

3/07/2017 DATE IN	SUSPENSE	MAM ENGINEER	3/07/2017 LOGGED IN	CTB TYPE	PMAM1706658750 APP NO.
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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

3/7/16
 Date

jerrys@mcc.com
 e-mail Address



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

February 23, 2017

Oil Conservation Division
Attn: Michael A. McMillan
1220 S. St. Francis Drive
Santa Fe, NM 87505

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Initial Allocation for gas production will be done using percentages based on production. I have attached the most current (12) months of production. We propose 61/39% split in gas production. 61% allocated to the Ringtail Federal and 39% allocated to the Rangers Federal.

Mack Energy proposes to use Initial Allocation for six months, at that time we propose to shut in either well to get an accurate test. This test will prove numbers for the following six months. Semiannual tests will be performed for the life of this commingling order.

Sincerely,

A handwritten signature in cursive script that reads "Jerry W. Sherrell".

Jerry W. Sherrell
Production Clerk
jerrys@mec.com

JWS/

Enclosures

MACK ENERGY CORPORATION

Rangers Federal #1

	Oil Produced	Gas Prod.	Water Produced	Days
Jan	220	344	171	31
Feb	191	349	220	29
Mar	219	372	169	31
Apr	201	357	182	30
May	188	353	109	31
Jun	180	344	186	30
Jul	179	371	91	31
Aug	168	351	185	31
Sep	175	319	82	30
Oct	177	319	200	31
Nov	169	284	114	30
Dec	128	228	68	31
Monthly Average	182.9166667	332.5833333	148.0833333	

1872 mcf

3401 mcf

MACK ENERGY CORPORATION

Ringtail Federal #1

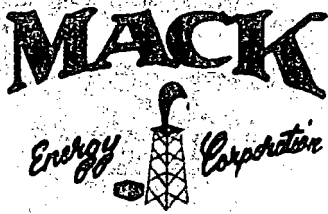
Jan	460	621	234	31
Feb	384	553	179	29
Mar	395	563	192	31
Apr	352	524	168	30
May	329	520	97	31
Jun	310	497	180	30
Jul	301	537	93	31
Aug	267	502	143	31
Sep	252	473	93	30
Oct	296	498	168	31
Nov	275	451	104	30
Dec	253	441	379	31
Monthly Average	322.8333333	515	169.1666667	

2902 mcf

847.5833333

847 x 61% = 517
847 x 39% = 330

So - 2000-2001
Total mcf is 9714
of days 31
3401 mcf
6100



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

March 7, 2016

Oil Conservation Division
Attn: Michael A. McMillan
1220 S. St. Francis Drive
Santa Fe, NM 87505

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

Sincerely,

Jerry W. Sherrell
Production Clerk
jerrys@mec.com

JWS/

Enclosures

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: MACK ENERGY CORPORATION

OPERATOR ADDRESS: PO BOX 960 ARTESIA, NM 88211-0960

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

X Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code. Young Bone Spring, North 65350

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☐ Metering ☒ Other (Specify) Percentage based on Production.

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Jerry W. Sherrell

TITLE: PRODUCTION CLERK

DATE: 3-7-2016

TYPE OR PRINT NAME JERRY W. SHERRELL

TELEPHONE NO.: 575-748-1288

E-MAIL ADDRESS: jerrys@mec.com

Obispo
1625 N. French Dr., Hobbs, NM 88201
Phone: (505) 393-6161 Fax: (505) 393-0726
Dulles, VA
511 S. First St., Artesia, NM 88210
Phone: (505) 748-1281 Fax: (505) 748-0726
Houston, TX
1060 Rio Brazos Road, Amarillo, NM 89410
Phone: (505) 934-6175 Fax: (505) 934-6170
Houston, TX
1220 S. St. Francis Dr., Santa Fe, NM 87508
Phone: (505) 476-1460 Fax: (505) 476-1462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD

AUG 08 2014

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-023-42032		2 Pool Code 65350		3 Pool Name Young; Bone Spring, North	
4 Property Code 313576		5 Property Name RINGTAIL FEDERAL			6 Well Number 1
7 OGRID No. 13837		8 Operator Name MACK ENERGY CORPORATION			9 Elevation 3909.3

" Surface Location

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	1	18 S	32 E		2310	NORTH	1650	WEST	LEA

" Bottom Hole Location If Different From Surface

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

10 Dedicated Acres 40	11 Joint or Infill	12 Consolidation Code	13 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.

<p>NW CORNER SEC. 1 LAT. = 32.7837746°N LONG. = 103.7284571°W NMSP EAST (FT) N = 649400.73 E = 727230.82</p>		<p>NE CORNER SEC. 1 LAT. = 32.7837507°N LONG. = 103.7112791°W NMSP EAST (FT) N = 649422.65 E = 732510.18</p>	
<p>SW CORNER SEC. 1 LAT. = 32.7765075°N LONG. = 103.7284424°W NMSP EAST (FT) N = 646750.85 E = 727250.45</p>		<p>SE CORNER SEC. 1 LAT. = 32.7764906°N LONG. = 103.7112751°W NMSP EAST (FT) N = 646781.28 E = 732526.94</p>	
<p>RINGTAIL FEDERAL #1 ELEV. = 3909.3' LAT. = 32.7774195°N (NAD83) LONG. = 103.7230768°W NMSP EAST (FT) N = 647098.12 E = 728897.69</p>			
<p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83) BASE TOP BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.</p>			
<p>Surface Location</p>			

" OPERATOR CERTIFICATION

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 holds a valid mineral interest in the land including the proposed bottom hole location 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 as a visionary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jerry W. Sherrell 5-2-2014
Signature Date
Printed Name
jerry5@mec.com
Email Address

" 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.

APRIL 28 2014
Date of Survey
[Signature]
Signature and Seal of the Surveyor
Certificate Number: FLMNPS-2AR-MBL-0195-12797
SURVEY NO. 2672

AUG 08 2014

DISTRICT I
1625 N. FRENCH DR., ROBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

HOBBS OCD

JUN 27 2011

RECEIVED

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-40180	Pool Code 6535D	Pool Name YDUNG Bone Springs North
Property Code 38683	Property Name RANGERS FEDERAL	Well Number 1
OCRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3919'

Surface Location

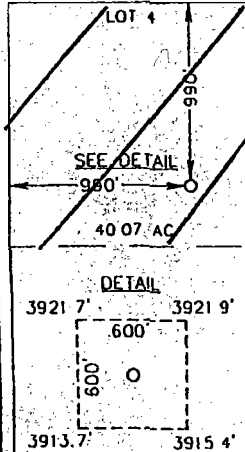
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	1	18-S	32-E		990	NORTH	990	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40.07			

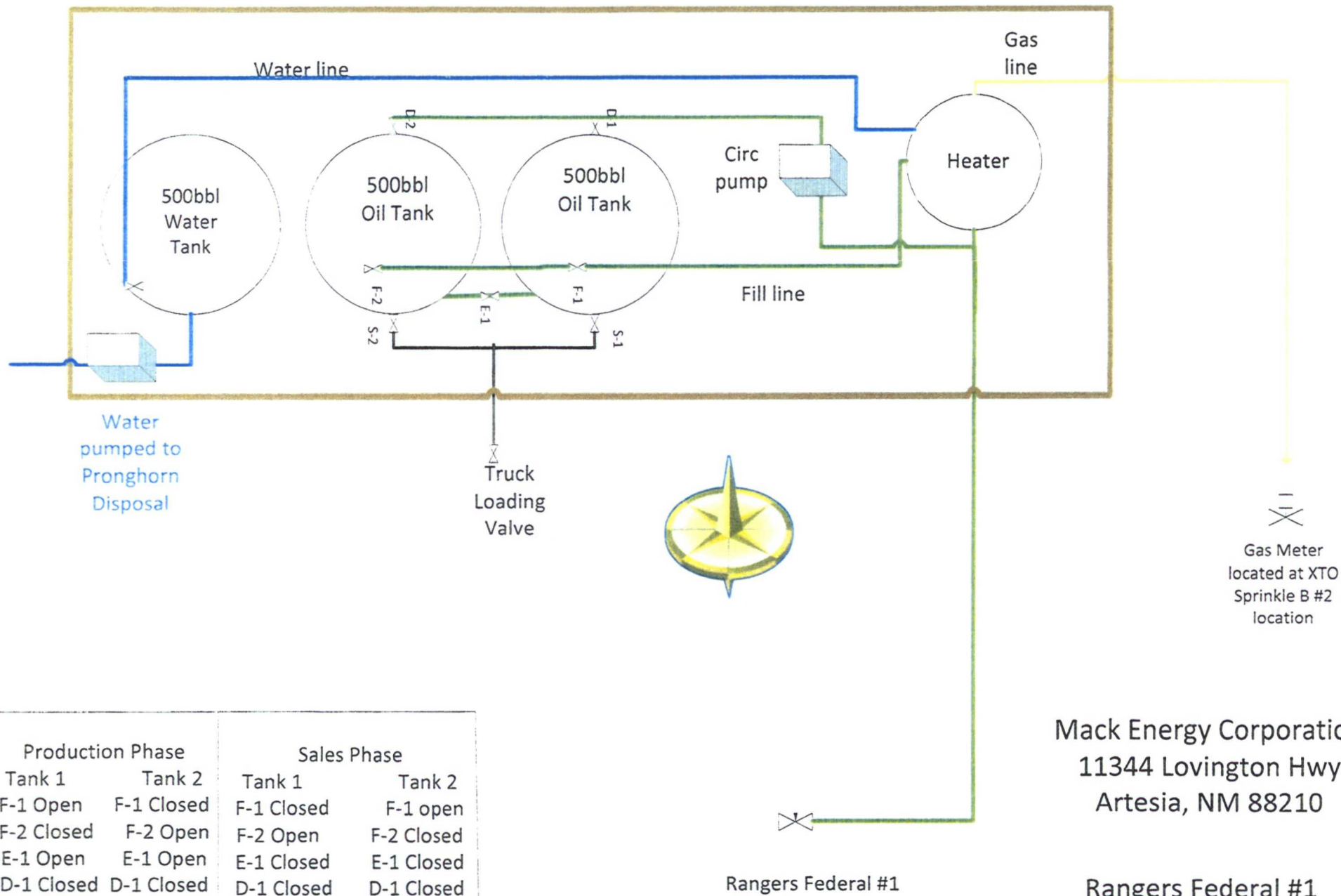
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	LOT 3 40 05 AC	LOT 2 40 03 AC	LOT 1 40 01 AC
GEODETIC COORDINATES NAD 27 NME Y=648351.0 N X=687049.4 E LAT = 32 780929" N LONG = 103 724728" W			
OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Jerry W. Sherrell</u> Date: <u>2/24/11</u> Printed Name: <u>Jerry W. Sherrell</u>			
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. DECEMBER 2, 2010 Date Surveyed: _____ Signature: <u>Gary G. Eidson</u> LA Professional Surveyor NEW MEXICO 10-11-1738 Certificate No. <u>Gary G. Eidson</u> 12641 Professional Surveyor <u>Ronald J. Eidson</u> 3239			

