

OLS/OLM N/R  
**MACK ENERGY CORPORATION**

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

185

July 23, 1999

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

Re: Woolley Federal  
LC-029342-A  
Sec. 21-T17S-R30E  
Eddy County, New Mexico

JUL 30 1999

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 Woolley Federal lease (State of NM Lease LC-029342-A) located in the S/2 and the NE/4 SW/4 of Section 21-T17S-R30E. The storage facility will be located in the NE/4 NW/4 of Section 28-T17S-R30E at the Federal S Tank Battery(State of NM Lease LC-028936-C). The two leases will not be commingled.

Mack Energy has made notification to all parties owning any interest in the Woolley Federal 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 me at the above number. Thank you for your consideration of this request.

Sincerely,

*Matt J. Brewer*

Matt J. Brewer  
Geological Engineer

Enclosures

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

*SUBMIT IN TRIPLICATE*

1 Type of Well

Oil Well     Gas Well     Other

2. Name of Operator

Mack Energy Corporation

3. Address and Telephone No.

P.O. Box 960, Artesia, NM 88211-0960

(505)748-1288

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

Sec. 21-T17S-R30E

5. Lease Designation and Serial No.

LC-029342-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Woolley Federal

9. API Well No.

10. Field and Pool, or Exploratory Area

Loco Hills Paddock

11. County or Parish, State

Eddy, NM

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

TYPE OF SUBMISSION

- Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION

- Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Off Lease Storage
- Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)\*

Mack Energy Corporation proposes off lease storage and measurement of hydrocarbons from the Loco Hills Paddock Pool of the Woolley Federal Lease. The Storage Facility will be located at NE/4 NW/4, Section 28, T17S, R30E, which is our Federal S Lease. The two leases will not be surface commingling at this time. List of Attachments includes Surface Owner Map, Topo Map, Site Diagram of the Facility. We have submitted an application for right of way approval to the BLM's Realty Section. The proposed application will not result in reduced royalty or improper measurement of production.

14. I hereby certify that the foregoing is true and correct

Signed Math J. Brower Title Geological Engineer Date 07/23/99

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any: \_\_\_\_\_

Title 18 U.S.C. Section 1001, makes it a crime for any 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.