

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
LC-057634 & LC-054280

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
McIntyre A 1,3,9

9. API Well No.

10. Field and Pool, or Exploratory Area
Grayburg Jackson-SR-QN-GB-SA

11. County or Parish, State
Eddy, New Mexico

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Mack Energy Corporation

3. Address and Telephone No.
P.O. Box 960, Artesia, NM 88211-0960 (505)748-1288

4. Location of Well (Footage, Sec., T. R., M. or Survey Description)
NW/4 SE 1/4, SEC 20 T17S R30E

12. CHECK APPROPRIATE BOX(s) 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"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other <u>Surface Commingling</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)*

Mack Energy Corporation requests approval for Surface Commingling, Off Lease Storage and Measure Approval for the following:

McIntyre A #9 being the common battery for Wells, (McIntyre A#9, LC-057634), (McIntyre A #3, LC-057634) and (McIntyre A #1, LC-054280). Mack Energy Corporation has permission from all working interest owners of the two leases. A map is attached showing lease numbers and locations of all leases and wells that will contribute production to the proposed common storage facility. Also, a site diagram of the proposed storage facility is attached.

RECEIVED

APR 15 1996

OIL CON. DIV.
DIST. 2

RECEIVED
APR 10 5 10 50 AM '96

14. I hereby certify that the foregoing is true and correct

Signed Robert C. Chan Title Field supervisor Date 3/7/96

(This space for Federal or State office use)

Approved by _____ Title _____ Date 4/10/96

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any 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.

CRA BLM FORMAT

**APPLICATION FOR SURFACE COMMINGLING,
OFF LEASE STORAGE AND MEASUREMENT APPROVAL**

This Format Should Be Attached To A Sundry Notice

**To: Bureau of Land Management
P. O. Box 1778
Carlsbad, New Mexico 88221-1778**

**Mack Energy Corporation (Operators Name) is requesting approval for
surface commingling and off-lease storage and measurement of
hydrocarbon production from the following formation(s) and well(s)
on Federal Lease No. LC-057634 : Lease Name: McIntyre A**

<u>Well No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp</u>	<u>Rng</u>	<u>Formation</u>
<u>3</u>	<u>J</u>	<u>20</u>	<u>17S</u>	<u>30E</u>	<u>Grayburg, San Andres</u>
<u>9</u>	<u>J</u>	<u>20</u>	<u>17S</u>	<u>30E</u>	<u>Grayburg, San Andres</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**with hydrocarbon production from the following formation(s) and
well(s) on Federal lease No. LC-054280 : Lease Name: McIntyre A**

<u>Well No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>1</u>	<u>I</u>	<u>20</u>	<u>17S</u>	<u>30E</u>	<u>Grayburg, San Andres</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Production from the wells involved is as follows:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
<u>McIntyre A # 1</u>	<u>3</u>	<u>35 @ 60 degrees</u>	<u>7</u>
<u>McIntyre A # 3</u>	<u>3</u>	<u>35 @ 60 degrees</u>	<u>2</u>
<u>McIntyre A # 9</u>	<u>1.5</u>	<u>35 @ 60 degrees</u>	<u>2</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>

Continued ...

Continued:

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at NW/SE-1/4, Sec. 20 T 17 S, R 30 E, on lease No. LC-057634 EDDY County, New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources is as follows:

Mack Energy will conduct well tests to make sure allocation is correct

The working interest owners have been notified of the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Additional wells require additional commingling approvals.

Signature:

Robert C. Chase

Name:

Robert C. Chase

Title:

Field Supervisor

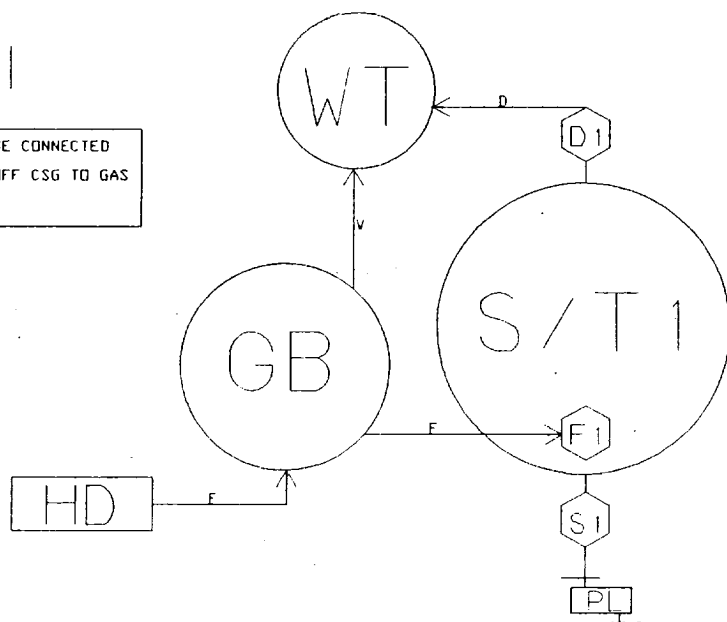
Date:

3/7/96



|| GM ||

GAS WILL BE CONNECTED
STRAIGHT OFF CSG TO GAS
METER



MACK
Energy Corporation

PRODUCTION PHASE SALES PHASE

S/T1

S/T1

VALVE F1 OPEN

VALVE F1 OPEN

VALVE D1 CLOSED

VALVE D1 CLOSED

VALVE S1 CLOSED

VALVE S1 OPEN

MACK ENERGY CORP

McIntyre A Battery

NW/4 SE/4

SEC 20 T17S R30E

LC-057634

This lease is subject to the site security plan
for southeast New Mexico operations.

The plan is located at
MACK ENERGY CORPORATION
P.O. BOX 960
ARTESIA NM 88211-0960