JUN 29 2011

MACK ENERGY CORPORATION

	Monthly Production	Oil Produced	Gas Prod.
Aug-15	Ranger Federal	153	372
Sep-15	Ranger Federal	211	369
Oct-15	Ranger Federal	156	295
Nov-15	Ranger Federal	257	382
Dec-15	Ranger Federal	201	349
Jan-16	Ranger Federal	220	344
Monthly Average		<u>199.6666667</u>	<u>351.8333</u>
Aug-15	Ringtail Federal	936	1258
Sep-15	Ringtail Federal	717	1020
Oct-15	Ringtail Federal	614	879
Nov-15	Ringtail Federal	514	702
Dec-15	Ringtail Federal	455	621
Jan-16	Ringtail Federal	460	621
Monthly Average		<u>616</u>	<u>850.1667</u>

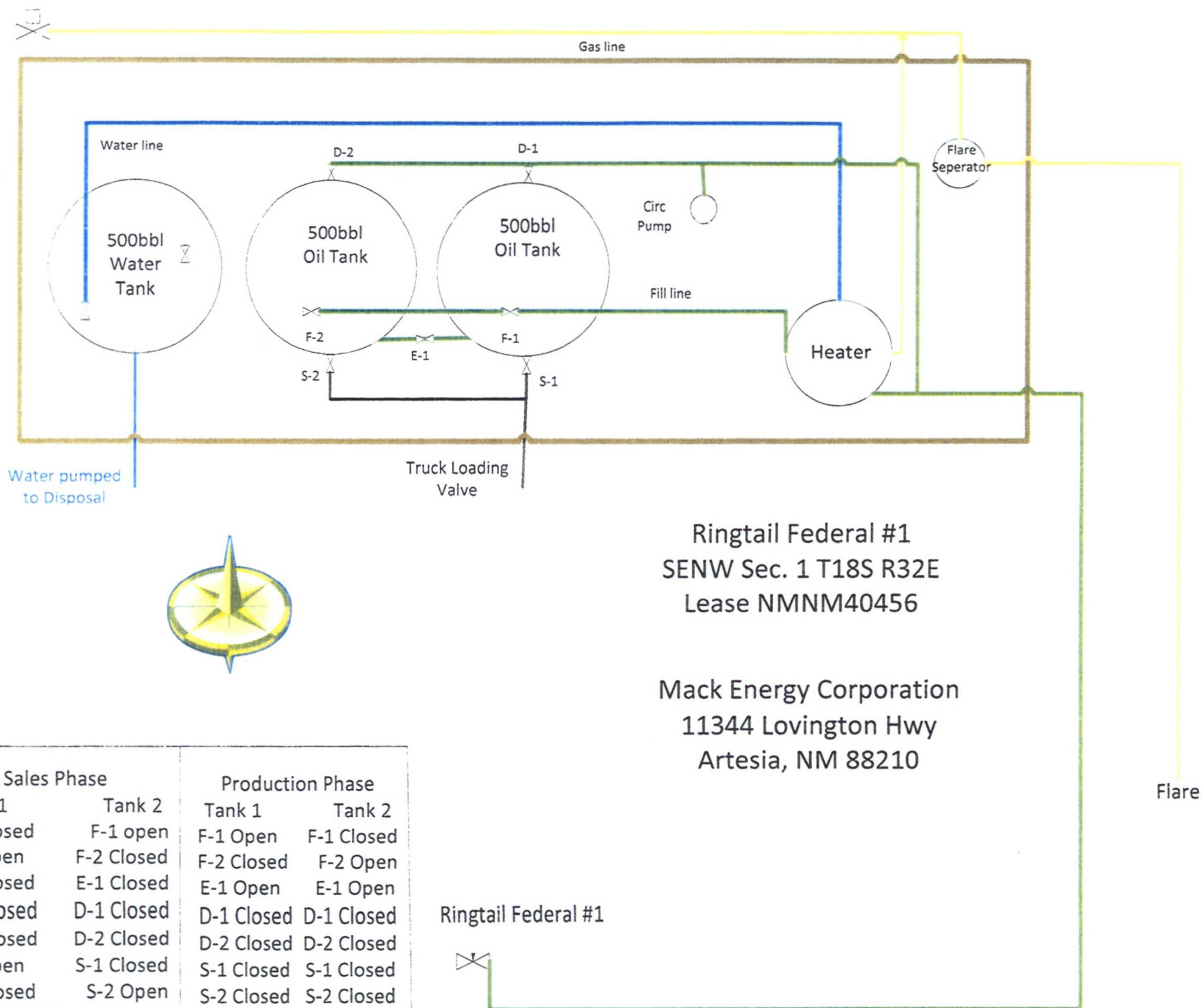


Production Phase		Sales Phase	
Tank 1	Tank 2	Tank 1	Tank 2
F-1 Open	F-1 Closed	F-1 Closed	F-1 open
F-2 Closed	F-2 Open	F-2 Open	F-2 Closed
E-1 Open	E-1 Open	E-1 Closed	E-1 Closed
D-1 Closed	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Closed
S-1 Closed	S-1 Closed	S-1 Open	S-1 Closed
S-2 Closed	S-2 Closed	S-2 Closed	S-2 Open

