

DATE <u>5/29/03</u>	SUSPENSE <u>NA</u>	ENGINEER <u>src</u>	LOGGED IN <u>KV</u>	TYPE <u>NSL</u>	OFF NO. <u>PRR/03/5427061</u>
---------------------	--------------------	---------------------	---------------------	-----------------	-------------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

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



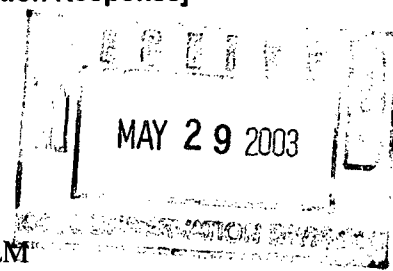
ADMINISTRATIVE APPLICATION CHECKLIST

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
☒ NSL ☐ NSP ☐ SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
 [D] Other: Specify _____



- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
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
Print or Type Name

Jerry W. Sherrell
Signature

Production Clerk
Title

5/26/2003
Date

jerrys@mackenergycorp.com
e-mail Address



P.O. Box 960
Artesia, NM 88211-0960
Office (505) 748-1288
Fax (505) 746-9539

May 26, 2003

Oil Conservation Division
Attn: Mike Stogner
2040 South Pacheco
Santa Fe, NM 87505

Dear Mr. Stogner:

Mack Energy Corporation respectfully requests an administrative approval without notice and hearing of the following unorthodox well location.

Because of our desire to drill this well in a timely manner, we also request your approval be expedited. The well location and legal description is as follows:

Brown Federal #4
1040 FNL & 330 FWL
Sec. 31, T17S, R32E
Lea County, New Mexico

The well will be completed in the San Andres formation in the Maljamar-Grayburg-San Andres Pool.

Attached to this application are the following exhibits.

- A.) Well location and acreage dedication plat (form C-102) filed with the Hobbs office of the Oil Conservation Division (Exhibit A).
- B.) A map showing the proposed unorthodox locations, the respective proration units, and the offsetting proration units (Exhibit B).
- C.) A map showing the reason for the unorthodox location, the original location would have fallen on top of or too close to existing gas pipeline, the map will also show that there is 1 producing well, 2 wells staked and 1 other possible location for effective 10-acre spacing on this particular 40-acre tract (Exhibit C).

Oil Conservation Division

May 26, 2003

Page 2

Moving the location 50' to the south will give the distance needed to build a location away from the gas pipeline. This proposed well is encroaching on the SW/4 of the NW/4 of Sec. 31 T17S R32E, which is also part of this lease. The location would have to be moved approximately 300' north to get away from the pipeline to make it orthodox. This would place the well approximately 360' from the producing well to the north (Brown Federal #1). There are no other possible orthodox locations for this well due to future locations being located on 10-acre spacing.

Also, please note that the Mack Energy group has 100% of the working interest on this lease.

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".

*Jerry W. Sherrell
Production Clerk*

JWS/

Enclosures

DISTRICT I
P.O. Box 1990, Hobbs, NM 88241-1990

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
	43329	Maljamar;Graburg-San Andres
Property Code	Property Name	Well Number
6061	BROWN FEDERAL	4
OGRID No.	Operator Name	Elevation
013837	MACK ENERGY CORPORATION	3846'

