



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER OLS-184

Mack Energy Corporation
P.O. Box 960
Artesia, New Mexico 88211-0960

Attention: Ms. Crissa D. Carter

As an exception to the requirements of Rule 309-A of the Division Rules and Regulations, and pursuant to the provisions of Rule 309-C, the above named company is hereby authorized off-lease storage and measurement for Loco Hills-Paddock (96718) Pool production from the following lease:

Lease: Brigham H (State Lease No. LC-029342-H)
Description: NW/4 SW/4 of Section 21, Township 17 South, Range 30 East, NMPM,
Eddy County, New Mexico.

The aforementioned production is to be transported prior to measurement and storage at the Berry A Federal Well No. 7 (State of New Mexico Lease LC-054988-A) off lease storage and measurement facility located in Unit C of Section 22, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-A and 309-B of the Division Rules and Regulations and there shall be no intercommunication of the handling, separating, treating or storage facilities designated to the above lease.

FURTHER: The operator shall notify the Artesia district office of the Division prior to implementation of the commingling process.

DONE at Santa Fe, New Mexico, on this 14th day of July, 1999.

LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia
Bureau of Land Management - Carlsbad
State Land Office - Oil & Gas Division

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MACK ENERGY CORPORATION

Post Office Box 960
Artesia, New Mexico 88211-0960
(505) 748-1288 / FAX (505) 746-2362

July 8, 1999

Oil Conservation Division
Attn: Ben Stone
2040 South Pacheco
Santa Fe, NM 87505

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Re: Brigham H
LC-029342-H
Sec. 21-T17S-R30E
Eddy County, New Mexico

Dear Mr. Stone:

Mack Energy Corporation, as operator of the aforementioned lease, respectfully requests an administrative approval for off lease storage (OLS) and measurement (OLM) for economic, environmental, and safety reasons.

It is requested that off lease storage and measurement of the Loco Hills Paddock Pool production be approved for the Brigham H lease (State of NM Lease LC-029342-H) located in the NW/4 SW/4 of Section 21-T17S-R30E. The storage facility will be located in the NE/4 NW/4 of Section 21-T17S-R30E at the Berry A Federal (State of NM Lease LC-054988-A) Well #7 (330 FNL & 2110 FWL). The two leases will not be commingled.

Mack Energy has made notification to all parties owning any interest in the Brigham H lease. Attached, as part of this application is a copy of the sundry notice to the BLM, lease map, topographic map, and a site facility diagram of the Storage Facility.

Mack Energy Corporation is respectfully requesting administrative approval of this application for Off Lease Storage and Measurement. Should you require any additional information concerning this application, please call Matt J. Brewer at the above number. Thank you for your consideration of this request.

Sincerely,



Crissa D. Carter
Production Analyst

Enclosures