



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 18, 1998

Mack Energy Corporation
P. O. Box 960
Artesia, New Mexico 88211-0960

Attention: Matt Brewer

Re: Application for administrative approval to drill the Schley Federal Well No. 6 at an unorthodox oil well location within the Undesignated East Empire-Yeso Pool 2035 feet from the North line and 2450 feet from the West line (Unit F) of Section 29, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

Dear Mr. Brewer:

Subsequent to my initial review of your application dated July 29, 1998, it would appear that there are locations considered to be standard available within the subject 40-acre tract. I am therefore returning the subject application as incomplete, please refer to Division Rule 104.F(3) and submit the appropriate information to justify the drilling of this well. Please explain in detail and show on attached plats why all other possible standard locations are not available to Mack Energy Corporation for a drilling location.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal line extending to the right.

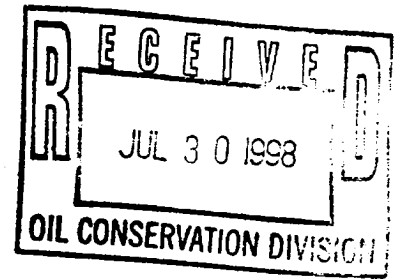
Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
Kathy Valdes, NMOCD - Santa Fe

MAC K ENERGY CORPORATION

NSL 8/19/98

Post Office Box 960
Artesia, New Mexico 88211-0960
(505) 748-1288 / FAX (505) 746-2362



July 29, 1998

Oil Conservation Division
Attn: Mike Stogner
2040 South Pacheco
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:

*Schley Federal #6
2035 FNL & 2450 FWL
Sec. 29, T17S, R29E
Eddy County, New Mexico*

The well will be completed in the Paddock formation in the East Empire Yeso Pool.

Attached to this application are the following exhibits.

- A.) Well location and acreage dedication plat (form C-102) filed with the Artesia office of the Oil Conservation Division (Exhibit A).*
- B.) A plat showing the proposed unorthodox locations, the respective proration units, and the offsetting proration units (Exhibit B).*
- C.) A map showing the reason for the unorthodox location, the original location would have fallen on top of existing pipelines. (Exhibit C).*

Please note that Mack Energy Corporation is the operator of the offsetting proration units in which we are encroaching upon in the Paddock formation of the East Empire Yeso Pool, therefore no other operators are required to be notified.

*Oil Conservation Division
July 29, 1998
Page 2*

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

Sincerely,

MACK ENERGY CORPORATION

Matt J. Brewer

*Matt J. Brewer
Geological Engineer*

/mb

Enclosures

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

State of New Mexico
Energy, Minerals and Natural Resources Depart

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 96610	Pool Name East Empire Yeso
Property Code 022367	Property Name SCHLEY FEDERAL	Well Number 6
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3604

