

NSL-7786

Revised March 23, 2017

RECEIVED: NOV 4, 2018	REVIEWER: LRL	TYPE: NSL	APP NO: PLEL 1831857230
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** Mack Energy Corporation **OGRID Number:** 013837  
**Well Name:** Prince Rupert Federal 4H **API:** 30-005-64320  
**Pool:** Round Tank; San Andres **Pool Code:** 52770

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

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

A. Location - Spacing Unit - Simultaneous Dedication

NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD

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

[ I ] Commingling - Storage - Measurement

DHC     CTB     PLC     PC     OLS     OLM

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

WFX     PMX     SWD     IPI     EOR     PFR

**2) NOTIFICATION REQUIRED TO:** Check those which apply.

- A.  Offset operators or lease holders
- B.  Royalty, overriding royalty owners, revenue owners
- C.  Application requires published notice
- D.  Notification and/or concurrent approval by SLO
- E.  Notification and/or concurrent approval by BLM
- F.  Surface owner
- G.  For all of the above, proof of notification or publication is attached, and/or,
- H.  No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

**3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jerry W. Sherrell  
 \_\_\_\_\_  
 Print or Type Name

*Jerry W. Sherrell*  
 \_\_\_\_\_  
 Signature

11/14/18  
 \_\_\_\_\_  
 Date

575-748-1288  
 \_\_\_\_\_  
 Phone Number

jerrys@mec.com  
 \_\_\_\_\_  
 e-mail Address



NOV 14 2018 AM 10:51

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

November 8, 2018

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

**Re: Application of Mack Energy Corporation for administrative approval of an unorthodox well location for its Prince Rupert Federal 4H well in the SWSE of Sec. 17 T15S, R29E, Chaves County, New Mexico.**

Dear Mr. McMillan:

Mack Energy Corporation (OGRID 13837) seeks administrative approval of an unorthodox well location for its **Prince Rupert Federal 4H Well** SHL 565 FSL 1675 FEL, Sec. 17 T15S R29E, BHL 13 FSL 1717 FEL Sec. 20 T15S R29E to be completed in the Round Tank; San Andres Pool (Pool Code 52770). Completed interval will be, First Take Point 100 FNL 1718 FEL, through Last Take Point 50 FSL 1718 FEL Sec. 20 T15S R29E. Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 100 feet to the outer boundary of the spacing unit, the completed interval for this well is unorthodox because it is closer than 100 feet to the SWSE of Sec. 20 T15S R29E boundary of the project area. Approval of the unorthodox completed interval will allow for efficient well spacing and prevent waste of a productive reservoir.

**Exhibit A** is an as drilled plat for the **Prince Rupert Federal 4H Well** which shows that the completed interval encroaches on the NWNE Sec. 29 T15S R29E.

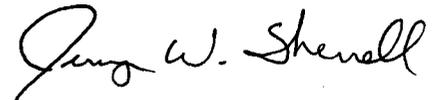
**Exhibit B** is a map showing the outline of the subject acreage and the surrounding sections.

**Exhibit C** is a list of parties affected by the encroachment in the surrounding sections and/or units. A copy of this application with all attachments has been sent to each affected party.

Thank you for your assistance in this matter. If you have any questions, please feel free to call.

Sincerely,

**MACK ENERGY CORPORATION**

A handwritten signature in cursive script that reads "Jerry W. Sherrell". The signature is written in black ink and is positioned above the printed name and title.

