DATE IN SUSPE	1-26 NSE	ENGINEER MES	LOGGED IN June 5	TYPE NSL	P.M.ESO- APP NO. 33/133281				
RECENT		ABOVE	THIS LINE FOR DIVISION USE ONLY		-				
NOV 0 6 2003 ^{NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau - OIL CONSERVATION1220 South St. Francis Drive, Santa Fe, NM 87505 DIVISION}									
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 A [A]	Locatio	ION - Check Those n - Spacing Unit - S L D NSP D							
Chec [B]	Commi	y for [B] or [C] ngling - Storage - M IC CTB		OLS	OLM				
[C]		n - Disposal - Pressu FX 🔲 PMX 🛄		EOR	ry PPR				
[D]	Other: S	Specify							
[21 NOTIFICAT [A]		UIRED TO: - Che orking, Royalty or O		1	Not Apply				
[B]	🗌 Of	fset Operators, Leas	eholders or Surface	Owner					
[C]	🗌 Ap	plication is One Wh	ich Requires Publis	hed Legal Notic	e				
[D]		tification and/or Co Bureau of Land Management -							
[E]	Fo Fo	r all of the above, Pr	roof of Notification	or Publication is	Attached, and/or,				
[F]		aivers are Attached							
		E AND COMPLET NDICATED ABOV		N REQUIRED '	FO PROCESS THE TYPE				

[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. Shered	Production Clerk	11/4/03
Agnature	Title	Date

jerrys@mackenergycorp.com e-mail Address



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

November 4, 2003

Oil Conservation Division Attn: Mike Stogner 1220 South St. Francis Drive Santa Fe, NM 87505

Dear Mr. Stogner:

Mack Energy Corporation respectfully requests an administrative approval without notice and hearing of the following unorthodox well location.

Because of our desire to drill this well in a timely manner, we also request your approval be expedited. The well location and legal description is as follows:

Pearsall A #2 2310 FSL & 1525 FEL Sec. 33, T17S, R32E Lea County, New Mexico

The well will be completed in the GB/SA formation in the Maljamar; Grayburg-San Andres Pool.

Attached to this application are the following exhibits.

- A.) Well location and acreage dedication plat (form C-102) filed with the Hobbs office of the Oil Conservation Division (Exhibit A).
- B.) A map showing the reason for the unorthodox location, the original location would have fallen on top of or too close to existing gas pipeline (Exhibit C).
- C.) A lease & well location map showing that there is 2 wells staked and the 2 other possible locations for effective 10-acre spacing on this particular 40-acre tract. Due to the pipelines and the position of Highway 529 the other two possible locations would also end up unorthodox (Exhibit D).

Oil Conservation Division November 4, 2003 Page 2

Moving the location 125' to the east will give the distance needed to build a location away from the gas pipeline. The location would have to be moved approximately 300' west to get away from the pipeline to make it orthodox. This well is encroaching on the NE/4 of the SE/4 of Sec. 33 T17S R32E, which is also part of this lease. There are no other possible orthodox locations for this well. The Pearsall A #1 has been staked in this 40 acre tract. The possible location to the west would not be orthodox due to Highway 529 and the location to the south of this well would also have to be moved unorthodox due to pipelines.

Also, please note that all interest in this lease is common, it is 100% owned by the Chase Group.

Thank you for your assistance in this matter. If you have any questions, please feel free to call.