Mack Energy Corporation
11344 Lovington Hwy
Artesia, NM 88210

Rangers Federal #1
NWNW Sec. 1 T18S R32E
Lease NMNM121480

Gas Meter
located in
SWNW Sec. 1
T18S R32E
Meter #742594



Ringtail Federal #1
SENEC Sec. 1 T18S R32E
Lease NMNM40456

Mack Energy Corporation
11344 Lovington Hwy
Artesia, NM 88210

DCP Gas Line

Header

Ringtail Meter

Valve

Rangers Meter

Valve

Sprinkle B Meter

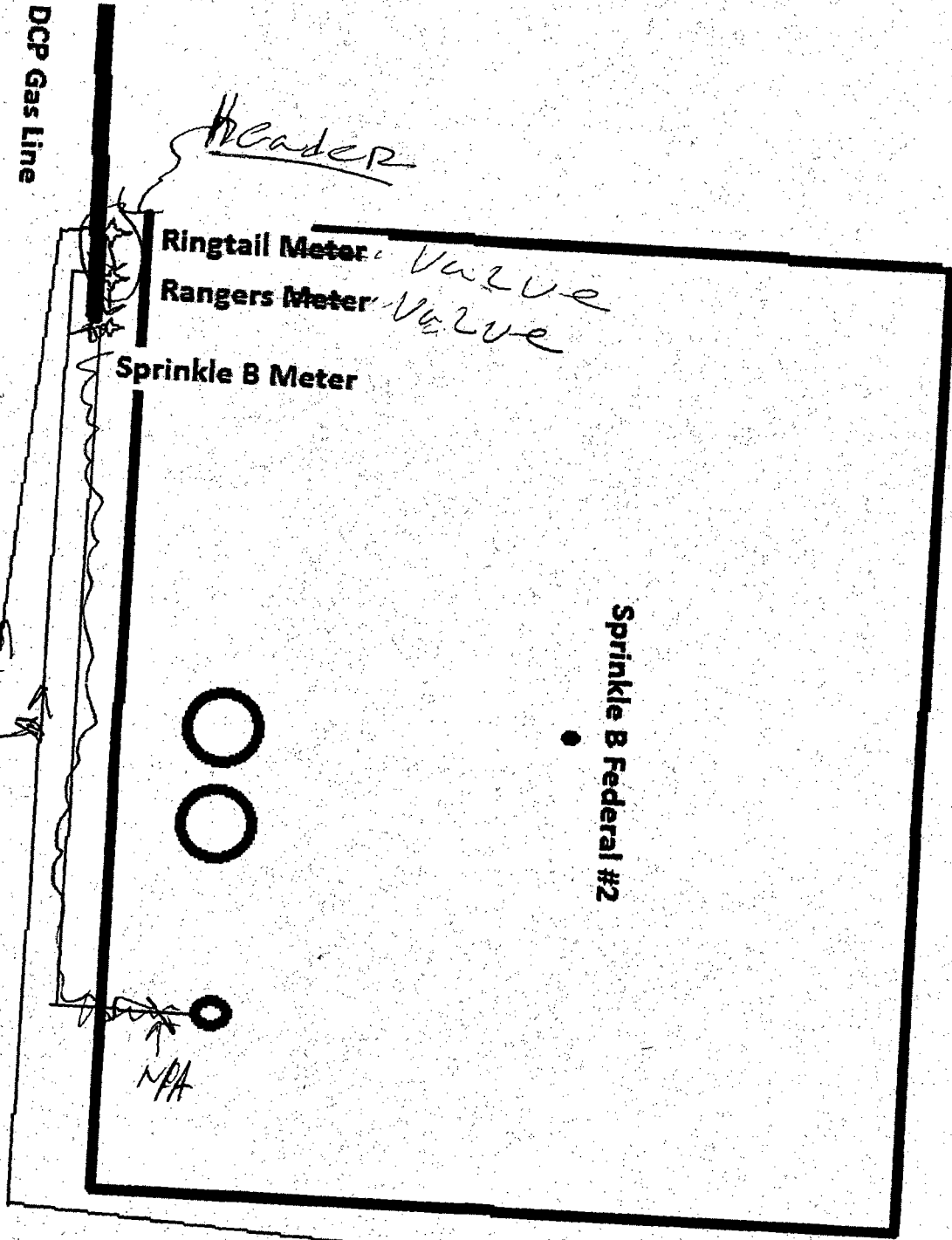
Sprinkle B Federal #2

Flow direction

NPA

Ringtail Flowline

Rangers Flowline



Division Order Attachment

Owner Code	Owner Name	Addr Sub #	Net Revenue Interest	Interest Type	Susp Code	Tax Id
Deck: 16843	Description: RINGTAIL FED - REV DISTR					Inactive: No

Property: 3460 Ringtail Federal

County, State: Lea County, NM

Map Reference: Township: 018-S Range: 032-E Section: 01 Qtr/Qtr: Lots 2 & 3;
SW/NE/4; S/2NW/4

Effective Date: 06/01/2015 Payor: Mack Energy Corporation

001900	Office of Natural Resources Revenue	00002	0.12500000	RI	MIN	53-0196958
	P. O. Box 25627					
	Denver, CO 80225-0627	US				
002675	Lynx Petroleum Consultants	00001	0.00500000	ORRI	MIN	85-0293995
	P.O. Box 1708	Anita				
	Hobbs, NM 88241-0000	US	575/392-6950			
015751	Hurley Oil Property Partnership	00001	0.00750000	ORRI	MIN	83-0257075
	1738 S. Poplar Street					
	Casper, WY 82601	US	307-234-4507			
015787	Boekel Energy LLC	00001	0.00500000	ORRI	MIN	26-1323702
	P. O. Box 6821					
	Great Falls, MT 59406	US	303-877-8800			
015788	Patricia Ann Boekel Trust	00001	0.00500000	ORRI	MIN	20-6869508
	Catherine J Porter, Trustee					
	P O Box 4232					
	Englewood, CO 80155	US	303-770-6733			
015792	Catherine J Porter	00001	0.00500000	ORRI	MIN	521-78-5462
	P O Box 4232					
	Englewood, CO 80155	US	303-770-6733			
018969	Diamond S Energy Company	00001	0.07500000	ORRI	MIN	06-1709473
	6608 Bryant Irvin Road					
	Fort Worth, TX 76132	US	817-263-3500			
019093	James S Pobrislo <i>Marlene Pobrislo</i>	00001	0.01500000	ORRI	ADD	
	3485 South Gaylord Ct C417					
	Englewood, CO 80113	US				
023111	Gordon Smale <i>Roswitha Smale</i>	00001	0.00750000	ORRI	ADD	
	1775 E. Palm Canyon Drive, Suite #110-359					
	Palm Springs, CA 92264	US				
101	Chase Oil Corporation	00001	0.63750000	WI	MIN	85-0403681
	P.O. Box 1767					
	Artesia, NM 88211-1767	US	(575) 746-9853			
110	Robert C. Chase	00001	0.03750000	WI	MIN	585-80-7468
	P.O. Box 297					
	Artesia, NM 88211-0297	US	505-748-1288			
185	Ventana Minerals LLC	00001	0.03750000	WI	MIN	27-1251162
	P. O. Box 359					
	Artesia, NM 88211	US				
195	DiaKan Minerals LLC	00001	0.03750000	WI	MIN	27-1243802
	P. O. Box 693					
	Artesia, NM 88211-0693	US				

13

1.00000000

Division Order Attachment

Owner Code	Owner Name	Addr Sub #	Net Revenue Interest	Interest Type	Susp Code	Tax Id
Deck: 14326 Description: RANGERS FEDERAL - REV DISTR						
Property: 2677 Rangers Federal						
County, State: Lea County, NM						
Map Reference: Township: 018-S Range: 032-E Section: 01 Qtr/Qtr: Lot 4						
Effective Date: 01/01/2013 Payor: Mack Energy Corporation						
001900	Office of Natural Resources Revenue	00002	0.12500000	RI	MIN	53-0196958
	<div style="border: 1px solid black; padding: 2px;"> P. O. Box 25627 Denver, CO 80225-0627 US </div>					
101	Chase Oil Corporation	00001	0.74375000	WI	MIN	85-0403681
	<div style="border: 1px solid black; padding: 2px;"> P.O. Box 1767 Artesia, NM 88211-1767 US (575) 746-9853 </div>					
110	Robert C. Chase	00001	0.04375000	WI	MIN	585-80-7468
	<div style="border: 1px solid black; padding: 2px;"> P.O. Box 297 Artesia, NM 88211-0297 US 505-748-1288 </div>					
185	Ventana Minerals LLC	00001	0.04375000	WI	MIN	27-1251162
	<div style="border: 1px solid black; padding: 2px;"> P. O. Box 359 Artesia, NM 88211 US </div>					
195	DiaKan Minerals LLC	00001	0.04375000	WI	MIN	27-1243802
	<div style="border: 1px solid black; padding: 2px;"> P. O. Box 693 Artesia, NM 88211-0693 US </div>					
5			1.00000000			



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

March 7, 2016

VIA CERTIFIED MAIL 7015 0640 0006 7031 3694

Boekel Energy LLC
P.O. Box 6821
Great Falls, MT 59406

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production, 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.

2016 0640 0006 7031 3694

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee
\$

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage
\$

Total Postage and Fees
\$ 7.67

Sent To
Street and Apt
City, State, Zip

Boekel Energy LLC
P.O. Box 6821
Great Falls, MT 59406

ARTESIA, NM
Postmark Here
USPS 88210

COMPLETE THIS SECTION ON DELIVERY

☐ Agent
☐ Addressee

(Printed Name)
BOEKEL

C. Date of Delivery

Address different from item 1? ☐ Yes
If delivery address below: ☐ No

☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise[™]
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

Restricted Delivery
Very Restricted Delivery
Restricted Delivery

Domestic Return Receipt



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

March 7, 2016

VIA CERTIFIED MAIL 7015 0640 0006 7031 3717

Catherine J. Porter
P.O. Box 4232
Englewood, CO 80155

Dear sir or Madam:

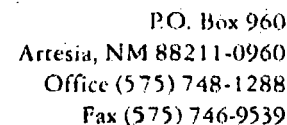
Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only		THIS SECTION ON DELIVERY	
For delivery information, visit our website at www.usps.com ®.		by (Printed Name) _____ C: Date of Delivery _____	
OFFICIAL USE		address different from item 1? <input type="checkbox"/> Yes enter delivery address below: <input type="checkbox"/> No	
Certified Mail Fee \$ _____		by (Printed Name) _____ C: Date of Delivery _____	
Extra Services & Fees (check box, add fee as appropriate)		by (Printed Name) _____ C: Date of Delivery _____	
<input type="checkbox"/> Return Receipt (hardcopy)		by (Printed Name) _____ C: Date of Delivery _____	
<input type="checkbox"/> Return Receipt (electronic)		by (Printed Name) _____ C: Date of Delivery _____	
<input type="checkbox"/> Certified Mail Restricted Delivery		<input type="checkbox"/> Priority Mail Express®	
<input type="checkbox"/> Adult Signature Required		<input type="checkbox"/> Registered Mail™	
<input type="checkbox"/> Adult Signature Restricted Delivery		<input type="checkbox"/> Registered Mail Restricted Delivery	
Postage \$ _____		<input type="checkbox"/> Return Receipt for Merchandise	
Total Postage and Fees \$ 7.61		<input type="checkbox"/> Signature Confirmation™	
Sent To _____		<input type="checkbox"/> Signature Confirmation Restricted Delivery	
Street and Apt. No. _____			
City, State, Zip+4 _____			

Catherine J. Porter
P.O. Box 4232
Englewood, CO 80155




VIA CERTIFIED MAIL 7015 0640 0006 7031 3724

Dear sir or Madam:

Allocation for gas production will be done using percentages based on production. I have attached the most current (6) months of production. We propose 71/29% split in gas production. 71% allocated to the Ringtail Federal and 29% allocated to the Rangers Federal.

