

RECEIVED: 8/15/2017	REVIEWER: MAN	TYPE: OLM	APP NO: PMAM 1722735376
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RECEIVED OCD

2017 AUG 15 4:27

NEW MEXICO OIL CONSERVATION DIVISION

- Geological & 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

Applicant: Mack Energy Corporation

OGRID Number: 013837

Well Name: Klondike State Com #1H

API: 30-005-64295

Pool: Round Tank; San Andres

Pool Code: 52770

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
INDICATED BELOW

OLM - 118

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☒ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IFI☐ EOR☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

A. ☐ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☒ Surface ownerG. ☐ For all of the above, proof of notification or publication is attached, and/or,H. ☒ No notice required

FOR OCD ONLY

☐

Notice Complete

☐Application
Content
Complete

3) 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

8/8/17

Date

575-748-1288

Phone Number

jerrys@mec.com

e-mail Address



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

August 8, 2017

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

Dear Sir:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Off Lease Measurement of Oil and Gas production from our Klondike State Com #1H SHL Unit O, Sec. 23 T15S R28E, BHL Unit G Sec. 35 T15S R28E at our Klondike CTB, located in Unit H Sec. 26 T15S R28E. The oil production from the Klondike State Com #1H will be measured, stored and sold from the CTB location. Gas production will be transported through an approved pipeline to a sales point on DCP's gathering system in Unit N, Sec. 19 T15S R29E.

All interest owners involved are identical and affiliates of Mack Energy Corporation.

Sincerely,

A handwritten signature in blue ink that reads "Jerry W. Sherrell".

Jerry W. Sherrell
Production Clerk
jerrys@mec.com

JWS/

Enclosures

MEMO

DATE: August 8, 2017

TO: NMOCD

FROM: Staci Sanders

RE: **Off Lease Storage & Measurement**

Klondike State Com #1H

SHL: Unit O, Sec. 23, T15S, R28E

BHL: Unit G, Sec. 35, T15S, R28E

Chaves County, New Mexico

Klondike Central Tank Battery

Unit H, Sec. 26, T15S, R28E

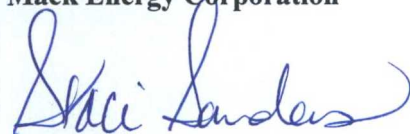
Chaves County, New Mexico

Mack Energy Corporation is requesting approval for Off Lease Storage & Measurement for the Klondike State Com #1H well to be located at the Klondike Central Tank Battery (H-26-T15S-R28E). The working interest owners in all leases involved are identical and affiliates of Mack Energy Corporation.

Please do not hesitate to contact me should you require any further information.