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

**JWS/**  
**Enclosures**

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-005-64320		<sup>2</sup> Pool Code 52770		<sup>3</sup> Pool Name Round Tank; San Andres	
<sup>4</sup> Property Code 314080		<sup>5</sup> Property Name PRINCE RUPERT FEDERAL		<sup>6</sup> Well Number 4H	
<sup>7</sup> OGRID No. 13837		<sup>8</sup> Operator Name MACK ENERGY CORPORATION		<sup>9</sup> Elevation 3788.7	

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	17	15 S	29 E		565	SOUTH	1675	EAST	CHAVES

<sup>11</sup> Bottom Hole Location If Different From Surface

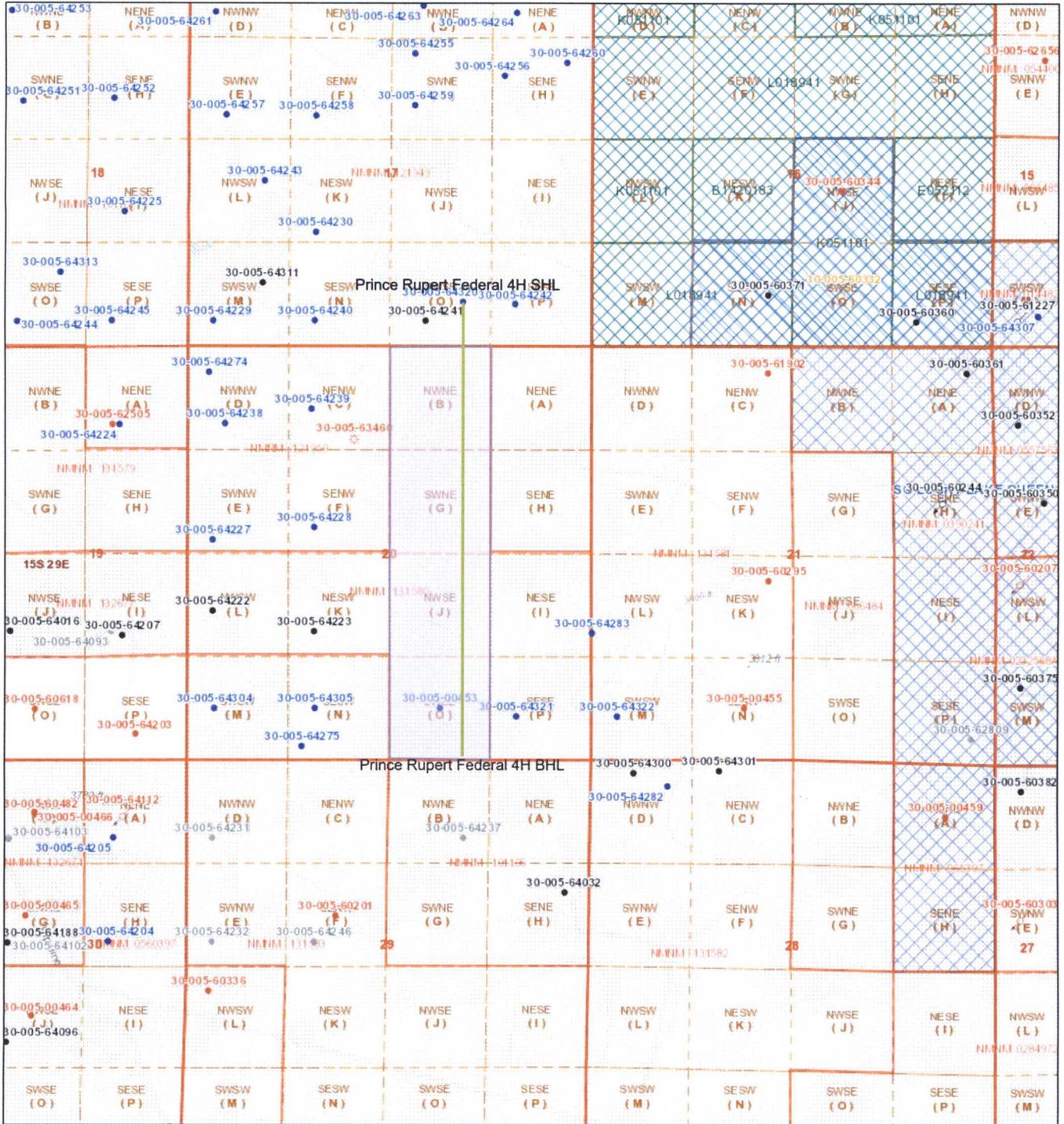
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/ West line	County
O	20	15 S	29 E		13	SOUTH	1717	EAST	CHAVES