~~Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the application to surface commingle if no objection has been made within the 20 days after the application has been received.~~

<p>SENDER: COMPLETE THIS SECTION</p> <p align="center">U.S. Postal Service™ CERTIFIED MAIL® RECEIPT</p> <p align="center"><i>Domestic Mail Only</i></p> <hr/> <p>For delivery information, visit our website at www.usps.com</p> <div style="text-align: center; font-size: 2em; font-weight: bold; background-color: #f0f0f0; padding: 5px;">OFFICIAL USE</div> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Certified Mail Fee</td> <td style="width: 80%;"></td> </tr> <tr> <td style="padding: 2px;">\$</td> <td></td> </tr> <tr> <td colspan="2" style="padding: 2px;">Extra Services & Fees (check box, add fee as appropriate)</td> </tr> <tr> <td style="padding: 2px;"><input type="checkbox"/> Return Receipt (hardcopy)</td> <td style="padding: 2px;">\$ _____</td> </tr> <tr> <td style="padding: 2px;"><input type="checkbox"/> Return Receipt (electronic)</td> <td style="padding: 2px;">\$ _____</td> </tr> <tr> <td style="padding: 2px;"><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td style="padding: 2px;">\$ _____</td> </tr> <tr> <td style="padding: 2px;"><input type="checkbox"/> Adult Signature Required</td> <td style="padding: 2px;">\$ _____</td> </tr> <tr> <td style="padding: 2px;"><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td style="padding: 2px;">\$ _____</td> </tr> <tr> <td colspan="2" style="padding: 2px;">Postage</td> </tr> <tr> <td style="padding: 2px;">\$</td> <td></td> </tr> <tr> <td colspan="2" style="padding: 2px;">Total Postage and Fees</td> </tr> <tr> <td style="padding: 2px;">\$</td> <td></td> </tr> <tr> <td colspan="2" style="padding: 2px;">Sent To</td> </tr> <tr> <td colspan="2" style="padding: 2px;">Street and Apt.</td> </tr> <tr> <td colspan="2" style="padding: 2px;">City, State, ZIP</td> </tr> </table>	Certified Mail Fee		\$		Extra Services & Fees (check box, add fee as appropriate)		<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____	<input type="checkbox"/> Return Receipt (electronic)	\$ _____	<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____	<input type="checkbox"/> Adult Signature Required	\$ _____	<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____	Postage		\$		Total Postage and Fees		\$		Sent To		Street and Apt.		City, State, ZIP		<p align="center">COMPLETE THIS SECTION ON DELIVERY</p> <div style="float: right; width: 150px;"> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee </div> <div style="clear: both;"></div> <p>Signature: <i>[Handwritten Signature]</i></p> <p>Name: <i>Kahn</i></p> <p>Date of Delivery: _____</p> <hr/> <p>Address different from item 1? <input type="checkbox"/> Yes If delivery address below: <input type="checkbox"/> No</p> <hr/> <p>Restricted Delivery <input type="checkbox"/></p> <p>Priority Mail Express® <input type="checkbox"/></p> <p>Registered Mail™ <input type="checkbox"/></p> <p>Registered Mail Restricted Delivery <input type="checkbox"/></p> <p>Return Receipt for Merchandise <input type="checkbox"/></p> <p>Signature Confirmation™ <input type="checkbox"/></p> <p>Signature Confirmation Restricted Delivery <input type="checkbox"/></p>
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Street and Apt.																															
City, State, ZIP																															



Diamond S. Energy Company
6608 Bryant Irvin Road

2015 0640 0006 7031 3724



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

March 7, 2016

VIA CERTIFIED MAIL 7015 0640 0006 7031 3687

Hurley Oil Property Partnership
1738 S. Poplar Street
Casper, WY 82601

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCDD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

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2015 0640 0006 7031 3687

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Total Postage and Fees \$

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USPS 88210

COMPLETE THIS SECTION ON DELIVERY

by (Printed Name) William Hurley C. Date of Delivery 03-12-16
Address different from item 1? ☐ Yes
Inter delivery address below: ☐ No

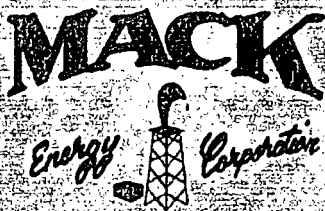
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☒ Addressee

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Domestic Return Receipt

Sent To
Street and
City, State

Hurley Oil Property Partnership
1738 S. Poplar Street
Casper, WY 82601



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

March 7, 2016

VIA CERTIFIED MAIL 7015 0640 0006 7031 3670

Lynx Petroleum Consultants
P.O. Box 1708
Hobbs, NM 88241-0000

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

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☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage
Total Postage and Fees

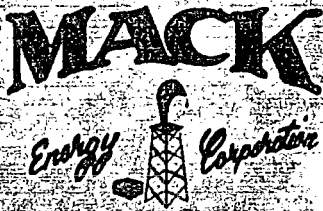
Sent To
Street and A
City, State
Lynx Petroleum Consultants
P.O. Box 1708
Hobbs, NM 88241-0000



TE THIS SECTION ON DELIVERY

Signature
ed by (Printed Name)
C. Date of Delivery
Delivery address different from item 1? ☐ Yes
enter delivery address below: ☐ No

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☐ Return Receipt for Merchandise
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☐ Signature Confirmation Restricted Delivery



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

March 7, 2016

VIA CERTIFIED MAIL 7015 0640 0006 7031 3731

Marlene Pobrislo
3485 South Gaylord Ct. C417
Englewood, CO 80113

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

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OFFICIAL USE

Artesia, NM
Postmark Here
USPS 88210

Signature: *Marlene Pobrislo*
Agent ☐ Addressee ☒

Delivered by (Printed Name): *Artesia* Date of Delivery: *3/10/16*

Delivery address different from item 1? ☐ Yes
S. enter delivery address below: ☐ No

Extra Services & Fees (check box, add fee as appropriate):
☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage:
Total Postage and Fees: *7.65*

Sent To:
Street and Apt:
City, State, Zip: *Marlene Pobrislo
3485 South Gaylord Ct. C417
Englewood, CO 80113*

Type:
Signature Restricted Delivery ☐ Priority Mail Express®
Registered Mail™
Registered Mail Restricted Delivery
Return Receipt for Merchandise
Signature Confirmation™
Signature Confirmation Restricted Delivery



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

March 7, 2016

VIA CERTIFIED MAIL 7015 0640 0006 7031 3700

Patricia Ann Boekel Trust
Catherine J. Porter, Trustee
P.O. Box 4232
Englewood, CO 80155

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

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2015 0640 0006 7031 3700

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Extra Services & Fees (check box, add fee as appropriate)		C. Date of Delivery _____	
<input type="checkbox"/> Return Receipt (hardcopy) \$		<input type="checkbox"/> Agent	
<input type="checkbox"/> Return Receipt (electronic) \$		<input type="checkbox"/> Addressee	
<input type="checkbox"/> Certified Mail Restricted Delivery \$		address different from item #1? <input type="checkbox"/> Yes	
<input type="checkbox"/> Adult Signature Required \$		after delivery address below? <input type="checkbox"/> No	
<input type="checkbox"/> Adult Signature Restricted Delivery \$		MAR 21 2016	
Postage \$		e. <input type="checkbox"/> Priority Mail Express [®]	
Total Postage and Fees \$ 7.67		e. <input type="checkbox"/> Registered Mail [™]	
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Street and Apt _____		e. <input type="checkbox"/> Return Receipt for Merchandise	
City, State, ZIP _____		e. <input type="checkbox"/> Signature Confirmation [™]	
		e. <input type="checkbox"/> Signature Confirmation Restricted Delivery	

Patricia Ann Boekel Trust
Catherine J. Porter, Trustee
P.O. Box 4232



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

March 7, 2016

VIA CERTIFIED MAIL 7015 0640 0006 7031 3748

Roswitha Smale
1775 E. Palm Canyon Drive
Suite #110-359
Palm Springs, CA 92264

Dear sir or Madam:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Surface Commingling of gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

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☐ Return Receipt (electronic) \$
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☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage \$
Total Postage and Fees \$ 7.67

Sent To
Street and Apt
City, State, Zip

Roswitha Smale
1775 E. Palm Canyon Drive
Suite #110-359

THIS SECTION ON DELIVERY

By (Printed Name) C. Date of Delivery
M/D/K 3-10

address different from item 1? ☐ Yes
After delivery address below: ☐ No

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Artesia, NM
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USPS 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.
NMNM-121480 & NMNM-40456
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Rangers Federal #1 & Ringtail Federal #1

2. Name of Operator

Mack Energy Corporation

9. API Well No.
30-025-40180 & 30-025-42032

3a. Address

P.O. Box 960 Artesia, NM 88210-0960

3b. Phone No. (include area code)

(575) 748-1288

10. Field and Pool or Exploratory Area

Young; Bone Spring, North

4. Location of Well (Footage, Sec., T,R,M, or Survey Description)

NW/4, W/2 NE/4, Sec. 1 T18S R32E

11. Country or Parish, State

Lea, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Surface Commingle Gas Production</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Mack Energy Corporation is requesting approval to Surface Commingle gas production from our Rangers Federal #1 and our Ringtail Federal #1 wells. Currently the gas is measured separately into two meters located at the Sprinkle B Federal #1 location. Oil production will continue to be produced separately at the existing locations. We request commingled gas production at a central sales meter located at the Sprinkle B Federal #1 well be approved. Production has declined to a point where the gas purchaser charges a low volume fee on the individual meters. Combining the gas production will allow Mack Energy to continue to produce economically.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Jerry W. Sherrell

Title Production Clerk

Signature

Jerry W. Sherrell

Date 3/7/16

THIS SPACE FOR FEDERAL OR STATE OFFICE USE **FEB 9 2017**

Approved by

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for my person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**APPLICATION FOR SURFACE COMMINGLE, OFF LEASE MEASUREMENT,
SALES & STORAGE**

State of New Mexico - Santa Fe
Oil Conservation Division
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Bureau Of Land Management
620 E Greene Street
Carlsbad, NM 88220-6292

Off Lease Measurement proposal for Rangers Federal leases:

Mack Energy Corporation is requesting approval for Off Lease Measurement, Sales from the following well:

Federal Lease NMNM121480

Well Name	Location	API #	Pool 44500	BOPD	Oil Gravity	Mcfpd	BTU
Rangers Federal #1	Sec 1-T18S-32E	30-025-40180	Young;Bone Spring,North	6	35.8	11	1.2593

Federal Lease NMNM40456

Well Name	Location	API #	Pool 44500	BOPD	Oil Gravity	Mcfpd	BTU
Ringtail Federal #1	Sec 1-T18S-32E	30-025-42032	Young;Bone Spring,North	15	38.3	20	1.3333

A map is enclosed showing the Federal leases and well locations in Section 1, T18S, R32E. The gas lines and current meter setting location on DCP Midstream's pipeline Meter(s) #727034-00(Rangers) and #742594-00(Ringtail).