Sincerely,

Mack Energy Corporation



Staci Sanders

Land Manager

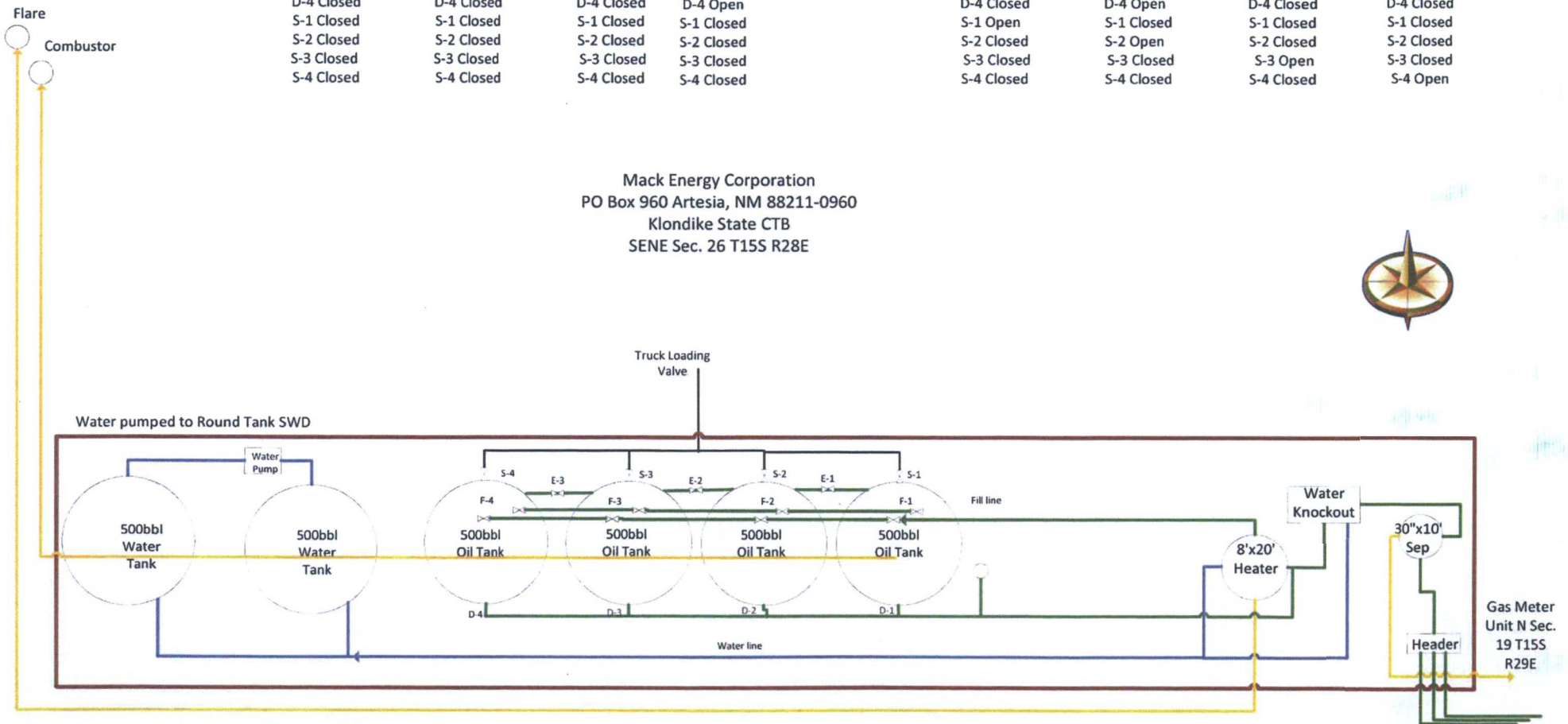
Production Phase

Tank 1	Tank 2	Tank 3	Tank 4
F-1 Open	F-1 Closed	F-1 Closed	F-1 Closed
F-2 Closed	F-2 Open	F-2 Closed	F-2 Closed
F-3 Closed	F-3 Closed	F-3 Open	F-3 Closed
F-4 Closed	F-4 Closed	F-4 Closed	F-4 Open
E-1 Open	E-1 Open	E-1 Closed	E-1 Closed
E-2 Closed	E-2 Closed	E-2 Open	E-2 Open
D-1 Open	D-1 Closed	D-1 Closed	D-1 Closed
D-2 Closed	D-2 Open	D-2 Closed	D-2 Closed
D-3 Closed	D-3 Closed	D-3 Open	D-3 Closed
D-4 Closed	D-4 Closed	D-4 Closed	D-4 Open
S-1 Closed	S-1 Closed	S-1 Closed	S-1 Closed
S-2 Closed	S-2 Closed	S-2 Closed	S-2 Closed
S-3 Closed	S-3 Closed	S-3 Closed	S-3 Closed
S-4 Closed	S-4 Closed	S-4 Closed	S-4 Closed