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<p>NW CORNER SEC. 17 LAT. = 33.0231877N LONG. = 104.0591511W NMSP EAST (FT) N = 736082.33 E = 625373.48</p> <p>W/4 CORNER SEC. 17 LAT. = 33.0159381N LONG. = 104.0591803W NMSP EAST (FT) N = 733444.71 E = 625371.40</p> <p>SW CORNER SEC. 17 LAT. = 33.0088773N LONG. = 104.0592070W NMSP EAST (FT) N = 730802.99 E = 625370.10</p> <p>W/4 CORNER SEC. 20 LAT. = 33.0014276N LONG. = 104.0592265W NMSP EAST (FT) N = 728185.36 E = 625371.02</p> <p>SW CORNER SEC. 20 LAT. = 32.9941778N LONG. = 104.0592205W NMSP EAST (FT) N = 725527.69 E = 625379.72</p>	<p>589°04'14"E 2643.06 FT N88°47'01"E 2624.38 FT</p> <p>N/4 CORNER SEC. 17 LAT. = 33.0230506N LONG. = 104.0505315W NMSP EAST (FT) N = 736039.47 E = 628015.51</p> <p>PRINCE RUPERT FEDERAL 4H ELEV. = 3788.7' LAT. = 33.0102224N (NAD83) LONG. = 104.0474755W NMSP EAST (FT) N = 731374.73 E = 628964.85</p> <p>S/4 CORNER SEC. 17 LAT. = 33.0086712N LONG. = 104.0506060W NMSP EAST (FT) N = 730807.76 E = 628008.72</p> <p>SHL/KOP 1675'</p> <p>AS-DRILLED FTP</p>	<p>NE CORNER SEC. 17 LAT. = 33.0231840N LONG. = 104.0419727W NMSP EAST (FT) N = 736095.17 E = 630638.62</p> <p>E/4 CORNER SEC. 17 LAT. = 33.0159319N LONG. = 104.0420011W NMSP EAST (FT) N = 733458.63 E = 630637.24</p> <p>SE CORNER SEC. 17 LAT. = 33.0088670N LONG. = 104.0420158W NMSP EAST (FT) N = 730813.44 E = 630640.08</p>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jerry W. Sherrell</i> 11/7/2018 Signature Date</p> <p>Jerry W. Sherrell Printed Name</p> <p>jerry@mecc.com E-mail Address</p>
	<p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE. VERTICAL DATUM NAVD83.</p> <p>AS-DRILLED BOTTOM OF HOLE LAT. = 32.9942139N LONG. = 104.0475949W NMSP EAST (FT) N = 725550.29 E = 628944.08</p> <p>AS-DRILLED LAST TAKE POINT 50' FSL 1716' FEL LAT. = 32.9943158N LONG. = 104.0475929W NMSP EAST (FT) N = 725587.36 E = 628944.58</p> <p>AS-DRILLED LTP AS-DRILLED BHL 1717'</p>	<p><b><sup>18</sup> 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>NOVEMBER 2018 Date of Survey</p> <p>FILMON F. JARAMILLO REGISTERED PROFESSIONAL SURVEYOR 12797</p> <p><i>Filmon F. Jaramillo</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number FILMON F. JARAMILLO, PLS 12797</p> <p>SURVEY NO. 6464</p>	

