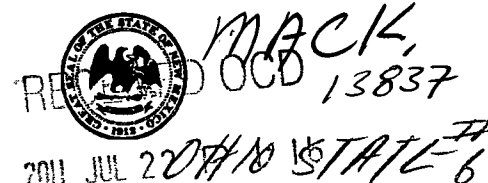


DATE IN <b>7.26.11</b>	SUSPENSE	ENGINEER <b>DB.</b>	LOGGED IN <b>7.26.11</b>	TYPE <b>NSL</b>	APP NO <b>1120756460</b>
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ABOVE THIS LINE FOR DIVISION USE ONLY

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]

[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 \_\_\_\_\_

[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

[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

7/21/11  
Date

jerrys@mec.com  
e-mail Address



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

July 21, 2011

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

Dear Mr. Jones:

Mack Energy 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:

OHIO STATE #6  
1160 FSL & 1420 FWL  
Sec. 7, T18S, R35E  
Lea County, New Mexico

The well will be completed in the Blinebry formation in the Vacuum; Blinebry Pool.  
Attached to this application are the following exhibits.

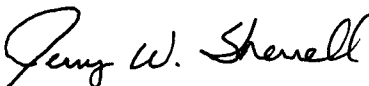
- A.) Well location and acreage dedication plat (form C-102)(Exhibit A).
- B.) A plat showing the proposed unorthodox locations, the respective proration units, and the offsetting proration units (Exhibit B).
- C.) A map showing the reason for the unorthodox location, the location is too close to an existing P&A well Exxon NM State PB #2 and to achieve the best geological advantage. (Exhibit C).

This well is located in the SE/4 of the SW/4 of Sec. 7 T18S R35E. The well is encroaching the NW/4 and NE/4 of the SW/4 & SW/4 of the SW/4 of Sec. 7 T18S R35E, all of which is owned by Mack Energy Corporation

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/dw  
Enclosures

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210  
DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
DISTRICT IV  
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-102  
Revised July 16, 2010  
Submit to Appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-025 - 40198</b>		Pool Code <b>61850</b>	Pool Name <b>Vacuum; Blinebry</b>
Property Code <b>34432</b>	Property Name <b>OHIO STATE</b>		Well Number <b>6</b>
OGRID No. <b>013837</b>	Operator Name <b>MACK ENERGY CORPORATION</b>		Elevation <b>3971'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	7	18-S	35-E		1160	SOUTH	1420	WEST	LEA