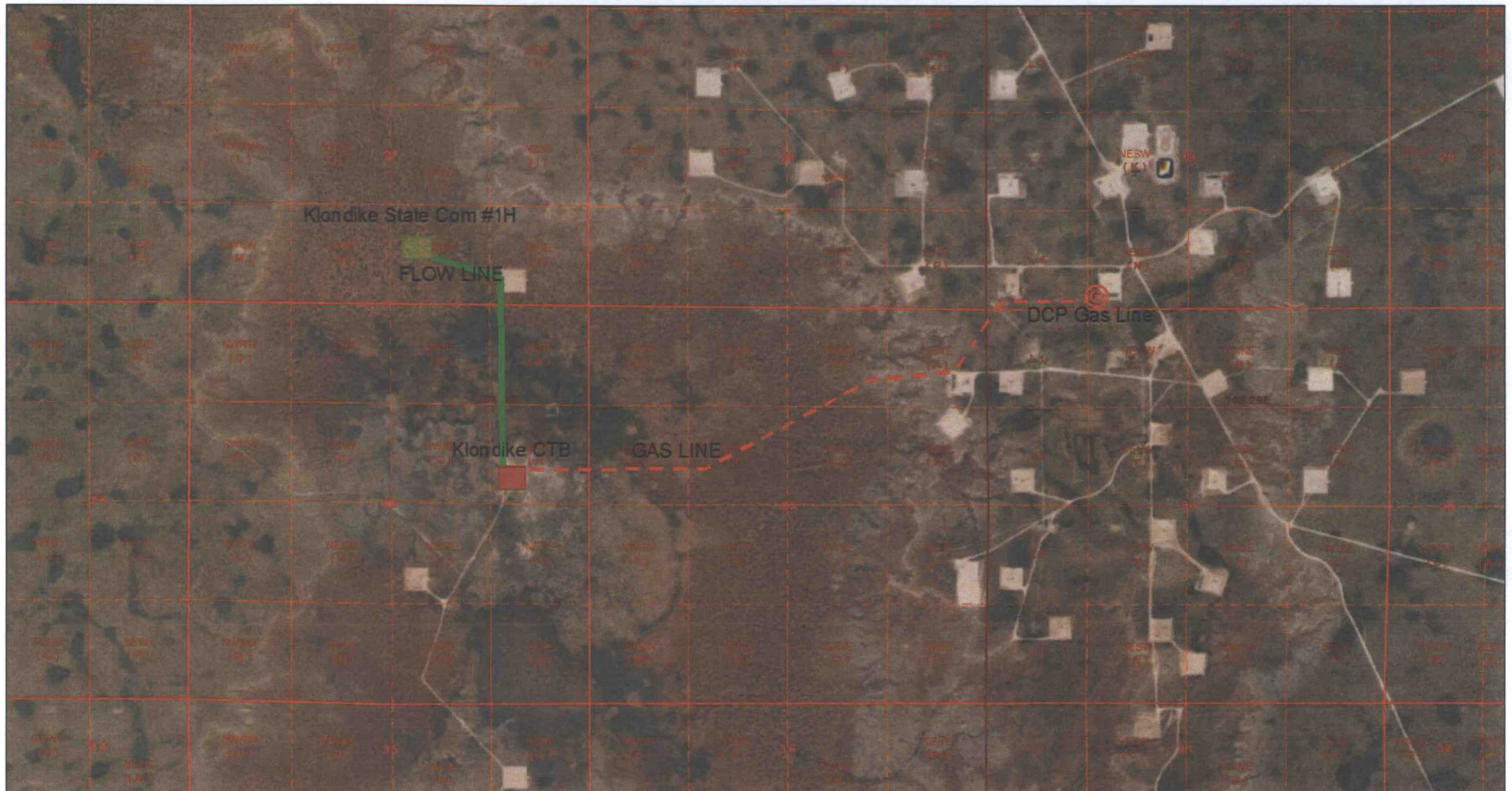
Sales Phase

Tank 1	Tank 2	Tank 3	Tank 4
F-1 Closed	F-1 Closed	F-1 Open	F-1 Closed
F-2 Closed	F-2 Closed	F-2 Closed	F-2 Open
F-3 Open	F-3 Closed	F-3 Closed	F-3 Closed
F-4 Closed	F-4 Open	F-4 Closed	F-4 Closed
E-1 Closed	E-1 Closed	E-1 Open	E-1 Open
E-2 Open	E-2 Open	E-2 Closed	E-2 Closed
D-1 Closed	D-1 Closed	D-1 Open	D-1 Closed
D-2 Closed	D-2 Closed	D-2 Closed	D-2 Open
D-3 Open	D-3 Closed	D-3 Closed	D-3 Closed
D-4 Closed	D-4 Open	D-4 Closed	D-4 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
S-3 Closed	S-3 Closed	S-3 Open	S-3 Closed
S-4 Closed	S-4 Closed	S-4 Closed	S-4 Open

