STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR OFF-LEASE MEASUREMENT SUBMITTED BY MACK ENERGY CORPORATION

ORDER NO. OLM-256

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. Mack Energy Corporation ("Applicant") submitted a complete application to off-lease measure the oil production ("Application") from the wells, pool, and lease identified in Exhibit A.
- 2. Applicant provided notice of the Application to all persons owning a working interest in the oil production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
- 3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

- 4. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
- 5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
- 6. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

- 1. Applicant is authorized to store and measure oil production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
- 2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
- 3. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.

Order No. OLM-256 Page 1 of 2

- 4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
- 5. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DIRECTOR

DATE: 5/09/2022

ADRIENNE E. SANDOVAL

Order No. OLM-256 Page 2 of 2

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-256

Operator: Mack Energy Corporation (13837)

Central Tank Battery: Dawnson Creek State Com 1H Battery

Central Tank Battery Location: UL A, Section 35, Township 15 South, Range 28 East

Gas Title Transfer Meter Location:

P	O	O	ls

Pool Name Pool Code ROUND TANK; SAN ANDRES 52770

Leases as defined in 19.15.12.7(C) NMAC

 Lease
 UL or Q/Q
 S-T-R

 CA San Andres BLM
 F K N
 25-15S-28E

 C F
 36-15S-28E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-005-64359	Dawson Creek State Com #1H	F K N	25-15S-28E	52770
		CF	36-15S-28E	