Oil & Gas metering:

Oil and water volumes for the Rangers Federal #1 will continue to be measured at the Rangers Federal Tank Battery. Oil and gas production for the Ringtail Federal #1 will continue to be measured and the Ringtail Federal Tank Battery. The gas production from both wells will be commingled and sold off lease via pipeline at the Sprinkle B Federal #1 location NMNM40456, thru a common gas meter specifically for the Ringtail and Rangers Leases.

Process and Flow Descriptions:

Please see attached diagram(s) for the current Ringtail and Rangers Federal TB's. The flow of produced fluids is shown in detail along with a description of each vessel. The gas will be piped to the commingled sales meter via pipeline.

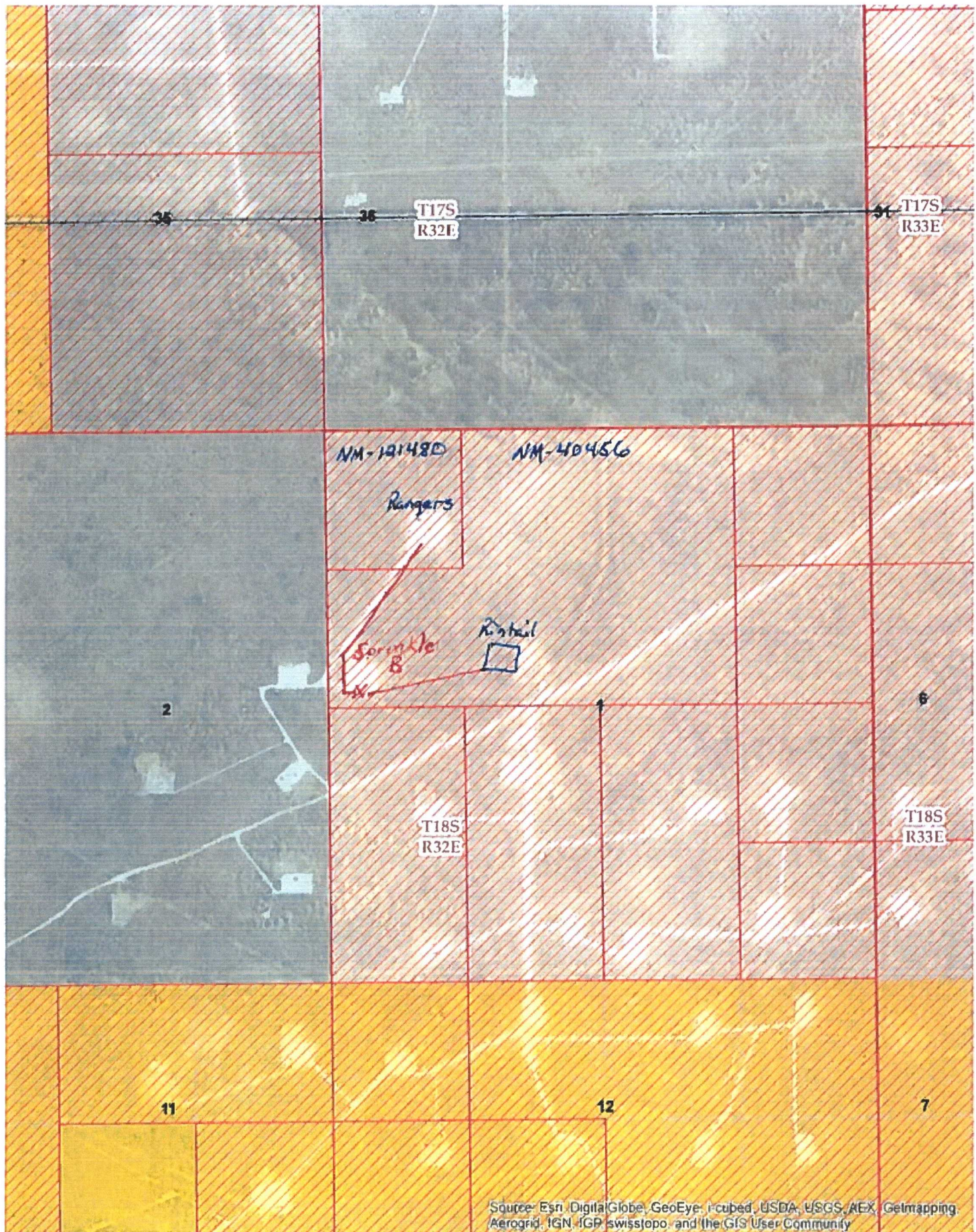
Mack Energy Corporation currently has approved ROW for both Gas(Fee surface) and SWD lines.

