

3/14/2014 DATE IN	SUSPENSE	MAM ENGINEER	3/17/2014 LOGGED IN	NSL TYPE	PMAM 1407360331 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- 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

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]

- NSL
- MAULE ENERGY
13837

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

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

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

RECEIVED
MARCH 11 2014
WELL

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

- CALSARY
Federal #7
30-005-
Pool
- Round TANK
SAN ANDRES
52770

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[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. Sherrell
Signature

Production Clerk
Title

3/11/14
Date

jerrys@mec.com
e-mail Address



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

March 11, 2014

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

Dear Mr. Brooks:

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

The well location and legal description is as follows:

Calgary Federal #7 NMNM-4433
2310 FNL & 1600 FWL
Sec. 24, T15S, R28E
Chaves County, New Mexico

The well will be drilled and completed in the San Andres formation in the Round Tank; San Andres Pool.

Attached to this application are the following exhibits

- A.) Well location and acreage dedication plat (form C-102) (Exhibit A).
- B.) Well Location Site Map (Exhibit B).
- C.) A plat showing the proposed unorthodox locations, the respective proration units and the offsetting proration units (Exhibit C).

This well is located in the SENW of Sec. 24 T15S R28E. This well is encroaching the SWNW of Sec. 24 T15S R28E. Offset operators have been notified. The location was moved at the request of BLM Surface Protection Specialist. The original location would have impacted a playa. This location was moved 50' west to avoid the playa.

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

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk

JWS/
Enclosures

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesa, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1009 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6175 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	² Pool Code 52770	³ Pool Name Round Tank; San Andres
⁴ Property Code 37615	⁵ Property Name CALGARY FEDERAL	⁶ Well Number 7
⁷ OGRID No. 13837	⁸ Operator Name MACK ENERGY CORPORATION	⁹ Elevation 3718.9

¹⁰ Surface Location

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	24	15 S	28 E		2310	NORTH	1600	WEST	CHAVES

¹¹ Bottom Hole Location If Different From Surface

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	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>S89°11'40"E 2644.79 FT</p> <p>NW CORNER SEC. 24 LAT. = 33.0086812°N LONG. = 104.0934097°W NMSP EAST (FT) N = 730755.04 E = 573549.47</p>		<p>S89°11'04"E 2643.77 FT</p> <p>N/4 CORNER SEC. 24 LAT. = 33.0085621°N LONG. = 104.0847856°W NMSP EAST (FT) N = 730717.85 E = 576193.31</p>		<p>NE CORNER SEC. 24 LAT. = 33.0084412°N LONG. = 104.0761650°W NMSP EAST (FT) N = 730680.21 E = 578836.12</p>	
<p>N00°12'53"W 2645.42 FT</p>		<p>CALGARY FEDERAL #7 ELEV. = 3718.9' LAT. = 33.0022605°N (NAD27) LONG. = 104.0881813°W NMSP EAST (FT) N = 728422.79 E = 575157.70</p>		<p>S00°05'16"E 2626.72 FT</p>	
<p>W/4 CORNER SEC. 24 LAT. = 33.0014119°N LONG. = 104.0933971°W NMSP EAST (FT) N = 728110.35 E = 573559.36</p>		<p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1927 (NAD27), AND ARE IN DECIMAL DEGREE FORMAT.</p>		<p>E/4 CORNER SEC. 24 LAT. = 33.0012233°N LONG. = 104.0761728°W NMSP EAST (FT) N = 728054.20 E = 578840.13</p>	
<p>S00°18'08"W 2644.62 FT</p>		<p>SW CORNER SEC. 24 LAT. = 32.9941448°N LONG. = 104.0933713°W NMSP EAST (FT) N = 725466.49 E = 573573.31</p>		<p>SE CORNER SEC. 24 LAT. = 32.9940008°N LONG. = 104.0761714°W NMSP EAST (FT) N = 725426.53 E = 578846.98</p>	
<p>N89°33'59"W 2637.60 FT</p>		<p>DNF</p>		<p>S00°08'59"E 2628.39 FT</p>	

¹⁷ OPERATOR CERTIFICATION
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 undivided 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.