00806

Sincerely,

MACK ENERGY CORPORATION

Shenel

Jerry W. Sherrell Production Clerk

JWS/

Enclosures

DISTRICT I P.O. BOX 1980. Bobbs. DISTRICT II P.O. Drever DD. Artes DISTRICT III 1000 Rio Brazos R	sia, NM 88211	1-0719 M 87410		Energy CON Santa F	Ninerale and SERV P.O. e, New	ATI Box 2 Mexic	o 87504-2088	IONICI 27	Revised Februar	•	
DISTRICT IV P.O. BOX 2088. SANTA FE, N.M. 87504-2088 WELL LO					AND	ACREA	GE DEDICATI				
				43329 Maljama				Pool Name ar;Grayburg-San Andres			
Property (Code		L	Property Name				, or u y b u r E	Well Number		
ACDID N				PEA	RSALL	A ator Nam			2 Elevation		
OGRID No 013837				MACK I			RPORATION		3919		
L		_ <u></u>	· · · · · · · · · · · · · · · · · · ·		Surfac	e Loca	ation	<u> </u>	<u> </u>		
UL or lot No.	Section	Township	Range	Lot Idn			North/South line	Feet from the	East/West line	County	
J	33	17-S	32-E		23		SOUTH	1525	EAST	LEA	
		·····	+	·····			rent From Sur				
UL or lot No.	Section	Township	Range	Lot Idn	Feet fro	m the	North/South line	Feet from the	East/West line	County	
Dedicated Acres	5 Joint c	or Infill Co	nsolidation (Code Ore	der No.						
40											
NO ALLO	WABLE V						INTIL ALL INTER APPROVED BY 1		CEN CONSOLIDA	ATED	
				[OPERATO	R CERTIFICAT	NOI	
						1		I hereby contained hereby	y certify the the inj n is true and comple pledge and belief.	formation	
		(6 m	The A LA	ta.t			Jerry W. Printed Name	W. Shen Sherrell		
			/01			1		Producti Tiue	on Clerk		
								<u>10/30/20</u> Date	03		
				39	23.9		25.2	SURVEYO	R [°] CERTIFICAT	ION	
		GEODETIC CC NAD 192 Y = 6515 X = 6739 LAT 324	7 NME 97.1 N 156.0 E 7'24.19"N		1000 1000 15.6			on this plat wa actual surveys supervison and correct to the	that the well location s plotted from field made by me or i that the same is best of my belief BER 20, 2003	notes of under my true and	
		_ONG. — 103	46'02.18 ' W					Date Surveyer Signature & S	A. S.	LA	
								Professional			
			1		C .			Bary Asi	uQmi 10 /2 3.11/122	3/03	
			I					Certificate No	GARY ETDSOL	12641	

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

SEC. <u>33</u> TWP. <u>17–S</u> RGE. <u>32–E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>LEA</u> DESCRIPTION <u>2310' FSL & 1525' FEL</u> ELEVATION <u>3919'</u> OPERATOR <u>MACK ENERGY CORPORATION</u> LEASE <u>PEARSALL A FEDERAL</u> U.S.G.S. TOPOGRAPHIC MAP MALJAMAR, N.M. CONTOUR INTERVAL: 10' MALJAMAR, N.M.

JOHN WEST SURVEYING HOBBS, NEW MEXICO (505) 393-3117



VICINITY MAP



SCALE: 1" = 2 MILES

SEC. <u>33</u> TWP.<u>17–S</u> RGE. <u>32–E</u> SURVEY______N.M.P.M. COUNTY______LEA <u>SECURIAL</u> DESCRIPTION <u>2310'</u> FSL <u>& 1525'</u> FEL ELEVATION______3919' OPERATOR <u>MACK_ENERGY_CORPORATION</u> LEASE_____PEARSALL_A_FEDERAL