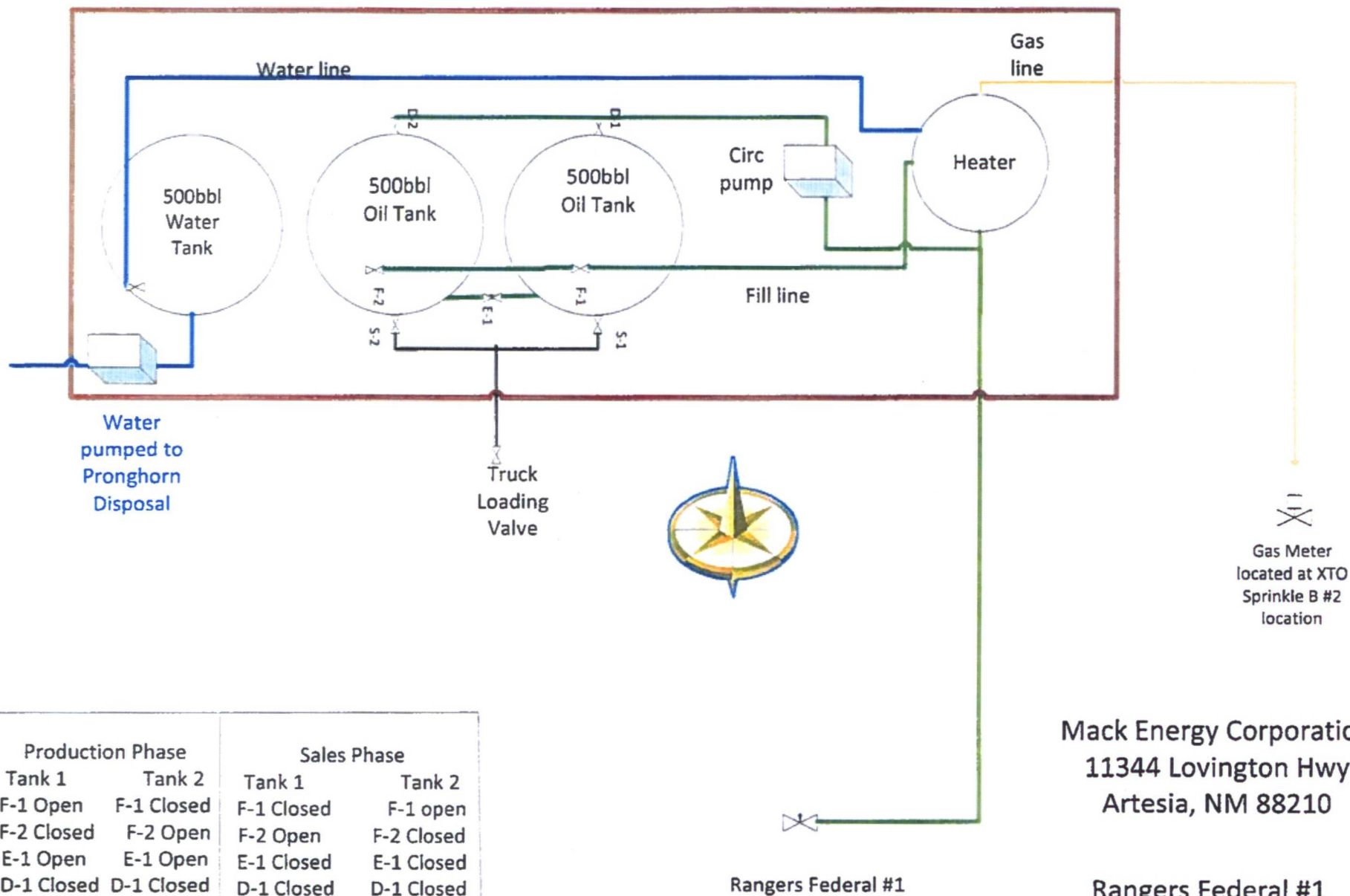
Signed: _____

Printed Name: Jerry W. Sherrell

Title: Production Clerk

Date: _____



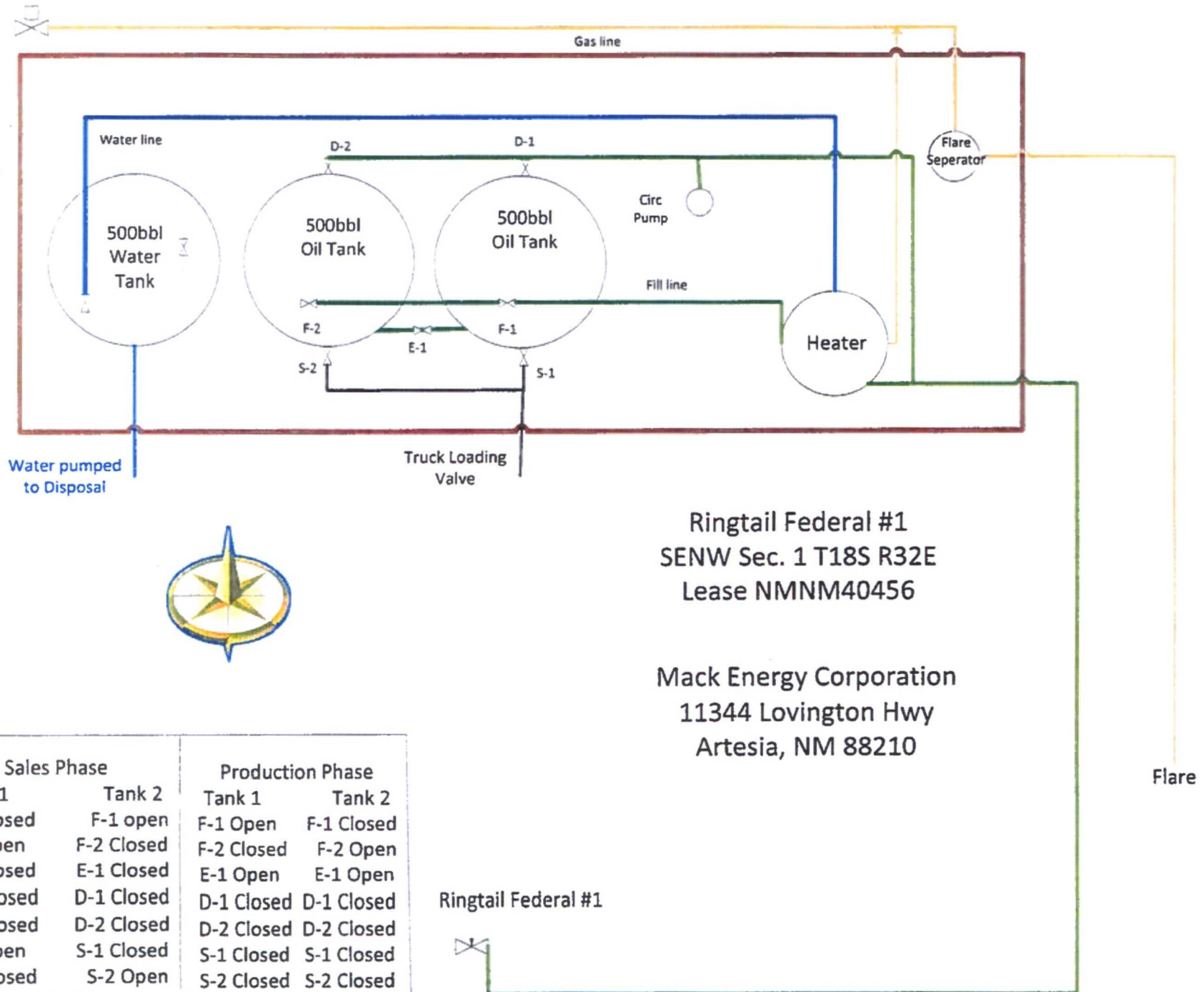


Production Phase		Sales Phase	
Tank 1	Tank 2	Tank 1	Tank 2
F-1 Open	F-1 Closed	F-1 Closed	F-1 open
F-2 Closed	F-2 Open	F-2 Open	F-2 Closed
E-1 Open	E-1 Open	E-1 Closed	E-1 Closed
D-1 Closed	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Closed
S-1 Closed	S-1 Closed	S-1 Open	S-1 Closed
S-2 Closed	S-2 Closed	S-2 Closed	S-2 Open

Mack Energy Corporation
11344 Lovington Hwy
Artesia, NM 88210

Rangers Federal #1
NWNW Sec. 1 T18S R32E
Lease NMNM121480

Gas Meter
located in
SWNW Sec. 1
T18S R32E
Meter #742594



Ringtail Federal #1
SENW Sec. 1 T18S R32E
Lease NMNM40456

Mack Energy Corporation
11344 Lovington Hwy
Artesia, NM 88210

Sales Phase		Production Phase	
Tank 1	Tank 2	Tank 1	Tank 2
F-1 Closed	F-1 open	F-1 Open	F-1 Closed
F-2 Open	F-2 Closed	F-2 Closed	F-2 Open
E-1 Closed	E-1 Closed	E-1 Open	E-1 Open
D-1 Closed	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Closed
S-1 Open	S-1 Closed	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Open	S-2 Closed	S-2 Closed

MACKENERGY CORPORATION

	Monthly Production	Oil Produced	Gas Prod.
Aug-15	Ranger Federal	153	372
Sep-15	Ranger Federal	211	369
Oct-15	Ranger Federal	156	295
Nov-15	Ranger Federal	257	382
Dec-15	Ranger Federal	201	349
Jan-16	Ranger Federal	220	344
Monthly Average		<u>199.666667</u>	<u>351.8333</u>
Aug-15	Ringtail Federal	936	1258
Sep-15	Ringtail Federal	717	1020
Oct-15	Ringtail Federal	614	879
Nov-15	Ringtail Federal	514	702
Dec-15	Ringtail Federal	455	621
Jan-16	Ringtail Federal	460	621
Monthly Average		<u>616</u>	<u>850.1667</u>

AUG 03 2014

DISTRICT I
1623 N. FRENCH DR., HOBBBS, NM 87240

DISTRICT II
1341 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

HOBBBS OGD

JUN 27 2011

RECEIVED

Form C-102
Revised October 12, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
For Lease - 3 Copies

OIL CONSERVATION DIVISION

11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-40180	Pool Name 6535D	Well Number 1
Property Code 38683	Property Name RANGERS FEDERAL	Elevation 3919'
OCRID No. 013837	Operator Name MACK ENERGY CORPORATION	

Surface Location

UT or lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
4	1	18-S	32-E		990	NORTH	990	WEST	LEA

Bottom Hole Location If Different From Surface

UT or lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40.07		Joint or Infill		Consolidation Code		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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or leased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jerry W. Sherrell</i> 2/24/11 Signature Date</p> <p>Jerry W. Sherrell Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 2, 2010</p> <p>Date Surveyed: LA</p> <p>Signature of Surveyor: <i>R. J. Eidson</i> Professional Surveyor</p> <p>NEW MEXICO 12/2/2010 1011738</p> <p>Certification No.: Gary G. Eidson 12641 3239</p>
--	---

JUN 29 2011

McMillan, Michael, EMNRD

From: McMillan, Michael, EMNRD
Sent: Tuesday, March 7, 2017 4:44 PM
To: Jerry Sherrell
Cc: Jones, William V, EMNRD
Subject: RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Jerry:
I talked to Will, and he said using the 6 month allocation with each well being shut in for 24 hours would suffice. The only additional requirement being that the other well two weeks later being shut in for 24 hours. From this getting the allocation for the next 6 months would work.
Also, the OCD would require Mack to notice the Hobbs District Office that the wells are being shut in. A 24 hour notice would be required

Thanks
Mike

From: McMillan, Michael, EMNRD
Sent: Tuesday, March 7, 2017 4:18 PM
To: Jerry Sherrell <jerrys@mec.com>
Cc: Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>
Subject: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Jerry:
I am glad to see that operators are developing methods to get around low volume charges that pipelines are charging
I need to get a couple of points clarified

- I need clarification for the allocation percentages
The February 23, 2017 letter states a 61/39 breakdown of production with Ringtail getting 61%.
The March 7, 2017 shows a 71/29 breakdown of production with Ringtail getting 71%.
- I will need a facility diagram of the Sprinkles Federal Well No. 1 that shows where the gas lines from the two wells, and where the meter is located

I will need to get with Will to see if this can be approved. If not, it may have to go to hearing, since no operator has suggested shutting in wells to get production percentages.