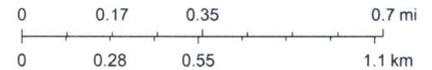
# OCD Well Locations



11/8/2018, 9:32:12 AM

1:18,056

- Override 1
- Override 1
- Well Locations - Small Scale
  - Active
  - New
  - Plugged
  - Cancelled
  - Temporarily Abandoned
- Well Locations - Large Scale
  - Miscellaneous
  - CO2 Active
  - CO2 Cancelled
  - CO2 New
  - CO2, Plugged
- CO2, Temporarily Abandoned
- Gas Active
- Gas, Cancelled, Never Drilled
- Gas, New
- Gas, Plugged
- Gas, Temporarily Abandoned
- Injection, Active
- Injection, Cancelled
- Injection, New
- Injection, Plugged
- Injection, Temporarily Abandoned
- Oil, Active
- Oil, Cancelled
- Oil, New
- Oil, Plugged
- Oil, Temporarily Abandoned
- Salt Water Injection, Active
- Salt Water Injection, Cancelled
- Salt Water Injection, New
- Salt Water Injection, Plugged
- Salt Water Injection, Temporarily Abandoned
- Water, Active
- Water, Cancelled
- Water, New
- Water, Plugged
- Water, Temporarily Abandoned



Bureau of Land Management, Texas Parks & Wildlife, Esri, HERE, Garmin, INCREMENT P, USGS, METINASA, EPA, USDA, OCD, BLM

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**M E M O**

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DATE: November 7, 2018

TO: NMOCD

FROM: STACI SANDERS  
MACK ENERGY CORPORATION

RE: **NON-STANDARD LOCATION**  
PRINCE RUPERT FEDERAL #4H WELL (API #30-005-64320)  
SHL: 565' FSL & 1675' FEL, SEC. 17, T15S-R29E  
FTP: 100' FNL & 1718' FEL, SEC. 20, T15S-R29E  
LTP: 50' FSL & 1716' FEL, SEC. 20, T15S-R29E  
BHL: 13' FNL & 1717' FEL, SEC. 20, T15S-R29E  
CHAVES COUNTY, NEW MEXICO

Mack Energy Corporation is seeking the approval of a non-standard location for the Prince Rupert Federal #4H well. Please see the attached exhibit for a list of the leases (with owners) and legal descriptions for this well.

The Prince Rupert Federal #4H will encroach on Federal Lease NMNM-101106 in the NW/4 NE/4 of Section 29, T15S-R29E, which is also operated by Mack Energy Corporation. The ownership for this lease is identical to the lease for the Prince Rupert Federal #4H (see ownership attached).

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

Sincerely,

**Mack Energy Corporation**



Staci Sanders  
Land Manager

**Prince Rupert Federal #4H Lease**

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**USA Lease NMNM131580: W/2NE/4, N/2SW/4, SE/4 of Sec. 20, T15S-R29E**

**Interest Owners:**

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

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

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

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

Sendero Energy LLC                         WI  
P.O. Box 556  
Artesia, NM 88211

Katz Resources LLC                         WI  
P.O. Box 797  
Artesia, NM 88211

M Squared Energy LLC                      WI  
P.O. Box 211  
Artesia, NM 88211

**Encroaching on the following Lease:**

**USA Lease NMNM-101106: NW/4 NE/4 of Sec. 29, T15S-R29E**

**Interest Owners:**

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

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

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

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

Sendero Energy LLC                         WI  
P.O. Box 556  
Artesia, NM 88211

Katz Resources LLC                         WI  
P.O. Box 797  
Artesia, NM 88211

M Squared Energy LLC                      WI  
P.O. Box 211  
Artesia, NM 88211

## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Friday, December 7, 2018 9:03 AM  
**To:** 'Jerry Sherrell'  
**Cc:** Mike Bratcher (mike.bratcher@state.nm.us); Cordero, Gilbert, EMNRD; 'lisa@rwbyram.com'; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Dawson, Scott, EMNRD; 'jglover@blm.gov'  
**Subject:** NSL-7786\_Mack Energy Corporation\_Prince Rupert Federal Com No. 4H API #: 30-005-64320  
  
**Importance:** High

Mr. Jerry W. Sherrell,

The following administrative order has been issued and will soon be available on the Division's web site:  
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

### **NSL-7786**

Mack Energy Corporation

API #: 30-005-64320

WELL: Prince Rupert Federal Com No. 4H

### **Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>