JOHN WEST SURVEYING HOBBS, NEW MEXICO (505) 393-3117

		029406 B U.S., M Dione Caswell, (S)	31 Co	Abbrilles *Abbrilles 45 Carriges 47 Osistia 47 Osistia U.S. Olark Edition	Toules WI Bestalle (Ener Res. Grs.) Witter Off Wolds L. (Ser For and Ser Conference Ser Conference and Ser Conference Ser Conference Ser Ser Conference Feed.	or 2001 Dick Taylar Oldrie Caswell, (5)	era pita mjørta el6 State	Saga A (4-a) Perinsoliti ar 913 • 14 • 15 • 16 • 16 • 16 • 16 • 16 • 16 • 16
 an I	allor 20 17 Cont'l. 20220	Corroco Conoco S I Mirtenell B" Buffela	2 (26) Conoco 1 Con 2 (7 Traine B 5 8 Uffale 0000 029406 47	inoca Conoco i Mack Errer. 5 ² 0 ³ 0 ⁴	Limpter Conoco) Limpter Chudsen g. Limpter	(Marathan) Seria Twiser Confrie Oll Seria Confrie Oll Seria Confria Confrie Oll Seria Confrie Oll Seri	(thillins) 2 Texam, etal B.2229 Tr. 2 Gr. Westh Orlg. Tr. 1	4172 4 (Phillips) Wiser Oil Co With Ball 48 144 176 129 Grad Westin Wiser Oil 3560 130 154 10 130 155 10 130
2056		19 58 68 68 68 68 68 68 68	Mitchell	(IBC) Print Levin CC	32 Contract of the state of the	Tailor 7 (Kirks Frittin) Tailor 7 (Kirks Frittin) Mock Emer 4 2 (Kirks Frittin) Mock Emer 4 2 (Kirks Frittin) 6 (Kirks Frit	MALMAR UNIT GF West Tr (3 Wilser Oldo. 19 Tr. 1 - 11 - 11 - 15000 (gprreg) 19 Tr. 1 - 11 - 11 - 11 - 11 - 11 - 11 - 11	139 140 141 541/6 139 140 141 541/6 141 541/6 15 15 141 541/6 15 16 141 541/6 16 16 141 541/6 16 16 141 541/6 16 16 141 541 16 16 141 541 16 16 141 541 16 16 141 541 16 16 141 541 16 16 141 541 16 16 141 541 16 16 141 541 16 16 141 541 16 16 142 541 16 16 143 541 16 16 143 541 16 16 143 541 16 16<
		Wm. Mitchell*	Buffelt	Vidijame svore Diministr Cenoce, etal 14 013 0 12 11 119 HBC State 88 cc Canaca Pat	D.A.Tipton Hoover Lung, Modes-Fed Fifty a Hudsen a Hudsen a Hudsen a Conoco Halfy Dire.) Coneco	Conoce Studies 100, 1984 Se Toylor 1 (1987) MULS, Must Jumpert Olane Caswell, (S) Mack Ener. to base of Sa	412 - 14 - 43 - 447 - 44	22 wise of a "Italifeness from the second s
S	€ ¹⁸ 5 BC € ¹	Buffain) Store (19) (Buffain) Store (19)	253 Cringendo Vil 258 255 Cringendo Vil 258 253 Cringendo Vil 258 253 Cringen Com 253 Cringen Com 255 Cringen	25 26 Canoco 28 20 20 20 20 20 20 20 20 20 20 20 20 20		32 - 2 35 340490538 7/A 35 247.w	" All 355 (%) With 171 (51nc) (W0) 171 (51nc) (W1) 19, 256 19, 256 10, 7 (P18) (nc) (011	Wi FB - 21 48 5 Wi J Wi Ser Oi 175 8 16 17 Wiser Oi 175 8 16 17 17 176 76 76 17 17 170 17 6500 17 17 18 13 16 3 14 19 Wi 3 14 44