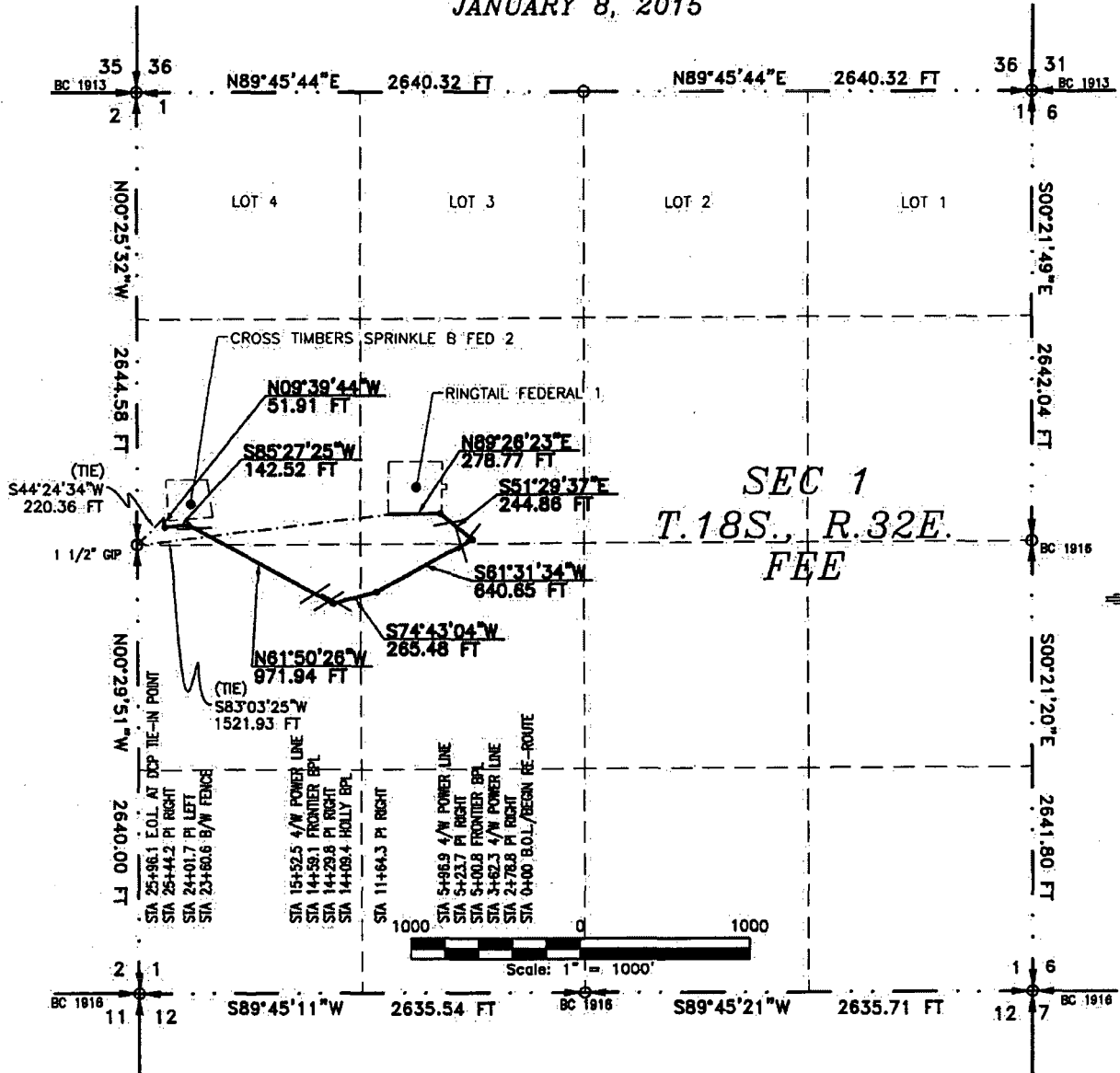
Thanks
Mike

MICHAEL A. MCMILLAN
Engineering Bureau, Oil Conservation Division
1220 south St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448
Michael.McMillan@state.nm.us

FLOWLINE PLAT

RE-ROUTE GAS LINE RIGHT-OF-WAY BEGINNING AT THE RINGTAIL FEDERAL 1 AND ENDING AT A DCP TIE-IN POINT

MACK ENERGY CORPORATION CENTERLINE SURVEY OF A PIPELINE CROSSING SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO JANUARY 8, 2015



SEE NEXT SHEET (2-4) FOR DESCRIPTION

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, THIS 16th DAY OF JANUARY 2015

Filmon F. Jaramillo
FILMON F. JARAMILLO, P.E.S. 12797

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 3556A

GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING IS NMSP EAST MODIFIED TO SURFACE COORDINATES.

SHEET: 1-4

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

CARLSBAD, NEW MEXICO

FLOWLINE PLAT
RE-ROUTE GAS LINE RIGHT-OF-WAY BEGINNING AT THE RINGTAIL FEDERAL 1 AND ENDING AT A
DCP TIE-IN POINT

MACK ENERGY CORPORATION
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
JANUARY 8, 2015

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING FEE LAND IN SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE SE/4 NW/4 OF SAID SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., WHENCE THE WEST QUARTER CORNER OF SAID SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M. BEARS S83°03'25"W, A DISTANCE OF 1521.93 FEET;

THENCE N89°26'23"E A DISTANCE OF 278.77 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE S51°29'37"E A DISTANCE OF 244.86 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE S61°31'34"W A DISTANCE OF 640.65 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE S74°43'04"W A DISTANCE OF 265.48 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE N61°50'26"W A DISTANCE OF 971.94 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE S85°27'25"W A DISTANCE OF 142.52 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;

THENCE N09°39'44"W A DISTANCE OF 51.91 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE WEST QUARTER CORNER OF SAID SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M. BEARS S44°24'34"W, A DISTANCE OF 220.36 FEET;

SAID STRIP OF LAND BEING 2596.13 FEET OR 157.34 RODS IN LENGTH, CONTAINING 1.788 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 NW/4	576.68 L.F.	34.95 RODS	0.397 ACRES
NE/4 SW/4	686.90 L.F.	41.63 RODS	0.473 ACRES
NW/4 SW/4	894.17 L.F.	54.19 RODS	0.616 ACRES
SW/4 NW/4	438.38 L.F.	26.57 RODS	0.302 ACRES

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MEXICO, THIS 16 DAY OF JANUARY 2015

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING IS NMSP EAST MODIFIED TO SURFACE COORDINATES.

SHEET 2-4

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

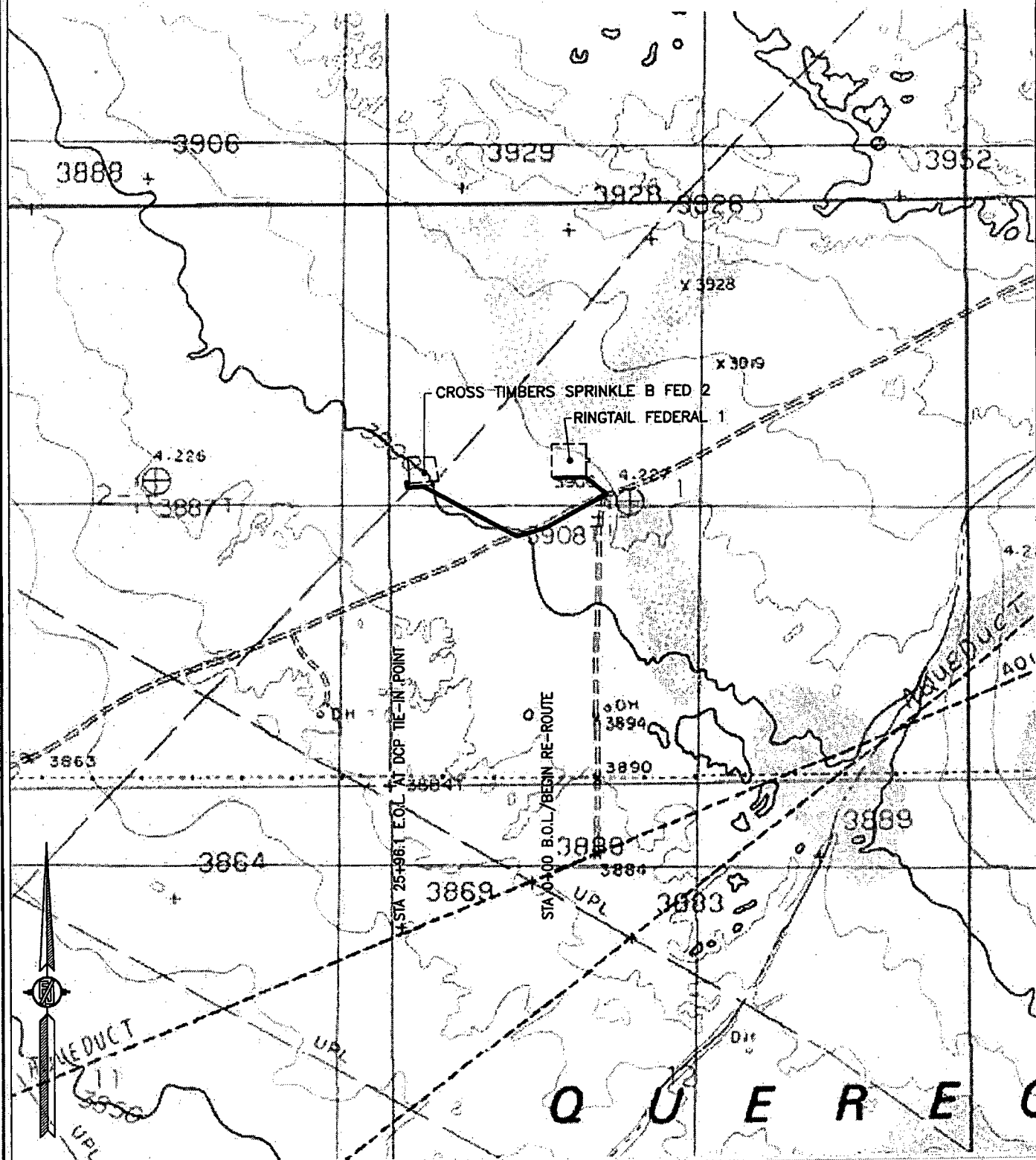
CARLSBAD, NEW MEXICO

SURVEY NO. 3556A

FLOWLINE PLAT

RE-ROUTE GAS LINE RIGHT-OF-WAY BEGINNING AT THE RINGTAIL FEDERAL 1 AND ENDING AT A
DCP TIE-IN POINT

MACK ENERGY CORPORATION
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
JANUARY 8, 2015



SHEET: 3-4

SURVEY NO. 3556A

MADRON SURVEYING, INC.