Signature: Jerry W. Sherrell Date: 12/18/13
Printed Name: Jerry W. Sherrell
E-mail Address: jerrys@mec.com

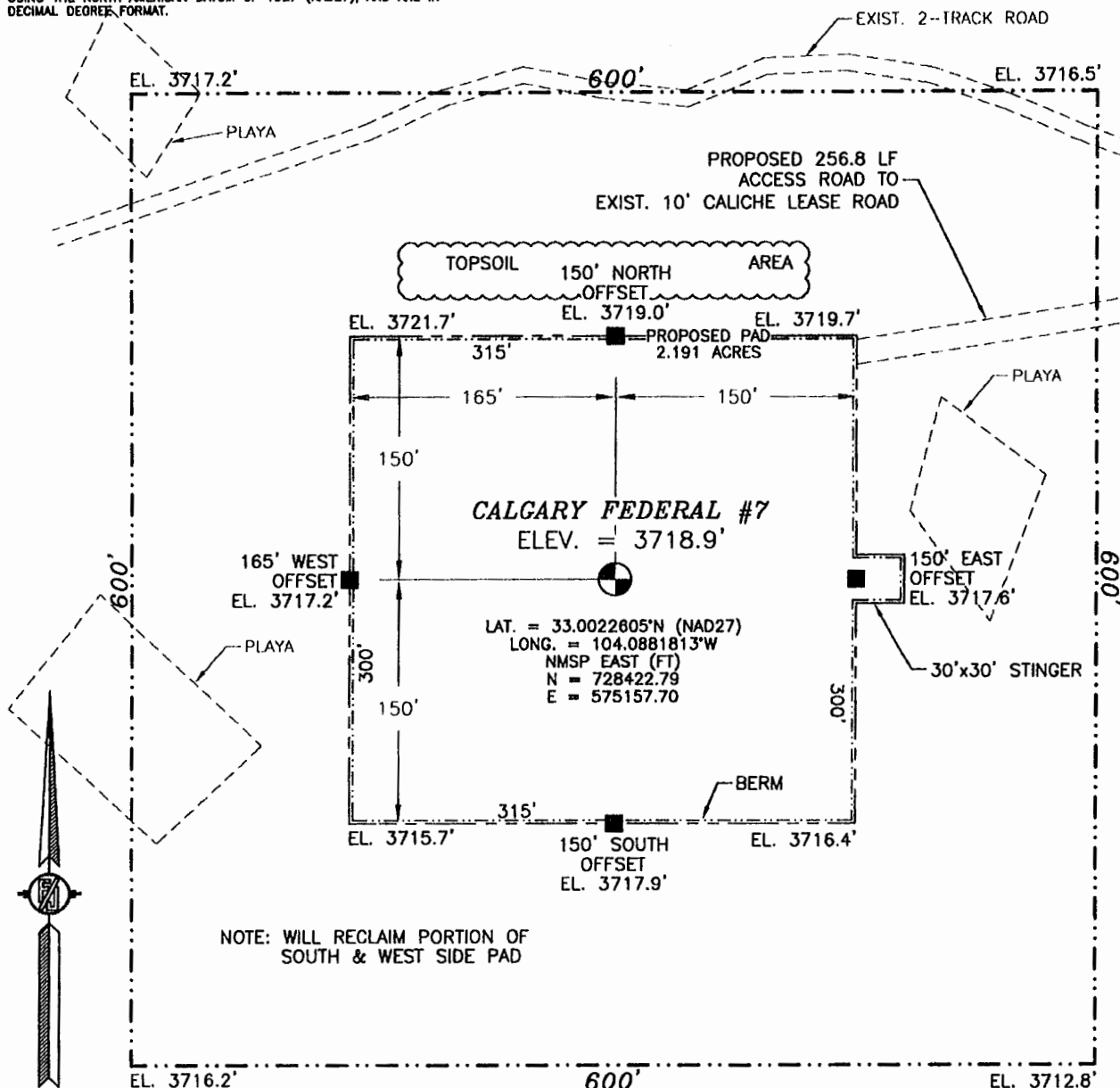
¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DATE: AUGUST 12, 2013
Date of Survey: _____
Signature and Seal of Professional Surveyor: [Signature]
Certificate Number: FI 15007 EXPIRATION: PLS 12/79
SURVEY NO. 2066

