

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-A  
New 3-12-98

DISTRICT II  
511 South First St. Artesia, NM 88210-2835

## OIL CONSERVATION DIVISION

APPROVAL PROCESS:

DISTRICT III  
1000 Rio Brazos Rd. Aztec, NM 87410-1829

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

☐ Administrative ☐ Hearing

EXISTING WELLBORE

## APPLICATION FOR DOWNHOLE COMMINGLING

☐ YES ☒ NO

Mack Energy Corporation  
Operator

P.O. Box 960, Artesia, NM 88210

Lea KG State  
Lease

4  
Well No.

A-35-17S-33E  
Unit Lfr. Sec - Twp - Rge

Lea  
County

Spacing unit Lease Types: (check 1 or more)

OGRID NO. 013837 Property Code 017335 API NO. 30-025-33063

Federal ☐ , State ☒ , (and/or) Fee ☐

The following facts submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	UNDES Corbin; Queen	Vacuum GB SA ✓	
2. Top and Bottom of Pay Section (Perforations)	13280 3712-3857	62180 4554-4665	
3. Type of production (oil or gas)	Oil	Oil	
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) b. (Original)	a. b.	a. b.
6. Oil Gravity (°API) or Gas BTU Content			
7. Producing or Shut-In ?		Producing	
Production Marginal ? (yes or no)			
* If Shut-In give date and oil/gas/water rates of last production Note: For new zones with no production history applicant shall be required to attach production estimates and supporting data	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: 1/29/2002 Rates: 9/18/61	Date: Rates:
B. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones?

☒ Yes ☐ No  
☒ Yes ☐ No  
☒ Yes ☐ No

If not, have all working, overriding, and royalty interests been notified by certified mail?  
Have all offset operators been given written notice of the proposed downhole commingling?

11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No

13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☐ Yes ☐ No

15. NMOC Reference Cases for Rule 3031(D) Exceptions. ORDER NO(S).

## 16. ATTACHMENTS

- \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- \* Production curve for each zone for at least one year. (If not available, attach explanation.)
- \* For zones with no production history, estimated production rates and supporting data.
- \* Data to support allocation method or formula.
- \* Notification list of all offset operators.
- \* Notification list of working, overriding, and royalty interests for uncommon interest cases.
- \* Any additional statements, data, or documents required to support commingling.

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 8/11/2003

TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. ( 505 ) 748-1288

DISTRICT I  
P.O. Box 1888, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer 99, Artesia, NM 88210

DISTRICT III  
1000 Rio Grande Rd., Artesia, NM 87410

DISTRICT IV  
PO BOX 1001, SANTA FE, NM 87504-2008

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-33063</b>	Pool Code <b>62180</b>	Pool Name <b>Vacuum; Grayburg-San Andres</b>
Property Code <b>17335</b>	Property Name <b>LEA K.G. STATE</b>	Well Number <b>4</b>
OGED No. <b>013837</b>	Operator Name <b>MACK ENERGY CORPORATION</b>	Elevation <b>4103</b>

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>35</b>	<b>17 S</b>	<b>33 E</b>		<b>330</b>	<b>NORTH</b>	<b>990</b>	<b>EAST</b>	<b>LEA</b>

### 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 <b>40</b>		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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  <i>Grissie D. Carter</i> Signature <b>Grissie D. Carter</b> Printed Name <b>Production Clerk</b> Title <b>8-16-95</b> Date
	<b>SURVEYOR CERTIFICATION</b>  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.  <b>AUGUST 4, 1995</b> Date Surveyed SJA 
	Date Surveyed Signature Professional Seal 
	Date Surveyed Signature Professional Seal 

## DISTRICT I

P.O. Box 1880, Hobbs, NM 88240

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## DISTRICT II

P.O. Drawer 100, Artesia, NM 88210

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

## DISTRICT III

1000 Rio Grande Rd., Arroyo, NM 87410

☐ AMENDED REPORT

## DISTRICT IV

PO Box 2088, Santa Fe, NM 87504-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-33063</b>	Pool Code <b>13280</b>	Pool Name <b>Corbin;Queen</b>
Property Code <b>17335</b>	Property Name <b>LEA K.G. STATE</b>	Well Number <b>4</b>
OSRD No. <b>013837</b>	Operator Name <b>MACK ENERGY CORPORATION</b>	Elevation <b>4103</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>35</b>	<b>17 S</b>	<b>33 E</b>		<b>330</b>	<b>NORTH</b>	<b>990</b>	<b>EAST</b>	<b>LEA</b>

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>40</b>	Joint or Initial	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

	<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <b>Crissa D. Carter</b> Printed Name <b>Production Clerk</b> Title <b>8-16-95</b> Date
	<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief. <b>AUGUST 4, 1995</b> Date Surveyed  Signature <b>John A. West</b> Printed Name <b>PROFESSIONAL SURVEYOR</b> Title
	<b>NEW MEXICO</b> <b>JOHN A. WEST</b> <b>3238</b> <b>8-9-95</b> <b>1200</b>
	<b>JOHN A. WEST</b> <b>3238</b> <b>12041</b>



P.O. Box 960  
Artesia, NM 88211-0960  
Office (505) 748-1288  
Fax (505) 746-9539

August 11, 2003

Oil Conservation Division  
Attn: Will Jones  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Dear Mr. Jones:

This is a list of attachments or explanations:

1. C-102 for both formations
2. Monthly Total Production for Vacuum GB SA, Lea KG State #4

	Oil/Gas		Oil/Gas
7/2002	212/281	1/2003	214/279
8/2002	203/299	2/2003	188/265
9/2002	213/305	3/2003	206/284
10/2002	217/295	4/2003	206/298
11/2002	202/283	5/2003	208/293
12/2002	191/272	6/2003	202/272

Note: No production available for Corbin; Queen

3. N/A
4. We will allocate using increased production from Queen formation.
5. Interests are common.

Sincerely,

MACK ENERGY CORPORATION

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

Jerry W. Sherrell  
Production Clerk

JWS/

Enclosures