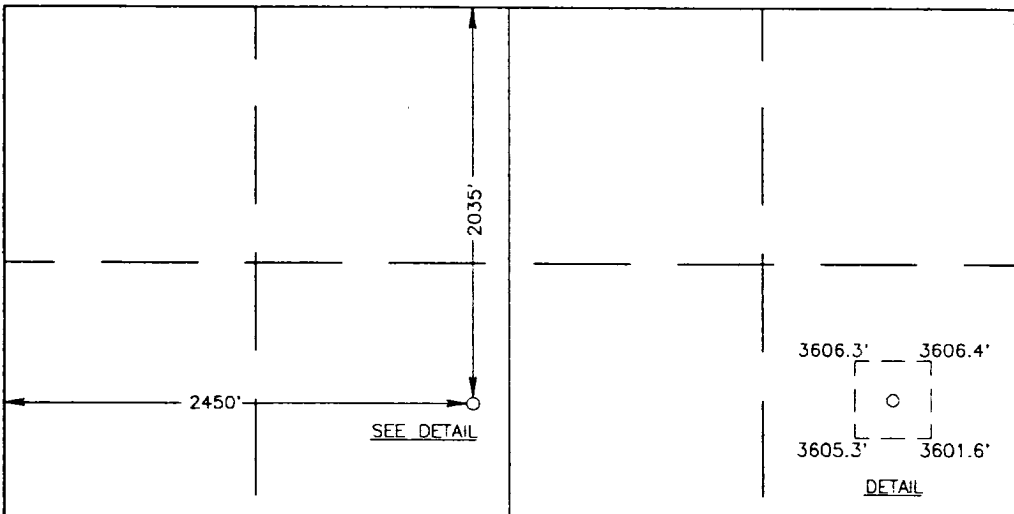
Surface Location

UL or lot No. F	Section 29	Township 17 S	Range 29 E	Lot Idn	Feet from the 2035	North/South line NORTH	Feet from the 2450	East/West line WEST	County EDDY
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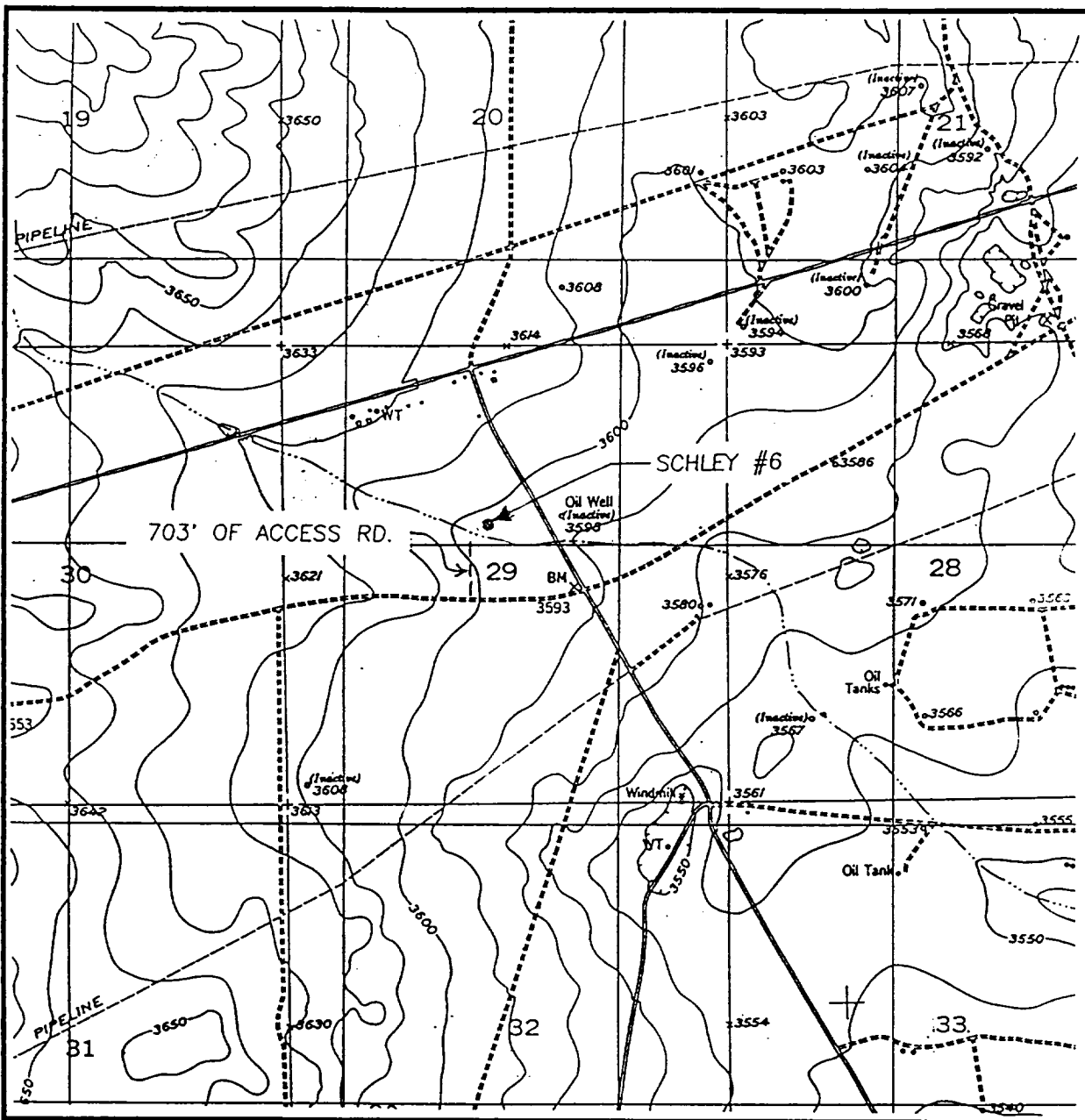
Bottom Hole Location If Different From Surface

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.						

