

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

Sec : 03 Twp : 17S Rng : 34E Section Type : NORMAL

12/16/05 15:38:12
OGOMES -TOLK
PAGE NO: 1

4 41.56 CS E01774 0004 CHASE OIL CORPORA 03/10/58	3 41.46 CS E01774 0004 CHASE OIL CORPORA 03/10/58	2 41.38 CS B01520 0002 MOBIL PRODUCING T 12/17/38	1 41.28 CS E01816 0003 C R GALLAGHER JR 04/10/58
A	A	A	A
E 40.00 CS E01774 0004 CHASE OIL CORPORA 03/10/58	F 40.00 CS E01774 0004 CHASE OIL CORPORA 03/10/58	G 40.00 CS B01520 0002 MOBIL PRODUCING T 12/17/38	H 40.00 CS E01816 0005 C R GALLAGHER JR 04/10/58
A	A	A	A A
L 40.00 CS E01774 0004 CHASE OIL CORPORA 03/10/58	K 40.00 CS E01774 0004 CHASE OIL CORPORA 03/10/58	J 40.00 CS B01520 0003 XTO ENERGY, INC. U 12/17/38	I 40.00 CS B01520 0003 XTO ENERGY, INC. U 12/17/38
A	A	A A	A A
M 40.00 CS E01774 0004 CHASE OIL CORPORA 03/10/58	N 40.00 CS E01774 0004 CHASE OIL CORPORA 03/10/58	O 40.00 CS B01520 0003 XTO ENERGY, INC. U 12/17/38	P 40.00 CS B01520 0003 XTO ENERGY, INC. U 12/17/38
A A	A A	A C A	A A

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Ave., Artesia, NM 88210

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

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

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

Form C-101
Permit 2266

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MACK ENERGY CORP PO Box 960 Artesia, NM 88211-0960		OGRID Number 13837
		API Number 30-025-36932
Property Code 6149	Property Name MILLER BW STATE	Well No. 003

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	3	17S	34E	K	1840	S	2120	W	Lea

Proposed Pools

VACUUM, ABO, NORTH 61760

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 4064
Multiple N	Proposed Depth 9000	Formation Abo	Contractor	Spud Date 11/02/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	300	300	0
Intl	12.25	8.625	32	2900	1200	0
Prod	7.875	5.5	17	9000	1600	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill to 300, run 13 3/8 casing and cement. Drill to 2900, run 8 5/8 casing and cement. Drill to 9000 test Abo formation, run 5 1/2 casing and cement. Note: On production string a fluid caliper will be run and will figure cement with 25%, attempt to circulate.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Jerry Sherrell

Title: Production Clerk

Date: 11/02/2004

Phone: 505-748-1288

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 11/04/2004

Expiration Date: 11/04/2005

Conditions of Approval:
No Conditions

District I.
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Ave., Artesia, NM 88210

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

District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

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

Form C-102
Permit 2266

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36932	Pool Name VACUUM;ABO, NORTH	Pool Code 61760
Property Code 6149	Property Name MILLER BW STATE	Well No. 003
OGRID No. 13837	Operator Name MACK ENERGY CORP	Elevation 4064

Surface And Bottom Hole Location

UL or Lot K	Section 3	Township 17S	Range 34E	Lot Idn K	Feet From 1840	N/S Line S	Feet From 2120	E/W Line W	County Lea
Dedicated Acres 80		Joint or Infill		Consolidation Code		Order No.			

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Jerry Sherrell

Title: Production Clerk

Date: 11/02/2004

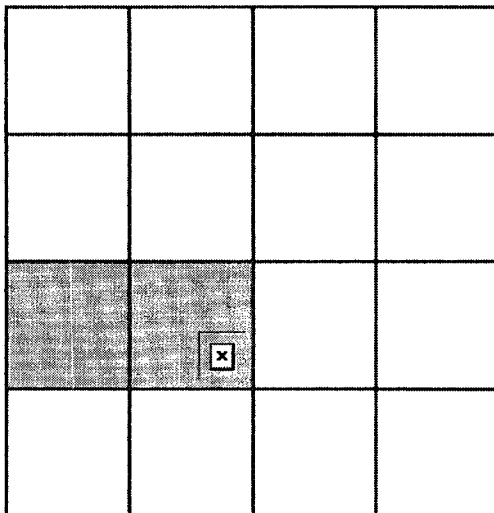
SURVEYOR CERTIFICATION

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.