SECTION 24, TOWNSHIP 15 SOUTH, RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO

SITE MAP

NOTE: THE LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1927 (NAD27), AND ARE IN DECIMAL DEGREE FORMAT.



010 50 100 200

SCALE 1" = 100'

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HIGHWAY 249 AND CR 30 (JEMINA) GO NORTHWEST ON STATE HIGHWAY 249 FOR APPROX. 2.1 MILES. GO SOUTH ON CALICHE LEASE ROAD APPROX. 4.4 MILES. GO SOUTHEAST APPROX. 0.5 OF A MILE. GO SOUTHWEST APPROX. 1.2 MILES. GO WEST APPROX. 0.6 OF A MILE. GO NORTHWEST APPROX. 0.75 OF A MILE. LOCATION IS APPROX. 400' WEST.

MACK ENERGY CORPORATION
CALGARY FEDERAL #7
LOCATED 2310 FT. FROM THE NORTH LINE
AND 1600 FT. FROM THE WEST LINE OF
SECTION 24, TOWNSHIP 15 SOUTH,
RANGE 28 EAST, N.M.P.M.
CHAVES COUNTY, STATE OF NEW MEXICO

AUGUST 12, 2013

SURVEY NO. 2066

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



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

March 11, 2014

VIA CERTIFIED MAIL 7012 3460 0002 8734 4432

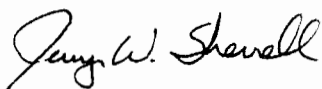
Elk Oil company
P.O. Box 310
Roswell, NM 88202-0310

Dear Sir or Madam:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for an unorthodox San Andres oil well location for the Calgary Federal #7 under Rule 104.F. (3). The location for this well is 2310 FNL & 1600 FWL of Section 24-T15S-R28E, Chaves County, New Mexico.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the unorthodox location if no objection to the unorthodox location has been made within the 20 days after the application has been received.

Sincerely,


Jerry W. Sherrell
Production Clerk

JWS/

Enclosures



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

March 11, 2014

VIA CERTIFIED MAIL 7012 3460 0002 8734 4449

Harvey E. Yates Co
207 S. 4th Street
Artesia, NM 88210

Dear Sir or Madam:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for an unorthodox San Andres oil well location for the Calgary Federal #7 under Rule 104.F. (3). The location for this well is 2310 FNL & 1600 FWL of Section 24-T15S-R28E, Chaves County, New Mexico.

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Sincerely,

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

*Jerry W. Sherrell
Production Clerk*

JWS/

Enclosures



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Artesia, NM 88211-0960
Office (505) 748-1288
Fax (505) 746-9539

March 11, 2014

VIA CERTIFIED MAIL 7012 3460 0002 8734 4463

Jalapeno Corp
P.O. Box 1608
Albuquerque, NM 87103

Dear Sir or Madam:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for an unorthodox San Andres oil well location for the Calgary Federal #7 under Rule 104.F. (3). The location for this well is 2310 FNL & 1600 FWL of Section 24-T15S-R28E, Chaves County, New Mexico.

