

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



April 29, 2014

Mack Energy Corp  
Attn: Mr. Jerry Sherrell

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

**Administrative Order NSL7054**  
**Administrative Application Reference No. pMAM1405260545**

**Mack Energy Corp**  
**OGRID 13837**  
**Whitehorse Federal Well No. 7**  
**API No. 30-005-pending**

**Proposed Location:**

<u>Footages</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
259 FSL & 918 FEL	P	30	15S	29E	Chaves

**Proposed Unit:**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SE/4 SE/4 of Section 30	40	Round Tank; San Andres	52770

Reference is made to your application received on March 12, 2014.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location at the request of Bureau of Land Management (BLM) to avoid the side of the bluff and multiple arroyos.

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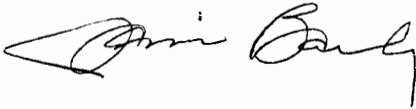
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 (A) 2 NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 9.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on April 29, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey", with a stylized, cursive script.

Jami Bailey  
Director

JB/mam

cc: New Mexico Oil Conservation Division – Artesia  
Bureau of Land Management - Roswell