

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-778
Administrative Application Reference No. pMAM1534558467

December 21, 2015

Mack Energy Corporation
Attention: Mr. Jerry Sherrell

Mack Energy Corporation (OGRID 13837) is hereby authorized to surface commingle oil and gas production from Round Tank; San Andres Pool (pool code 52770) from the following leases and wells:

Lease: Seahawks Federal lease NMNM 132677
Description: N/2 SE/4 of Section 19, Township 15 South, Range 29 East, NMPM
Wells: Seahawks Federal Well 1
Seahawks Federal Well 2

Lease: Fairbanks Federal lease NMNM 28000
Description: S/2 SE/4 of Section 19, Township 15 South, Range 29 East, NMPM
Well: Fairbanks Federal Well 1

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Seahawks Federal Well 1 central tank battery (CTB), located in Unit J, of Section 19, Township 15 South, Range 29 East, NMPM, Chaves County, New Mexico.

The oil and gas production from the Seahawks Federal Well 1 and Seahawks Federal Well 2 which have identical ownership shall be metered with a combination of metering and testing. The Fairbanks Federal Well 1, which has diverse ownership shall be metered separately.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

All parties owning an interest in the subject wells have waived objection.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

Done at Santa Fe, New Mexico, on December 21, 2015.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Roswell