Mack Energy Corporation
PO Box 960 Artesia, NM 88211-0960
Klondike State CTB
SENE Sec. 26 T15S R28E



ArcGIS Web Map



August 8, 2017

Points

Override 1

Lines

Override 1

Override 2

Areas

Override 1

Override 2

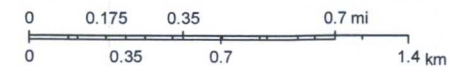
OCD District Offices

PLSSTownship

PLSSSecondDivision_WMAS84_UnitLtr

PLSSFirstDivision

1:18,056



OCD
Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors,
and the GIS user community
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics,

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-64295	² Pool Code 52770	³ Pool Name Round Tank; San Andres
⁴ Property Code 318348	⁵ Property Name KLONDIKE STATE COM	
⁷ OGRID No. 13837	⁸ Operator Name MACK ENERGY CORPORATION	
		⁶ Well Number 1H
		⁹ Elevation 3579.5

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	23	15 S	28 E		700	SOUTH	2285	EAST	CHAVES

¹¹ 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
G	35	15 S	28 E		2370	NORTH	2285	EAST	CHAVES

¹² Dedicated Acres 280	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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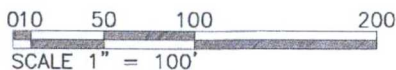
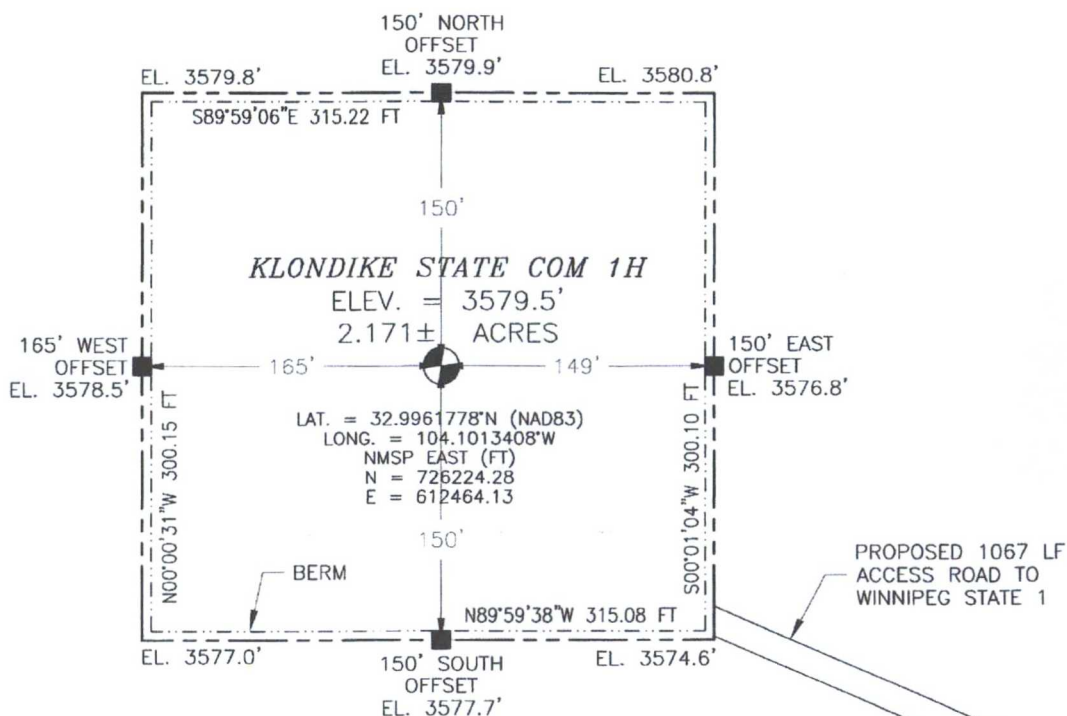
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>17 OPERATOR CERTIFICATION</p> <p>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 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 a 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> 8/8/2017 Signature Date</p> <p><i>Jerry W. Sherrell</i> Printed Name</p> <p><i>jerrys@mec.com</i> Email Address</p>		<p>18 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>MAY 18, 2017 Date of Survey</p> <p><i>Filimon F. Jaramillo</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number FILIMON F. JARAMILLO, PLS 12797 SURVEY NO. 5265</p>	
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SECTION 23, TOWNSHIP 15 SOUTH, RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO

