

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

8/11/14
Date

jerry@nec.com
e-mail Address

PC-1280

- PC
- MACKENRY
13837

well
- Burbano
State #1
30-025-30941

- Burbano
State #2
30-025-41757

Pool
- Ute 44m Delmon
mid
46200
- 30-0256-05
S1835A
Bonespring

MEMO

DATE: September 11, 2014

TO: NMOCD

FROM: Travis K. Lanning

RE: Barbaro State #1
VB-2155
T18S, R35E
Section 17: NE/4SE/4,
Lea County, New Mexico

Barbaro State #2
VB-2155
T18S, R35E
Section 17: SW/4SE/4,
Lea County, New Mexico

Mack Energy Corporation respectfully requests approval to surface commingle production from our Barbaro State Lease. The Barbaro State #1 produces from the Delaware Formation and the Barbaro State #2 produces from the Bone Springs Formation. Production will be commingled at the Barbaro State #1 tank battery with each well tested periodically to insure proper allocation. Facility will be equipped with separate production equipment to measure production prior to combining in a common storage tank. OK

Both wells have identical working interest and revenue interest.

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

Sincerely,
Mack Energy Corporation



Travis K. Lanning
Land Manager

Take 4 to Appropriate
 Survey Office
 State Taxes - 4 copies
 Fee Letter - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-145
 Revised 1-1-99

OIL CONSERVATION DIVISION
 P.O. Box 2084
 Santa Fe, New Mexico 87504-2088

HOBBS OCD
 APR 26 2012

DISTRICT I
 P.O. Box 100, Hobbs, NM 88240

DISTRICT II
 P.O. Box 100, Alamogordo, NM 88310

DISTRICT III
 1000 Alamo Avenue NE, Albuquerque, NM 87106

WELL LOCATION AND ACREAGE DEDICATION PLAY
 All dedications must be from the owner/lessor of the location

RECEIVED

Operator Mack Energy Corporation			Location Barbano State			Well No. #1		
Line 3	Section 17	Township T.18S.	Range R.35E.	County LEA				
Actual Surface Location of Well 1700' FSL 330' FEL Ground Level Elev. 3938 DELAWARE Vacuum Delaware 40' Time								
1. Outline the acreage dedicated to the subject well by section, quarter or fraction of section on the plat below. 2. If more than one lease is dedicated to the well, section each and identify the ownership thereof (such as to existing interest and property). 3. If more than one lease of different acreage is dedicated to the well, list the names of all owners listed on the leasehold. 4. Indicate the type of well: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of completion: Force Pooling (Order #89208) If answer is "no" list the present and past developments which have actually been completed. (Use reverse side of this form if necessary). No acreage well is dedicated to the well until all interests have been established by communication, wellbore, lease pooling, or otherwise. or both a communication well, establishing wellbore, has been approved by the Division.								
						OPERATOR CERTIFICATION I hereby certify that the information furnished herein is true and complete to the best of my knowledge and belief. Signature: <u><i>Jerry W. Sherrell</i></u> Name: Jerry W. Sherrell Position: Manager Company: Mack Energy Corporation Date: 6/24/2012		
						SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was obtained from field notes or other survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed: 7/10/90 Signature: <u><i>JOHN J. AGUIRRE</i></u> Name: JOHN J. AGUIRRE Position: Professional Surveyor License No.: 2290 State: NEW MEXICO		

SEP 24 2012

OC/D Permitting

Email Address: jernys@mec.com	Approved Date: 3/27/2014	Expiration Date: 3/27/2016
Date: 3/26/2014	Phone: 505-748-1288	Conditions of Approval Attached

District I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-8151 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 Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3470 Fax (505) 476-3462

State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
August 1, 2011
Permit 163630

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41757	2. Pool Code 97930	3. Pool Name WC-025 G-06 S163518A:BONE SPRING
4. Property Code 39198	5. Property Name BARBARO STATE	6. Well No. 002
7. OGRID No. 13837	8. Operator Name MACK ENERGY CORP	9. Elevation 3942

10. Surface Location

UL - Lot O	Section 17	Township 18S	Range 35E	Lot Idn	Feet From 330	N/S Line S	Feet From 2310	E/W Line E	County Lea
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11. Bottom Hole Location if Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	13. Joint or Infill		14. Consolidation Code		15. Order No.				

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

	OPERATOR CERTIFICATION	
	<i>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 undivided mineral interest in the land including the proposed bottom hole location(s) 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.</i>	
	E-Signed By	Jerry Sherrell
	Title	Production Clerk
	Date	3/26/2014
	SURVEYOR CERTIFICATION	
	<i>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.</i>	
	Surveyed By	Filmon Jaramillo
	Date of Survey	3/10/2014
	Certificate Number	12797

District I
1625 N. French Dr., Hobbs, NM 88240
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Phone (575) 748-1283 Fax (575) 748-9720

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

State of New Mexico
Energy, Minerals and Natural
Resources

Form APD Conditions
Permit 163630



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

August 11, 2014

*Mr. Pete Martinez
State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148*

Re: Application for Pool Commingling

Dear Mr. Martinez:

*Enclosed is a copy of our C-103 application.
Mack Energy Corporation is requesting an approval to Surface Commingle the Vacuum;
Delaware, Mid and WC-025 G-06 S183518A; Bone Spring formations at our Barbaro
State Tank Battery located in the NE/4SE/4 Sec. 17 T18S R35E Lea County.*

*Please process the application at your earliest convenience. Should you have any
questions, please call me at the above number.*

Sincerely,

MACK ENERGY CORPORATION

*Jerry W. Sherrell
Production Clerk
jerrys@mec.com*

JWS/

Enclosures



Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

August 22, 2014

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

Attention: Mr. Jerry W. Sherrell

Re: Request Surface Commingling
Barbaro State Lease Tank Battery
Sec. 17-18S-35E
Barbaro State #1 API 30-025-30941
Barbaro State #2 API 30-025-41757
Vacuum; Delaware; Mid Pool (46200), WC-025 G-06 S18518A; Bone Spring Pool
Lea County, New Mexico

Dear Mr. Sherrell:

We are in receipt of your application of August 11, 2014 requesting to surface commingle the above captioned wells.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division. Please submit a copy of the NMOCD's approval to this office. ✓

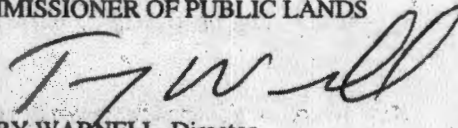
Our approval does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Please submit a \$30.00 dollar filing fee.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
TERRY WARNELL, Director
RP/TW/sk
cc: Reader File,
OCD-Daniel Sanchez