Surveyed By: Gary Eidson

Date of Survey: 10/26/2004

Certificate Number: 12641



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3535
Order No. R-3206

APPLICATION OF PENNZOIL COMPANY
FOR SPECIAL POOL RULES, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of March, 1967, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-3205, effective April 1, 1967, the Commission created the North Vacuum-Lower Wolfcamp Pool for oil production from the Lower Wolfcamp formation comprising the NE/4 of Section 3, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico. The discovery well for said pool is the Pennzoil Company Gallagher-State Well No. 1 located in Unit A of said Section 3.

(3) That the applicant, Pennzoil Company, seeks the promulgation of special rules and regulations for the North Vacuum-Lower Wolfcamp Pool, including a provision for 80-acre spacing units.

(4) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of

CASE No. 3535
Order No. R-3206

risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 80-acre spacing units should be promulgated for the North Vacuum-Lower Wolfcamp Pool.

(5) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(6) That the temporary special rules and regulations should be established for a one-year period in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(7) That this case should be reopened at an examiner hearing in March, 1968, at which time the operators in the subject pool should be prepared to appear and show cause why the North Vacuum-Lower Wolfcamp Pool should not be developed on 40-acre spacing units.

IT IS THEREFORE ORDERED:

That, effective April 1, 1967, temporary Special Rules and Regulations for the North Vacuum-Lower Wolfcamp Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
NORTH VACUUM-LOWER WOLFCAMP POOL

RULE 1. Each well completed or recompleted in the North Vacuum-Lower Wolfcamp Pool or in the Lower Wolfcamp formation within one mile thereof, and not nearer to or within the limits of another designated Lower Wolfcamp oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a governmental quarter section; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

-3-

CASE No. 3535

Order No. R-3206

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit comprising a governmental quarter-quarter section or lot or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot,

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled by another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (79 through 81 acres) shall be assigned an 80-acre proportional factor of 5.67 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the North Vacuum-Lower Wolfcamp Pool or in the Lower

-4-

CASE No. 3535

Order No. R-3206

CASE No. 3535

Order No. R-3206

Wolfcamp formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before April 1, 1967.

(2) That each well presently drilling to or completed in the North Vacuum-Lower Wolfcamp Pool or in the Lower Wolfcamp formation within one mile thereof shall receive a 40-acre allowable until a Form C-102 dedicating 80 acres to the well has been filed with the Commission.

(3) That this case shall be reopened at an examiner hearing in March, 1968, at which time the operators in the subject pool may appear and show cause why the North Vacuum-Lower Wolfcamp Pool should not be developed on 40-acre spacing units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

DAVID E. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

SEAL

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the North Vacuum-Lower Wolfcamp Pool or in the Lower

esr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3535

Order No. R-3206-A

APPLICATION OF PENNZOIL COMPANY
FOR SPECIAL POOL RULES, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 6, 1968,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 13th day of March, 1968, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

- (1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.
- (2) That by Order No. R-3206, dated March 17, 1967, tem-
porary Special Rules and Regulations were promulgated for the
North Vacuum-Lower Wolfcamp Pool, Lea County, New Mexico.
- (3) That pursuant to the provisions of Order No. R-3206,
this case was reopened to allow the operators in the subject pool
to appear and show cause why the North Vacuum-Lower Wolfcamp Pool
should not be developed on 40-acre spacing units.
- (4) That the evidence establishes that one well in the
North Vacuum-Lower Wolfcamp Pool can efficiently and economically
drain and develop 80 acres.

-2-

CASE No. 3535

Order No. R-3206-A

(5) That the Special Rules and Regulations promulgated by Order No. R-3206 have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-3206 should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the North Vacuum-Lower Wolfcamp Pool, promulgated by Order No. R-3206, are hereby continued in full force and effect until further order of the Commission.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