	242-WI 520 54 1011224C Dev 13773 0/A	TD SNT 203 7-8,57 50 14,05 47,07 Conoco pris 40,57 201 205 8	611/A 374 263 200 253 30 5285 263 200 251 284 5285 264 275 284 5285 264 275 284 70 53157 284 70 5357 284 70 5577 284 70 55777 284 70 55777 284 70 55777 284 70 557777 284 70 557777777777777777777777777777777777	A Der Alle Ander A		There by 17 317 23 Conoco 74 058658 78 78540 350 376 339 575 836 30 376 339 575 936 06 577	(Sincloir) 24 4.02 (Sincloir) 24 5 5 5 5 5 5 5 5 5 5 5 5 5 5	19 974 915 3 66 57 2 69 (Phillips 15 97 2 69 53 50 16 97 2 200 Wist (Chillips 200 Wist (Chillips 200 Wist (Chillips 200 Wist (Chillips 10 4750 210 210 10 4750 210 210
	104	4 102 104 100 286 Wm Mitchell Wi 276 ∰ Wi Store Conoco 5 105 1 1071 05	- 586 37(1.5, 35 - 586 37(1.5, 35 - 586 10, 586 - 788 10, 586	4 93 MALJAMAR (15) CO-OP MALJAMAR (15) CO-OP (Ke-drift (17) 265 010 (15 000 000 000 000 000 000 000 000 000 0	0 21 22 22 37 37 35 35 84 p 60 60 Baish UNIT U.S. 65 (kewanes) 119 128 128 119 128 128 121 127 123	83 33 82;Wi 81 80 <i>Miller</i> U.S. 367 Corrisco 2.A VAm.Petris J.R.Co. 123 (114) 9715 126 124 140 125 126 126 126 127 126 128 126 129 126 12	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	0 2 100 Med Tash Store 1 2890 Store 4 4 4 4 133 184 5 Wit Chiesberv 1 33 184 5 Wit Chiesberv 1 3 180 4 5 Wit Chiesberv 1 6 00 4 18 19 19 19 19 19 19 19 19 19 19 19 19 19
	21 63 	306 289 162 160 159 81 84 84 84 84 84 84 84 84 84 84 84 84 84	281 230 277 8858 3 365 174 A JANZTY 365 174 A JANZTY 365 1 365 1 36	::ifida 2:000 CONOCO OPERA: :sev :sov :sov :sov :sd :sav :sv :sv :sd :sav :sv :sv :sd :sv :sv :sv	317 292 1917 17 37 Conoc 4 335	The second secon	334 1/2 1/2 1/2 3/4 3/2 140 1/3 1/2 1/3 1/3 1/3 1/3 1/3 1/3 1/3 1/3 1/3 1/3	36 A 135 J J J T
	, 164 ↓ ↓ ↓218	1451 0 - Cartar, 167 1465 Fed 305 305 305 217 Simar Aba. 217 Simar Aba.	101 1701 171 W1 A 293 294 17 214 213 212	173 324 775 176 1899 4 72 236 236 7 236 7 236 7 236 7 237 237 237 237 237 237 237 237 237 2	100 191 321 183 1.9 100 201 100 200	The Join Water Hours Edul wither 20 Pan Auer Hours Edul wither 10 Pan Auer Hours Edul wither 10 Pan Auer Hours Edul wither 10 Pan Auer Hours The House 10 Pan Auer Hours The Johnson 10 Pan Auer Hours The Johnson	6(190) MAI/Aer	Contraction of the second of t
	and a v	219 1794009 194 2 484 (1990) 194 2 484 (1990) 194 2 484 (1990) 194 108 (1990) 194 108 (1990) 194 108 (1990)	Mill disersing Mark Brzy Mill disersing Mark Brzy Mark Bry Distance Annow Bour & Bourset Wiger Of Wiger Of	Pise 25 Mar 1	US 9-33 Mack Ener. 23 Mack Ener. 23 Pon An) T/A (Pon Am) (00 B2, 54 (00) (00) (00) (00) (00) (00) (00) (00		Toping and the second s	Aligner Charles Contractor and
	0xy USA 704250 70.5051 Altu		2-LL DO-SUS -LL 4C 3-410 Perform K (1200 - St Frichter K Gulf	A A A A A A A A A A A A A A A A A A A	Sisei (Pen Am. Peorsoil – – – – – – – – – – – – – – – – – – –	Conoco Konoce Bryester Alturdi 1235 - R D_anns - S Hudson c, Lewis Willer" - M stu-Hudson		Andre Elicit. Object Cork bir Object Cork bir Object