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Sincerely,

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

Jerry W. Sherrell
Production Clerk

JWS/

Enclosures



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

March 11, 2014

VIA CERTIFIED MAIL 7012 3460 0002 8734 4456

Bureau of Land Management
2909 West 2nd Street
Roswell, NM 88201-2019

Dear Sir or Madam:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for an unorthodox San Andres oil well location for the Calgary Federal #7 under Rule 104.F. (3). The location for this well is 2310 FNL & 1600 FWL of Section 24-T15S-R28E, Chaves County, New Mexico.

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Sincerely,

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

*Jerry W. Sherrell
Production Clerk*

JWS/

Enclosures



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

March 11, 2014

VIA CERTIFIED MAIL 7012 3460 0002 8734 4470

Slash Exploration LP
P.O. Box 1973
Roswell, NM 88202-1973

Dear Sir or Madam:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for an unorthodox San Andres oil well location for the Calgary Federal #7 under Rule 104.F. (3). The location for this well is 2310 FNL & 1600 FWL of Section 24-T15S-R28E, Chaves County, New Mexico.

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Sincerely,

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

Jerry W. Sherrell
Production Clerk

JWS/

Enclosures



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

March 11, 2014

VIA CERTIFIED MAIL 7012 3460 0002 8734 4487

Yates Energy Corp
P.O. Box 2323
Roswell, NM 88202-2323

Dear Sir or Madam:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for an unorthodox San Andres oil well location for the Calgary Federal #7 under Rule 104.F. (3). The location for this well is 2310 FNL & 1600 FWL of Section 24-T15S-R28E, Chaves County, New Mexico.

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Sincerely,

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

*Jerry W. Sherrell
Production Clerk*

JWS/

Enclosures



P.O. Box 960
Artesia, NM 88211-0960
Office (575) 748-1288
Fax (575) 746-9559

March 11, 2014

VIA CERTIFIED MAIL 7012 3460 0002 8734 4494

Yates Petro Corp
105 S. 4th Street
Artesia, NM 88210

Dear Sir or Madam:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for an unorthodox San Andres oil well location for the Calgary Federal #7 under Rule 104.F. (3). The location for this well is 2310 FNL & 1600 FWL of Section 24-T15S-R28E, Chaves County, New Mexico.

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Sincerely,

Jerry W. Sherrell
Production Clerk

JWS/

Enclosures

N.M. OIL CONSERVATION DIVISION
811 S. FIRST STREET
ARTESIA, NM 88210

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM-4433
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Mack Energy Corporation		7. If Unit or CA Agreement, Name and No.
3a. Address PO Box 960 Artesia, NM 88211-0960		8. Lease Name and Well No. Calgary Federal #7 <37615>
3b. Phone No. (include area code) (575)748-1288		9. API Well No. 30-005-64195
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2310 FNL & 1600 FWL At proposed prod. zone		10. Field and Pool, or Exploratory Round Tank; San Andres <52770>
14. Distance in miles and direction from nearest town or post office* 12 miles northwest of Loco Hills, NM		11. Sec., T. R. M. or Blk. and Survey or Area Sec. 24 T15S R28E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any) 280'	16. No. of acres in lease 560	12. County or Parish Chaves
17. Spacing Unit dedicated to this well 40	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1320'	13. State NM
19. Proposed Depth 3500'	20. BLM/BIA Bond No. on file NMB000286	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3719' GR	22. Approximate date work will start 2/1/2014	23. Estimated duration 7 days

24. Attachments

ROSWELL CONTROLLED WATER BASIN

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature <i>Jerry W. Sherrell</i>	Name (Printed/Typed) Jerry W. Sherrell	Date 12-18-2013
---	---	--------------------

Title
Production Clerk

Approved by (Signature) <i>/s/ Angel Mayes</i>	Name (Printed/Typed) <i>/s/ Angel Mayes</i>	Date MAR 17 2014
Title Assistant Field Manager, Lands And Minerals	Office ROSWELL FIELD OFFICE	APPROVED FOR 2 YEARS

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 2)

*(Instructions on page 2)

NSL

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