Surface Location

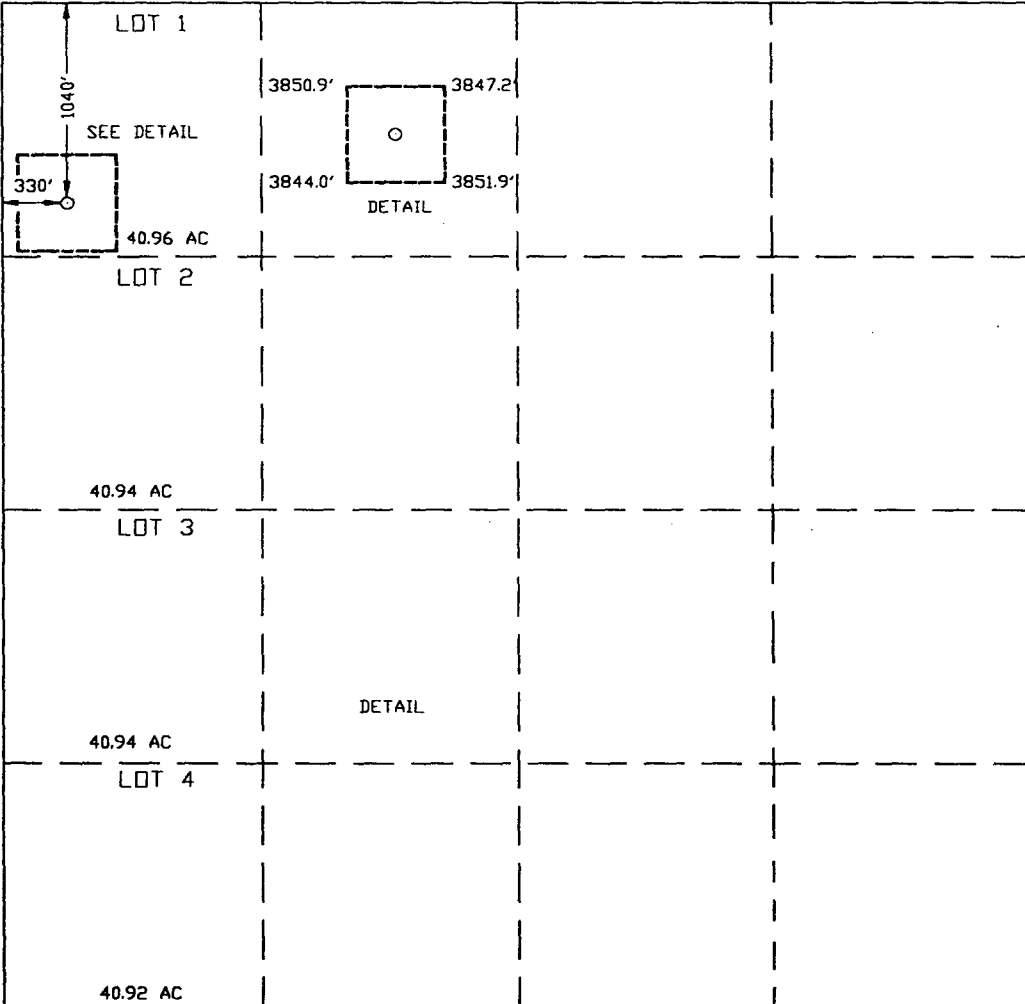

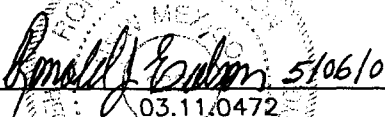
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	31	17-S	32-E		1040'	NORTH	330'	WEST	LEA

Bottom Hole Location If Different From Surface

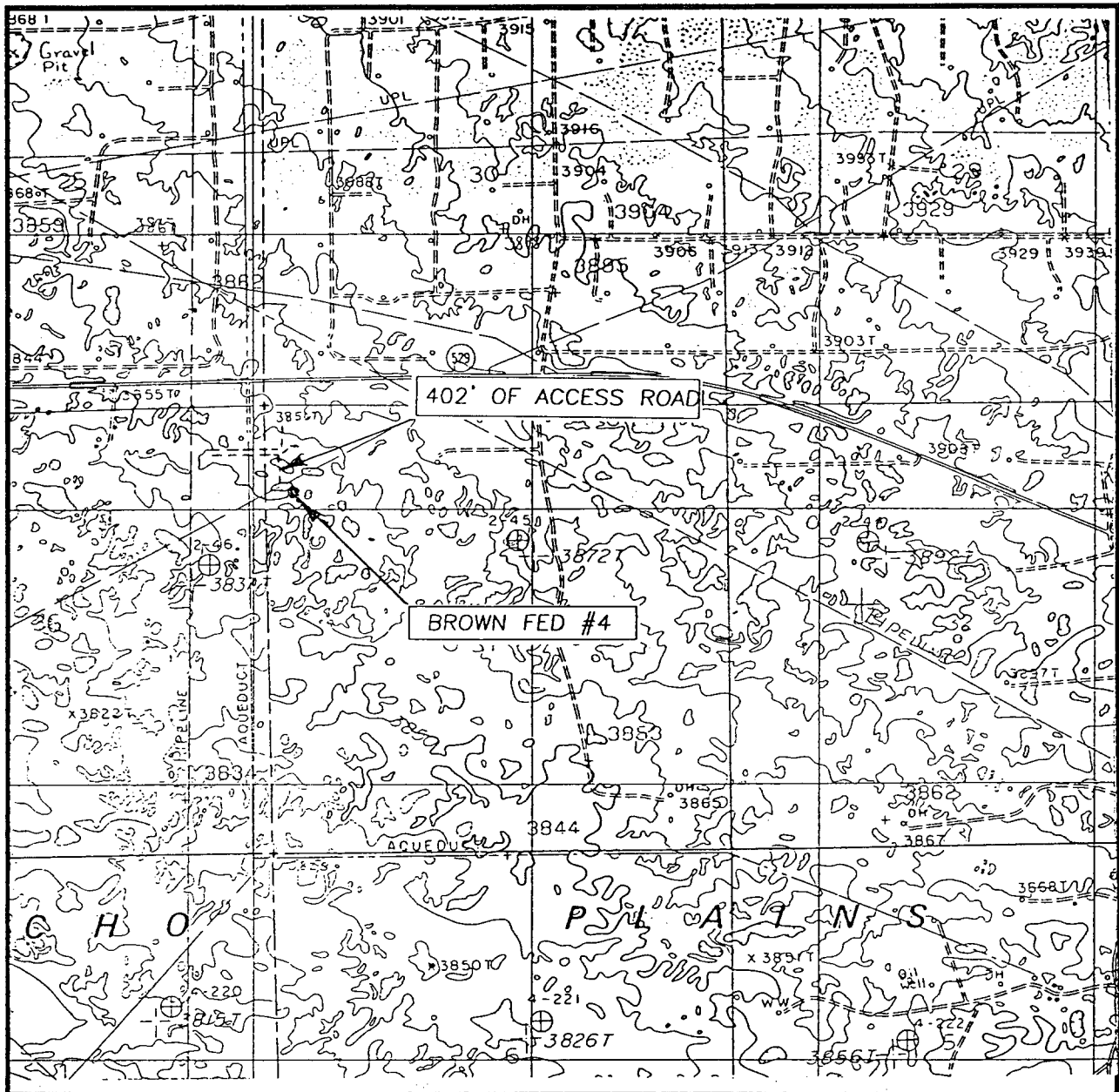
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40.96			