	Tanu T	18rown-i Brown-i Fod." fee Turner 018 U.S. 72.4627	Antonia stall LAnderto	029409 *peorsoll 0.81671 (Kewanec 12.R 2 W.O. 92 12.R 12.R 12.R 12.R 12.R 12.R 12.R 13.15 14.15	R.B. Oper. Marathon S.R. U.S. U.S. Sak Hao Loke 31 406046 21 406246	B Cockburn felden 1-8 // 1/8-99 	814 Corper St. Ltd. 18 22 TD4600 State 40.07A=4140.05A=3140.05A=2140.07A= 440.07A=4140.05A=3140.05A=2140.07A=	A state at Minnie A. Will- ioms, etal, Mi U.S. M. Herschelf, Gary Covinsis(S) U.S. M. Herschelf, Gary Covinsis(S) Mut. d (497) m 3 (2014 - 1) AUR (1984 - 1) AUR (1984 - 1) AUR
	Durango H, E 1905 Tasa Ar	40.02 43140.04 2 140.05 4 Prod. Devon 1975 19. 1975 1956405 550 1956405 550 152021 6 187 152021 6 184 152021 6 184 15202	Anodar Poli Anodo Drouis II Million Tr. 1 Osilis Water Act 9 001/14 Water Act 9 000/14 Water 9 000	Trist Trist Topological States	Marcharts Prod. (26 H.E. Yartes, (Marcharts, 77) etal 9 (78 Oper, 5/R) etal 9 (73 409) 9 1 (10 - 10 - 10 - 10 - 10 - 10 - 10 - 10	ME VATES (OPER)	Simut Guil Morrison Struct Guil Activer on Struct Barting High Struct High High José Ac452 4c452 L.v/rcCastonaizi High High Sartis Guil Sartis Series High High Garge Sartis High Garge Guildes Sartis Garge Guildes Sartis	100 Marcin Serville Marsing and State Stat
	2074 E	G	Alturo ,	3 Tr 4 135 Provide 1835 on Tr 4 A - Tr 5 I Barlow A 1835 on Tr 4 A - Tr 5 I Barlow A 1835 on Tr 4 A - Tr 5 I Barlow A 1935 on I Barlow A 1935	HE Votes et al ME Votes et al Me Votes et al Morathon Morathon Morathon 10 00000000000000000000000000000000000	MOUNG DEEP UNIT	GBru Courness (s) 199200 194191 JE Entre 1 Alfund HE vite 1 Alfund Rest at 1 and 1 1000 1000 Case 1 1000 1000 Pace 4 1000 1000 Rank - Kry Stress 1000 1000 Vortes 10 2000 2000 Pace 2000 2000 2000 Vortes 10 2000 2000 Vortes 2000 2000 2000 Pace 2000 2000 2000	Construction of the second secon
		2 (GUIF VA) U.S. (C.Barton, etal, VA) pase ¹⁻⁷ (H.H.E. ME.gtes) SFS (ME.gtes)	H.E. Yotes AM States (Chevron 2 AM States (And A Contract of the second s	ALARUE - MUNCY (OPER)	A Altura	10 2 0 0.5 0 0.0 2 00 4 50 4 50 4 50 4 50 4 50 4 50 4 5	Ling and the second sec
	HBI 404 74.97A	U.S. (etc), ((3)) (sFS A) (display="2">(4) (display="2") (display="2") (display="2") (display="2") (display="2") (display="2") (display="2") (display="2") (display="2") (display="2") (display="2") (display="2") (display="2") (display="2	18232 F43 To 10583 (1 H.E.Yotas UrsyMajor Concentration Fed. Concentration of the sad is Fed. Concentration of the sad is Fed. Concentration of the sad is Concentration of the same of th	Antipation of the second secon	41769 4 June 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 1000	40450 9 modil-r / bung OC Rat COR Rat OC Rat COR Rat OC Rat COR OC Rat COR OC Rat COR OC RATE AND COR OC RATE OC RAT	Construction of the second sec	Concision of the second
		and and an and a second s						