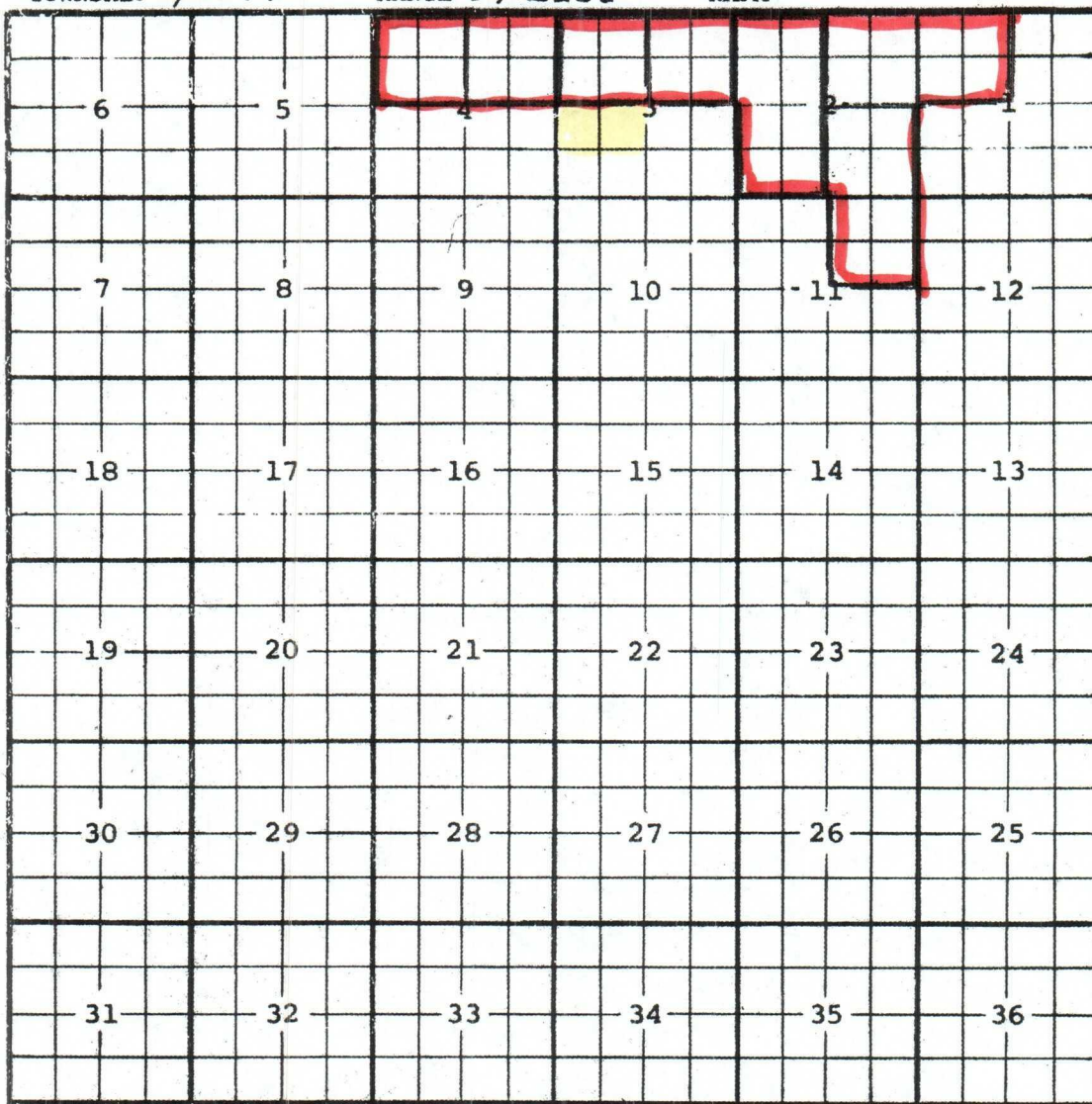
COUNTY Lea

POOL North Vacuum - Lower Wolfcamp

TOWNSHIP 17 South

RANGE 34 East

NMPM



Description: $\frac{NE}{4}$ Sec. 3 (R-3205, 4-1-67)

Ext: $\frac{W}{4}$ Sec. 2; $\frac{NW}{4}$ Sec. 3 (R-3319, 10-1-67) - $\frac{NE}{4}$ Sec. 4 (R-3355, 1-1-68) - $\frac{SE}{4}$ Sec. 2;

$\frac{NE}{4}$ Sec. 11 (R-3895, 1-1-70) - $\frac{NW}{4}$ Sec. 4 (R-4194, 10-1-71)

Ext: $\frac{NW}{4}$ Sec. 1, $\frac{NE}{4}$ Sec. 2 (R-12223, 10-25-04)