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>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature</p> <p>Jerry W. Sherrell Printed Name</p> <p>Production Clerk Title</p> <p>5/19/2003 Date</p> <p>SURVEYOR CERTIFICATION</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>May 06, 2003</p> <p>Date Surveyed A.W.B</p> <p>Signature & Seal of Professional Surveyor</p> <p> 03.11.0472</p> <p>Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641</p>
--	---

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'

SEC. 31 TWP. 17-S RGE. 32-E

MALJAMAR, N.M.

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1040' FNL & 330' FWL

ELEVATION 3846'

OPERATOR MACK ENERGY CORPORATION

LEASE BROWN FEDERAL

U.S.G.S. TOPOGRAPHIC MAP

MALJAMAR, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

27 24
idson
02 JV-P-Pickett
8387
AIO-11-88)
840201
10 (P/B)
25
12
32
23
13
11
elf

104 Cities Serv
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

1-B
Kersey E. Co.
(Continental)
B-4109
Quality Prod
Mal-
jamar
Permian Basin
v-3192
23750
Exxon
HBP
8-2613
ote

2-A
Future Well
Arrowhead
Brown
Fed
(Corper Drilg)
274108
H.B.P.
Cities Serv.
Amoco
11-1-64(3)03428
U.S.
Yates
Sa. Molj.
Op.
(Ashmun)
Hilliard
(Corper-
Fed)
TD 8176
NTD 10128
C. 11-24-76
Pg. 3-24-77
Amoco
5-1-81(2)
069103
Geo Turner
1-B
TD. 4527

Norman Caswell, (S)

U.S. Mitchell

SKELLY UNIT
TEXACO 13
(OPER)

Emperor
Puckett
Hudson & Hudson
M.B.P.
02943

Cont'l.
060379

Conoco

"B"
029405B
Buffalo
TD1959

Conoco
"B"
2 (26)
TD4100
Buffalo

029406

Wm. Mitchell

Hudson & Hudson

TD3946 Puckett 25 323415

"Wm. Mitchell"

U.S.

Buffalo

43-B
267
TD5405 S362

28 TD3963 TD3960 24-WI

TD5250 Hudson & Hudson 29-WI

Penzoil
Puckett

24 Fed.
TD10150
D/A 2-2-69

TD3903

TD3943 Puckett

23 WI

Hudson & Hudson, et al

"Puckett"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

"B"

Conoco

"A"

(Buffalo)

TD5367

242-WI

320

17-B

(11-B)

57

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

Conoco

"A"

(Buffalo)

TD5367

242-WI

320

17-B

(11-B)

57

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

Conoco

"A"

(Buffalo)

TD5367

242-WI

320

17-B

(11-B)

57

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

Conoco

"A"

(Buffalo)

TD5367

242-WI

320

17-B

(11-B)

57

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

Conoco

"A"

(Buffalo)

TD5367

242-WI

320

17-B

(11-B)

57

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

51

58

59

TO5286

14

Santa Rita

Phoenix

TD4530

Quality Prod

6-1-98

VA 912

159 72

1-B

Kersey & Co.

(Continental)

B-4109

"Mal-jamar"

Quality Prod

6-1-98

VA 912

159 72

Cont'l

M.B.P.

B-4109

So Roy.

(Maxwell)

B-3627

I-M

P62

Permian Basin

V-3132

23750

Exxon

M.B.P.

B-2613

State

Arrowhead

Brown

Red

2544

219

TD4003

Yates

San Mali.

Do.

(Ashmun)

Hilliard

(Carper)

274108

(Carper Delg)

M.B.P.

274108

Cities Serv.

NTD10128

C. 11-24-76

P. 7-24-77

Amoco

S-1-61(2)

069105

Geo Turner

1-B

TD. 4527

Arrowhead

Waitingford

2-A

(Pan Am)

Kersey & Co

Moore

Kersey & Co

Gulf

2-LL

OG-519

"Leo-Sy."

1-LL

Pan Am

Arrowhead

Waitingford

2-A

(Pan Am)

Kersey & Co

Moore

Kersey & Co

Gulf

2-LL

OG-519

"Leo-Sy."

1-LL

Pan Am

Arrowhead

Waitingford

2-A

(Pan Am)

Kersey & Co

Moore

Kersey & Co

Gulf

2-LL

OG-519

"Leo-Sy."

1-LL

Pan Am

Arrowhead

Waitingford

2-A

(Pan Am)

Kersey & Co

Moore

Kersey & Co

Gulf

2-LL