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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>Matt J. Brewer</u> Signature Matt J. Brewer Printed Name Geological Engineer Title 7/27/98 Date
	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. JULY 10, 1998 Date Surveyed Signature <u>Ronald J. Edson</u> Professional Surveyor DMCC 7-21-98 78-11-103 Certificate No. RONALD J. EDSON 3239 GARY K. EDSON 12641 RONALD J. EDSON 12185

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
RED LAKE SE - 10'

SEC. 29 TWP. 17-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2035' FNL & 2450' FWL

ELEVATION 3604

OPERATOR MACK ENERGY CORPORATION

LEASE SCHLEY FEDERAL

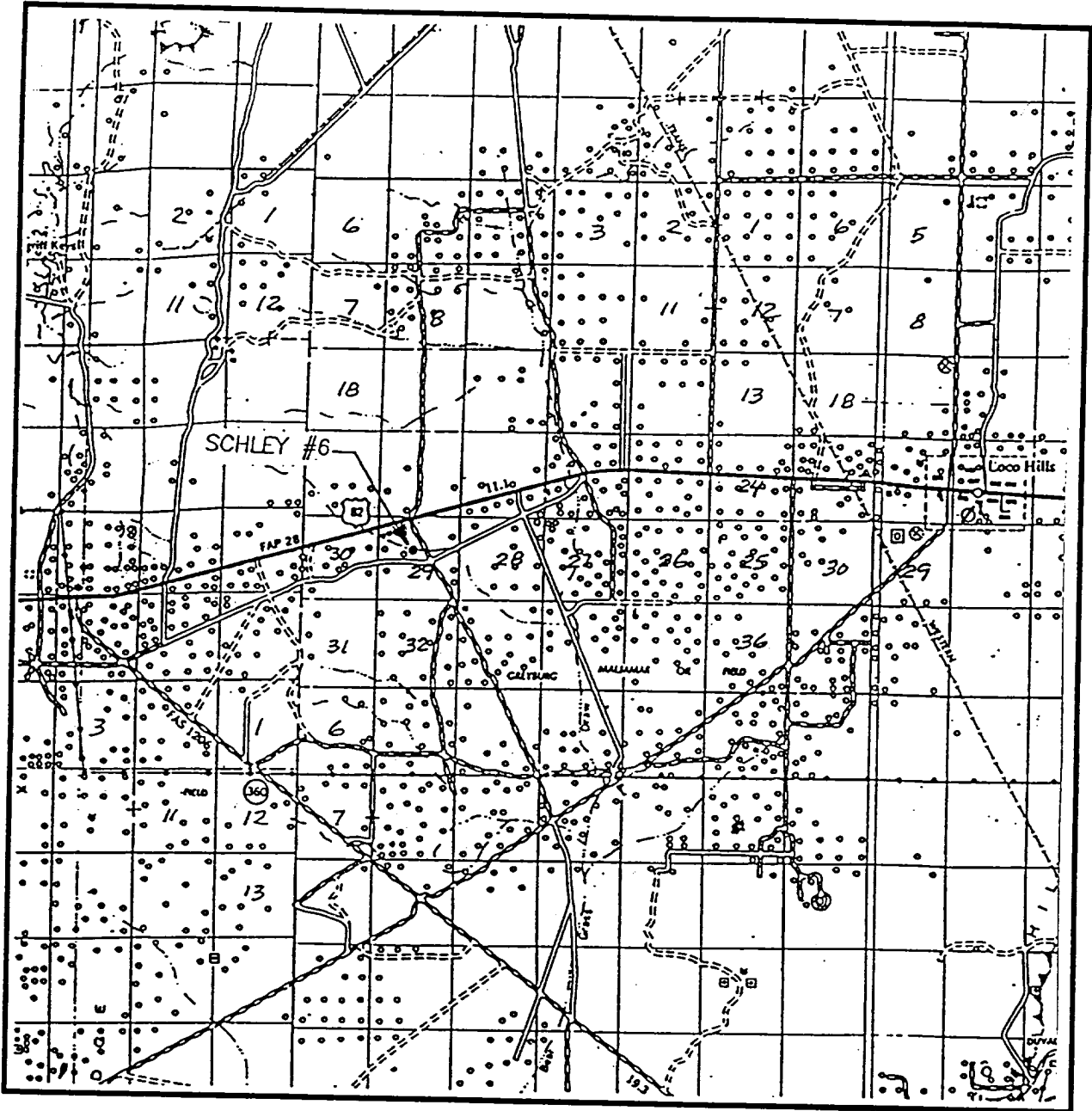
U.S.G.S. TOPOGRAPHIC MAP

RED LAKE SE, N.M.

