



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

November 29, 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 George Federal Com 1H well in the NWNE of Sec. 32 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 George Federal Com 1H Well SHL 660 FNL 2285 FEL, Sec. 32 T15S R29E, BHL 4 FNL 2281 FEL Sec. 29 T15S R29E**, completed in the Round Tank; San Andres Pool (Pool Code 52770). Completed interval: First Take Point 104 FSL 2281 FEL, through Last Take Point 75 FNL 2281 FEL Sec. 29 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 NWNE of Sec. 29 T15S R29E boundary of the project area.

**Exhibit A** is an as drilled plat for the **Prince George Federal Com 1H Well** which shows that the completed interval encroaches on the SWSE Sec. 20 T15S R29E.

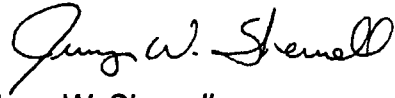
**Exhibit B** is a map showing the outline of the subject acreage and the surrounding sections.

**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. Mack Energy is the operator of the offsetting acreage, which has identical interest.

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 black ink, reading "Jerry W. Sherrell". The signature is fluid and cursive, with the first name "Jerry" being more prominent.

**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 30-005-64310	<sup>2</sup> Pool Code 52770	<sup>3</sup> Pool Name Round Tank; San Andres
<sup>4</sup> Property Code 320814	<sup>5</sup> Property Name PRINCE GEORGE FEDERAL COM	
<sup>6</sup> OGRID No. 13837	<sup>7</sup> Operator Name MACK ENERGY CORPORATION	<sup>8</sup> Well Number 1H
		<sup>9</sup> Elevation 3781.5

<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
B	32	15 S	29 E		660	NORTH	2285	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
B	29	15 S	29 E		4	NORTH	2281	EAST	CHAVES

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
160			

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><b>" 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 unless 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>Deana Weaver</i> 11.26.18 Signature Date</p> <p>Deana Weaver Printed Name</p> <p>dweaver@mec.com E-mail Address</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>NOVEMBER 7, 2018 Date of Survey</p> <p><i>FILMON F. JARAMILLO</i> Signature of Professional Surveyor</p> <p>Certificate Number FILMON F. JARAMILLO, P.S. 2797 SURVEY NO. 5610A</p>	
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Intent ☐ As Drilled ☒

API #

Operator Name:	Property Name:	Well Number
<b>MACK ENERGY CORPORATION</b>	<b>PRINCE GEORGE FEDERAL COM</b>	<b>1H</b>

Kick Off Point (KOP)

UL <b>B</b>	Section <b>32</b>	Township <b>15S</b>	Range <b>29E</b>	Lot	Feet <b>660</b>	From N/S <b>NORTH</b>	Feet <b>2285</b>	From E/W <b>EAST</b>	County <b>CHAVES</b>
Latitude <b>32.9779354</b>					Longitude <b>104.0496664</b>			NAD <b>83</b>	

First Take Point (FTP)

UL <b>O</b>	Section <b>29</b>	Township <b>15S</b>	Range <b>29E</b>	Lot	Feet <b>104</b>	From N/S <b>SOUTH</b>	Feet <b>2261</b>	From E/W <b>EAST</b>	County <b>CHAVES</b>
Latitude <b>32.9800360</b>					Longitude <b>104.0496018</b>			NAD <b>83</b>	

Last Take Point (LTP)

UL <b>B</b>	Section <b>29</b>	Township <b>15S</b>	Range <b>29E</b>	Lot	Feet <b>75</b>	From N/S <b>NORTH</b>	Feet <b>2281</b>	From E/W <b>EAST</b>	County <b>CHAVES</b>
Latitude <b>32.9939748</b>					Longitude <b>104.0494335</b>			NAD <b>83</b>	

