



# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



November 29, 2011

Mack Energy Corporation  
Attn: Mr. Jerry W. Sherrell

**Administrative Order NSL-6508**  
**Administrative Application Reference No. pTWG11-30153025**

**Mack Energy Corporation**  
OGRID 13837  
State 35 Well No. 7  
API No. 30-025-40319

**Proposed Location:**

<u>Footages</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
Surface: 1600 FSL & 1200 FWL	L	35	17S	33E	Lea
Bottom Hole: 1400 FSL & 1400 FWL	K	35	17S	33E	Lea

**Proposed Unit:**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NE/4 SW/4	40	Corbin; Abo	13150

Reference is made to your application received on October 28, 2011.

You have requested to drill or re-complete this well at an unorthodox oil well location described above, in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit boundary. We understand that the point of penetration of the Abo formation in this well will be within the NE/4 NW/4 of Section 35, and only that 40-acre unit will be dedicated to this well.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

Oil Conservation Division  
1220 South St. Francis Drive • Santa Fe, New Mexico 87505  
Phone (505) 476-3440 • Fax (505) 476-3462 • [www.emnrd.state.nm.us/OCD](http://www.emnrd.state.nm.us/OCD)



It is our understanding that you are seeking this location to establish an optimal spacing pattern for drainage of this reservoir.

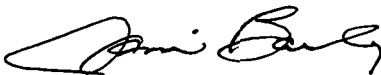
It is also understood that notice to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.5.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey  
Director

JB/db

cc: New Mexico Oil Conservation Division – Hobbs  
New Mexico State Land Office