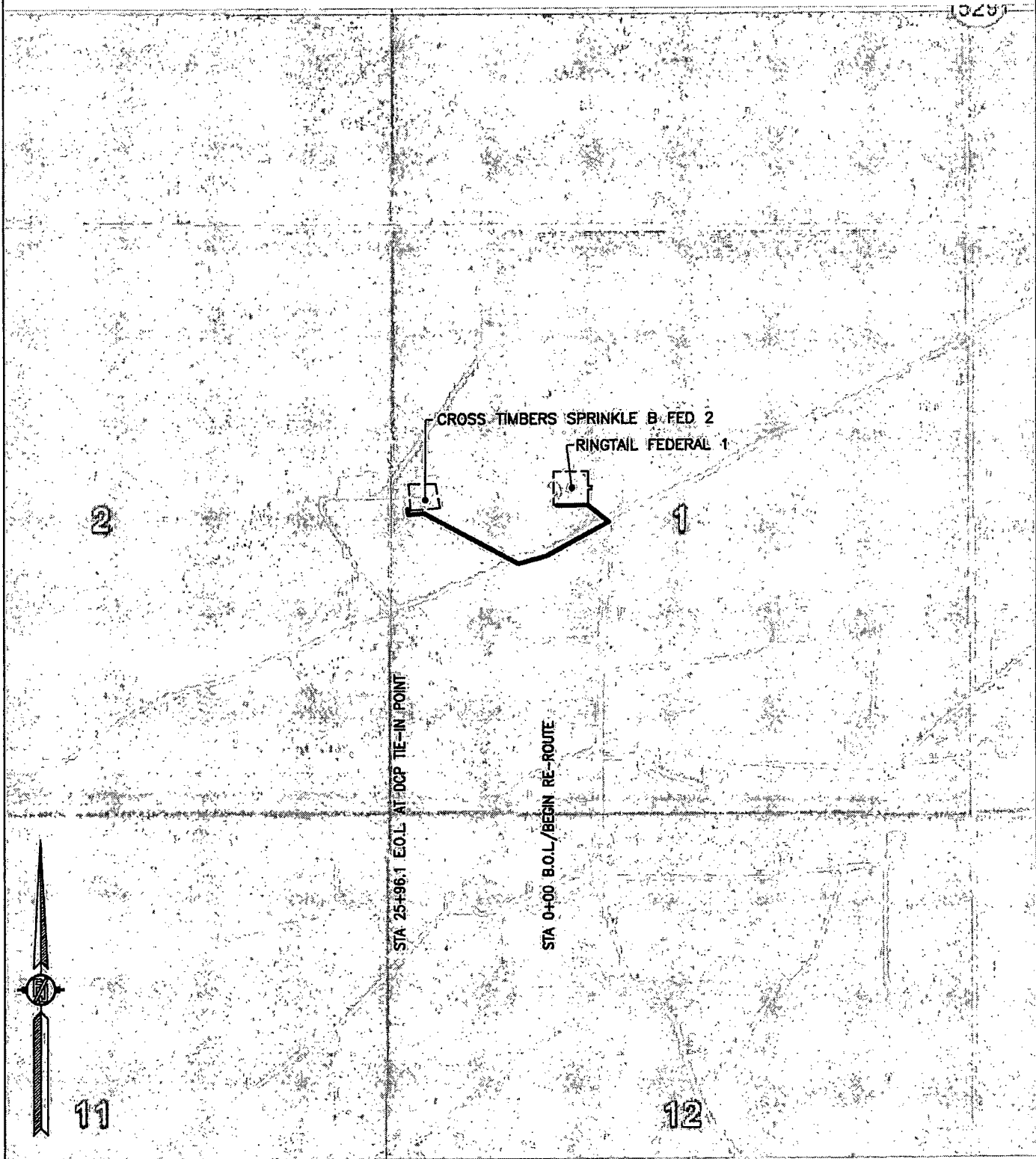
301 SOUTH CANAL
(575) 234-3341

CARLSBAD, NEW MEXICO

FLOWLINE PLAT

RE-ROUTE GAS LINE RIGHT-OF-WAY BEGINNING AT THE RINGTAIL FEDERAL 1 AND ENDING AT A
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CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
JANUARY 8, 2015



SHEET: 4-4

SURVEY NO. 3556A

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

T-17-S 35 36 N89°45'39"E 2640.2' 1/4 COR. GLO "1913" B.C. N89°46'04"E 2640.8' 36 31
 T-18-S 2 1 6 GLO "1913" B.C.
 N45°20'55"E 1402.6' (TIE)
 RANGERS FED. #1
 NE/4 NW/4
 E SURVEY
 N18°37'15"E 1579.7'
 XTO ENERGY SPRINKLE B FED NO. 2 BATTERY
 SW/4 NW/4 SE/4 NW/4
 N85°39'17"E 89.0'
 N68°02'15"E 415.1' (TIE)
 1/4 COR. 1 1/2" CIP
 N00°25'36"W 2644.8'
 N00°29'40"W 2659.6'
 S89°45'23"W 2635.6' 1/4 COR. GLO "1913" B.C. S89°45'27"W 2635.6' 12 7
 16+68.7 END SURVEY AT RANGERS FED. #1 WELL PAD
 15+10 EXIST. PAD
 13+15.8 QUARTER LINE
 0+89.0 P.I. 67°02'02" LT.
 0+74 2" VENT LINE-9" LT.
 0+00 BEGIN SURVEY AT EXIST DOP BPL
 5002719'E 5283.6'
 R-32-E
 R-33-E

SURVEY OF A PIPELINE CROSSING SECTION 1, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO,
AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 1, WHICH LIES N88°02'15"E 415.1 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION; THEN N85°39'17"E 89.0 FEET, THEN N18°37'15"E 1579.7 FEET TO A POINT IN LOT 4 OF SAID SECTION, WHICH LIES S45°20'55"E 1402.6 FEET FROM THE NORTHWEST CORNER OF SAID SECTION.

TOTAL LENGTH EQUALS 1668.7 FEET OR 101.13 RODS.

SW/4 NW/4= 1315.8 FEET OR 79.74 RODS
LOT 4= 352.9 FEET OR 21.39 RODS

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

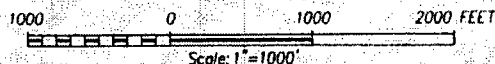
I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 3239,
DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY
ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR
UNDER MY DIRECT SUPERVISION. I AM FULLY RESPONSIBLE FOR THIS
SURVEY. THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR
SURVEYING IN NEW MEXICO, AND THAT IT IS TRUE AND CORRECT TO
THE BEST OF MY KNOWLEDGE AND BELIEF.

RONALD J. EIDSON

DATE:

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117 www.jwsc.biz

⊙ DENOTES FOUND CORNER AS NOTED
⊗ DENOTES CALCULATED CORNER



**SURVEY OF A PIPELINE
CROSSING SECTION 1,
TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO**

Survey Date: 3/31/12	CAD Date: 4/20/12	Drawn By: ACR
W.O. No.: 12110558	Rev: 5/11/12	Rel. W.O.: Sheet 1 of 1

McMillan, Michael, EMNRD

From: Jerry Sherrell <jerrys@mec.com>
Sent: Wednesday, March 8, 2017 10:18 AM
To: McMillan, Michael, EMNRD
Subject: RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

The numbers for the newest letter are correct. That being said, I see what you are getting at, that they are different from numbers sent to the affected parties. These numbers could potentially change at every six month testing period. The test will keep allocation accurate.

From: McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]
Sent: Wednesday, March 08, 2017 10:09 AM
To: Jerry Sherrell
Subject: RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

So which letter is correct-the letter to the affected parties, or the letter to the OCD?
Mike

From: Jerry Sherrell [mailto:jerrys@mec.com]
Sent: Wednesday, March 8, 2017 10:04 AM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Yes I did. The production has changed. The Rangers is an older well and has declined. The six month testing should keep us on track as to any decline in either well and prevent early plugging and loss of resources.

From: McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]
Sent: Wednesday, March 08, 2017 9:59 AM
To: Jerry Sherrell
Subject: RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Di you look at the letters for part that deals with allocation
Mike

From: Jerry Sherrell [mailto:jerrys@mec.com]
Sent: Wednesday, March 8, 2017 9:55 AM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Cc: Lee Livingston <leel@mec.com>
Subject: RE: Ringtail Federal Well NO. 1 and Rangers Federal Well No. 1 gas measurement method in oil wells

Mike,

That sounds completely reasonable to us. I am working on the diagram for our sales meters at the Sprinkle location. They are located just off the edge of that location adjacent to DCP gathering line. I have attached the plats for both lines.

From: McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]
Sent: Tuesday, March 07, 2017 4:44 PM
To: Jerry Sherrell

Cc: Jones, William V, EMNRD

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Thanks
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MICHAEL A. MCMILLAN

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O: 505.476.3448

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