SITE MAP

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). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF US HIGHWAY 82 AND CR 209 (TURKEY TRACK) GO NORTH ON CR 209 FOR APPROX. 5.0 MILES TO END OF CR MAINTENANCE. CONTINUE NORTH ON TURKEY TRACK ROAD FOR APPROX. 7.7 MILES TO THE QUEBEC STATE 1 LOCATION. GO NORTH APPROX. 0.5 OF A MILE TO THE SOUTHWEST PAD CORNER OF WINNIPEG STATE 1, THEN GO NORTHWEST APPROX. 1067' TO THE SOUTHEAST PAD CORNER FOR THIS LOCATION.

MACK ENERGY CORPORATION
KLONDIKE STATE COM 1H
LOCATED 700 FT. FROM THE SOUTH LINE
AND 2285 FT. FROM THE EAST LINE OF
SECTION 23, TOWNSHIP 15 SOUTH,
RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO

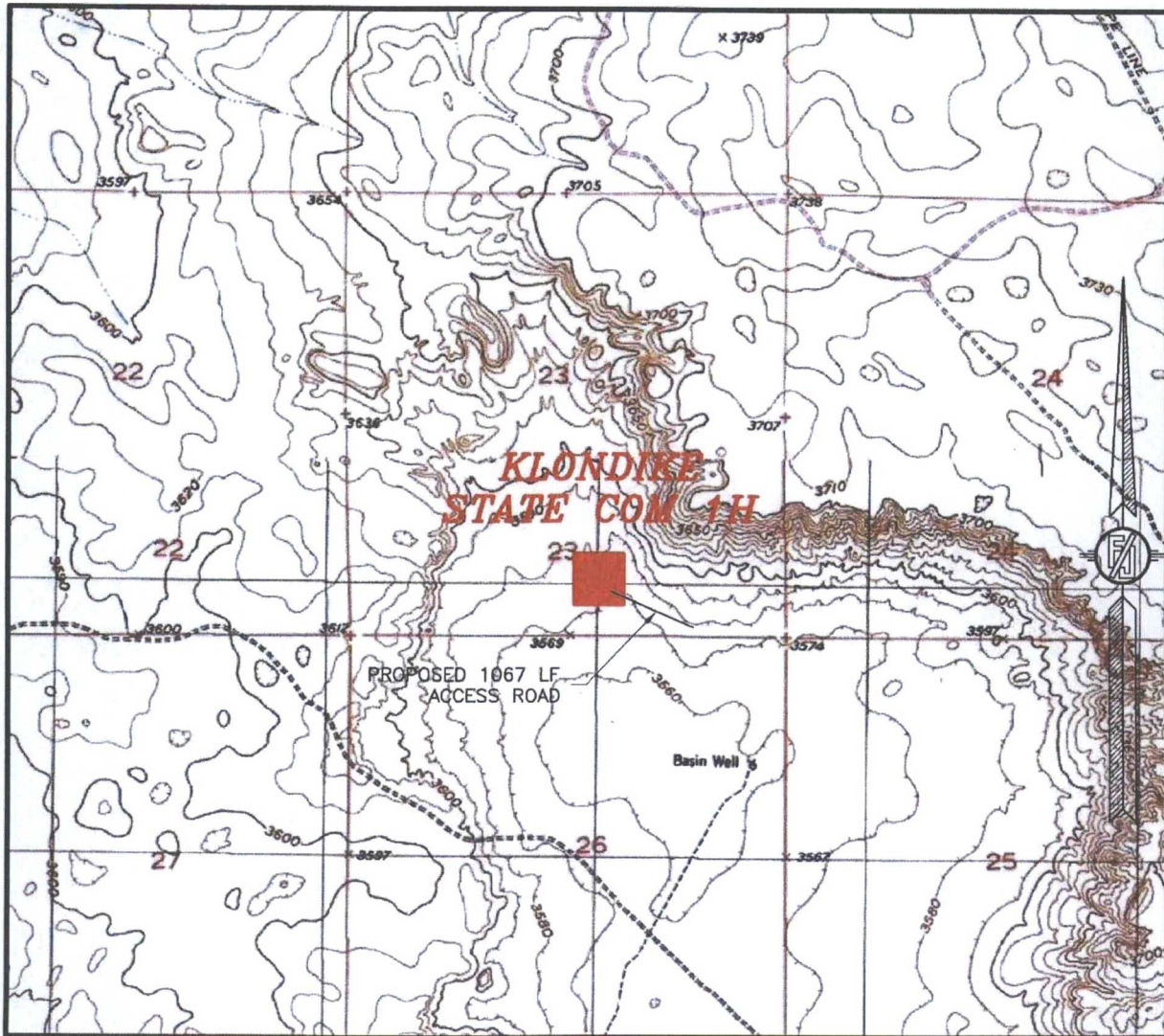
MAY 18, 2017

SURVEY NO. 5265

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

CARLSBAD, NEW MEXICO

SECTION 23, TOWNSHIP 15 SOUTH, RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



USGS QUAD MAP:
BASIN WELL

NOT TO SCALE

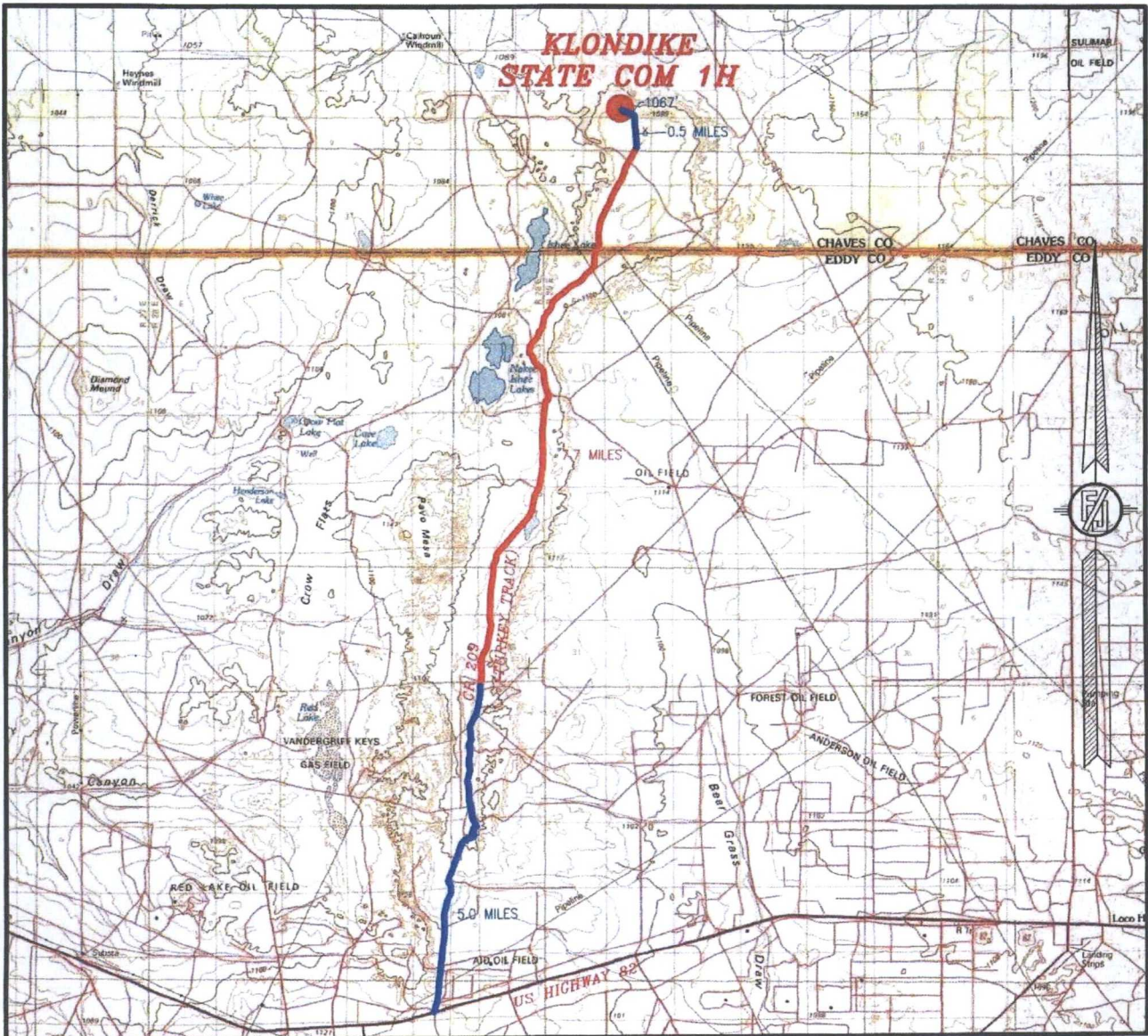
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CHAVES COUNTY, STATE OF NEW MEXICO