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 29 TWP. 17-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2035' FNL & 2450' FWL

ELEVATION 3604

OPERATOR MAC K ENERGY CORPORATION

LEASE SCHLEY FEDERAL

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO

(505) 393-3117

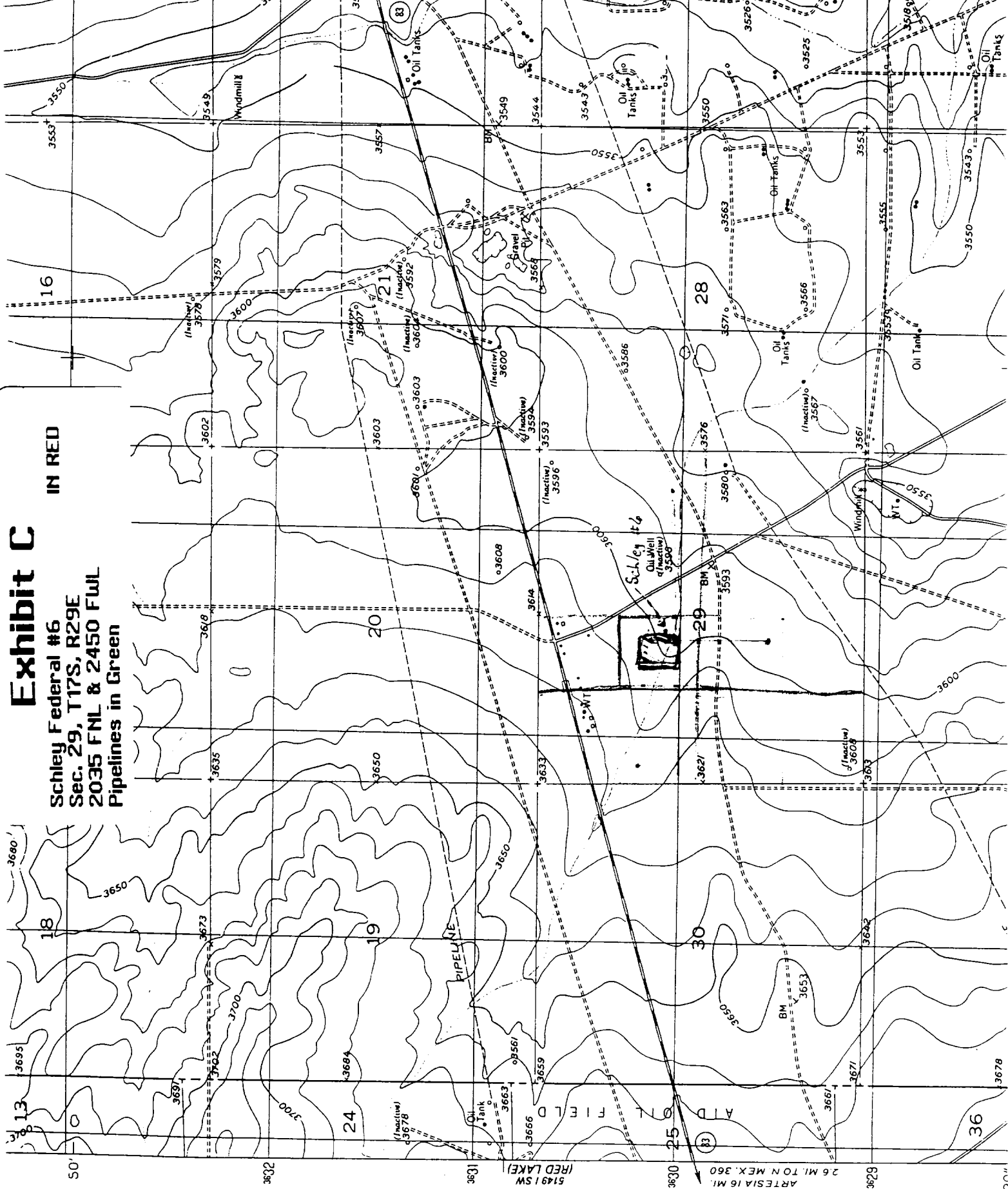
Schley Federal #6
Sec. 29, T17S, R29E
2035 FNL & 2450 FWL
IN RED

[illegible]

Exhibit C

Schley Federal #6
Sec. 29, T17S, R29E
2035 FNL & 2450 FWL
Pipelines in Green

IN RED



CMD : ONGARD 08/18/98 12:42:46
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOIV -EME1

OGRID Idn : 13837 PI Well No: 30 15 30307 . J Status(A/C/P): A
Opr Name, Addr: MACK ENERGY CORP Aprvl/Cncl Date : 06-15-1998
PO BOX 960
ARTESIA,NM 88211-0960

Prop Idn: 22367 SCHLEY FEDERAL Well No: 8

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
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Surface Locn : F	29	17S	29E				FTG 1580 F N	FTG 1650 F W
OCD U/L : F		API	County	: 15				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3607

State Lease No: Multiple Comp (Y/N) : N
Prpsd Depth : 5800 Prpsd Frmtn : YESO

E7024: Only view is allowed

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12