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

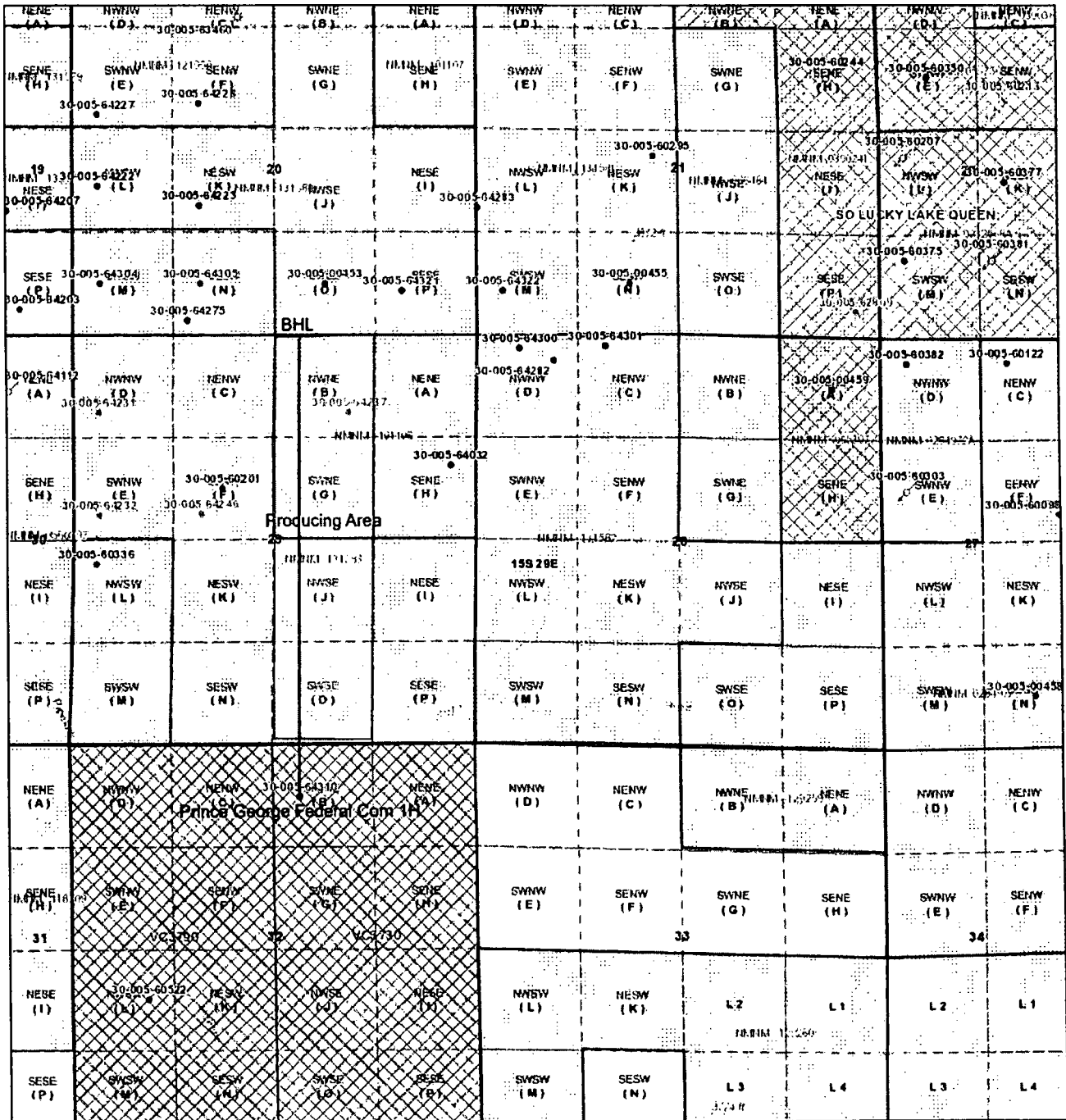
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number

KZ 06/29/2018

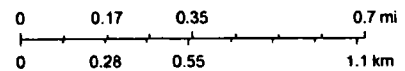
# OCD Well Locations



11/29/2018, 9:29:31 AM

- 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

1:18,056



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

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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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 George Federal Com 1H **API:** 30-005-64310  
**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    ☐ IFI    ☐ 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**

- ☐ Notice Complete  
☐ 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

11/29/18

Date

575-748-1288

Phone Number

jerrys@mec.com

e-mail Address

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**M E M O**

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DATE: November 29, 2018

TO: NMOCD

FROM: STACI SANDERS  
MACK ENERGY CORPORATION

RE: **NON-STANDARD LOCATION**  
PRINCE GEORGE FEDERAL COM #1H WELL (API #30-005-64310)  
SHL: 660' FNL & 2285' FEL, SEC. 32, T15S-R29E  
FTP: 104' FSL & 2261' FEL, SEC. 29, T15S-R29E  
LTP: 75' FNL & 2281' FEL, SEC. 29, T15S-R29E  
BHL: 4' FNL & 2281' FEL, SEC. 29, T15S-R29E  
CHAVES COUNTY, NEW MEXICO

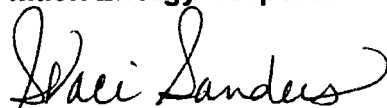
Mack Energy Corporation is seeking the approval of a non-standard location for the Prince George Federal Com #1H well. Please see the attached exhibit for a list of the leases (with owners) and legal descriptions for this well.

The Prince George Federal Com #1H will encroach on Federal Lease NMNM-131580 in the SW/4 SE/4 of Section 20, T15S-R29E, which is also operated by Mack Energy Corporation. The ownership for this lease is identical to the leases for the Prince George Federal Com #1H (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 George Federal Com #1H Leases**

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**USA Lease NMNM-101106: W/2 NE/4 of Sec. 29, T15S-R29E**

**USA Lease NMNM-131583: W/2 SE/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



**Encroaching on the following Lease:**

**USA Lease NMNM131580: SW/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