MAY 18, 2017

SURVEY NO. 5265

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

SECTION 23, TOWNSHIP 15 SOUTH, RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO
VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF US HIGHWAY 82 AND CR 209 (TURKEY TRACK) GO NORTH ON CR 209 FOR APPROX. 5.0 MILES TO END OF CR MAINTENANCE. CONTINUE NORTH ON TURKEY TRACK ROAD FOR APPROX. 7.7 MILES TO THE QUEBEC STATE 1 LOCATION. GO NORTH APPROX. 0.5 OF A MILE TO THE SOUTHWEST PAD CORNER OF WINNIPEG STATE 1, THEN GO NORTHWEST APPROX. 1067' TO THE SOUTHEAST PAD CORNER FOR THIS LOCATION.

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MAY 18, 2017

SURVEY NO. 5265

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

SECTION 23, TOWNSHIP 15 SOUTH, RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
FEBRUARY 2017

MACK ENERGY CORPORATION
KLONDIKE STATE COM 1H
LOCATED 700 FT. FROM THE SOUTH LINE
AND 2285 FT. FROM THE EAST LINE OF
SECTION 23, TOWNSHIP 15 SOUTH,
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CHAVES COUNTY, STATE OF NEW MEXICO

MAY 18, 2017

SURVEY NO. 5265

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

SECTION 23, TOWNSHIP 15 SOUTH, RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO
ACCESS AERIAL ROUTE MAP



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
FEBRUARY 2017

MACK ENERGY CORPORATION
KLONDIKE STATE COM 1H
LOCATED 700 FT. FROM THE SOUTH LINE
AND 2285 FT. FROM THE EAST LINE OF
SECTION 23, TOWNSHIP 15 SOUTH,
RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO

MAY 18, 2017

SURVEY NO. 5265

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



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

August 8, 2017

Commissioner of Public Lands
PO Box 1148
Santa Fe,, NM 87504-1148

Dear Sir:

Mack Energy Corporation is requesting administrative approval from the NMOCD for approval of Off Lease Measurement of Oil and Gas production from our Klondike State Com #1H SHL Unit O, Sec. 23 T15S R28E, BHL Unit G Sec. 35 T15S R28E at our Klondike CTB, located in Unit H Sec. 26 T15S R28E. The oil production from the Klondike State Com #1H will be measured, stored and sold from the CTB location. Gas production will be transported through an approved pipeline to a sales point on DCP's gathering system in Unit N, Sec. 19 T15S R29E.

All interest owners involved are identical and affiliates of Mack Energy Corporation.

Should you have any questions please contact me @ 575-748-1288.

Sincerely,

Jerry W. Sherrell
Production Clerk
jerrys@mec.com

JWS/

Enclosures