD

**Sent:** Tuesday, March 7, 2017 4:18 PM

**To:** Jerry Sherrell <jerrys@mec.com>

**Cc:** Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>

**Subject:** Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Jerry:

I am glad to see that operators are developing methods to get around low volume charges that pipelines are charging. I need to get a couple of points clarified.

- I need clarification for the allocation percentages.  
The February 23, 2017 letter states a 61/39 breakdown of production with Ringtail getting 61%.  
The March 7, 2017 shows a 71/29 breakdown of production with Ringtail getting 71%.
- I will need a facility diagram of the Sprinkles Federal Well No. 1 that shows where the gas lines from the two wells, and where the meter is located.

I will need to get with Will to see if this can be approved. If not, it may have to go to hearing, since no operator has suggested shutting in wells to get production percentages.

Thanks  
Mike

**MICHAEL A. MCMILLAN**

Engineering Bureau, Oil Conservation Division

1220 south St. Francis Dr., Santa Fe NM 87505

O: 505.476.3448

[Michael.McMillan@state.nm.us](mailto:Michael.McMillan@state.nm.us)