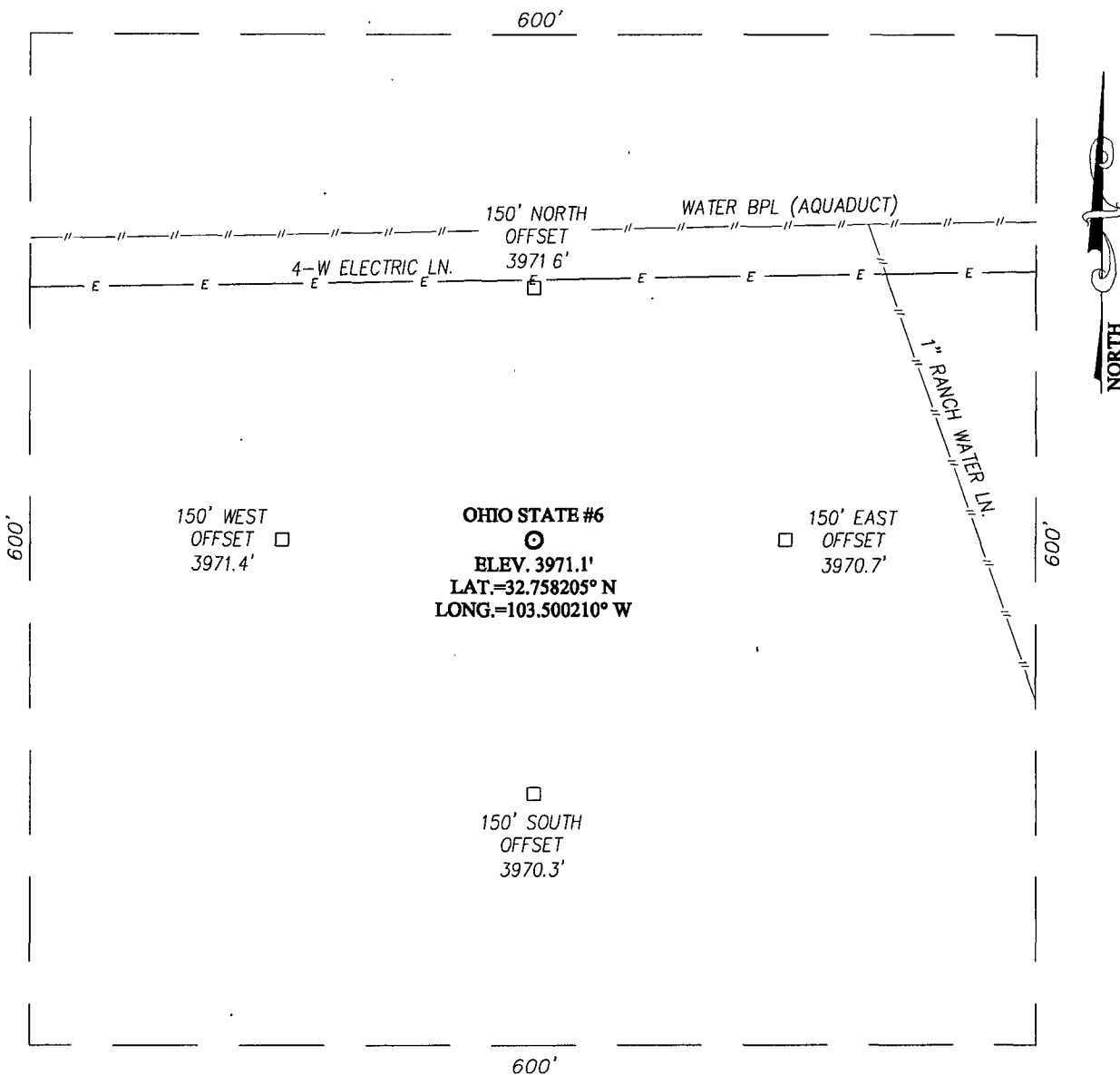
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>40</b>	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

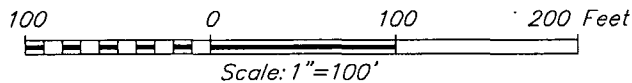
<p>LOT 1</p> <p>37.72 AC. LOT 2</p> <p>37.80 AC. LOT 3</p> <p>37.88 AC.</p> <p>1420'</p> <p>1160'</p> <p>LOT 4 37.96 AC.</p>	<p>GEODETTIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=640553.5 N X=756119.7 E</p> <p>LA1.=32.758205' N LONG.=103.500210' W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jerry W. Sherrell</i> 7.21.11 Signature Date</p> <p><b>Jerry W. Sherrell</b> Printed Name</p> <p><b>jerrys@mec.com</b> E-mail Address</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p><b>JULY 11, 2011</b></p> <p>Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor:</p>	
	<p><b>RONALD J. EIDSON</b> NEW MEXICO 3239</p> <p><i>Ronald J. Eidson</i> 7/23/2011</p> <p>Certificate Number <b>Gary G. Eidson 12641</b> <b>Ronald J. Eidson 3239</b></p> <p>DSS <b>SWSC W.O. 11.11.1480</b></p>	

**SECTION 7, TOWNSHIP 18 SOUTH, RANGE 35 EAST, N.M.P.M.**  
LEA COUNTY NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF ST. HWY. #529 AND ST. HWY. #238, GO NORTHWEST ON ST. HWY. #238 APPROX. 5.2 MILES. TURN LEFT AND GO WEST APPROX. 0.6 MILES. TURN RIGHT AND GO NORTH APPROX. 0.2 MILES. TURN LEFT AND GO WEST APPROX. 0.5 MILES TO THE EXISTING OHIO STATE #1 WELL. TURN LEFT AND GO SOUTH APPROX. 460 FEET TO THE EXISTING OHIO STATE #2 WELL. THIS LOCATION STAKE IS APPROX. 540 FEET SOUTHWEST OF THE EXISTING WELL HEAD.



**MACK ENERGY CORPORATION**

OHIO STATE #6 WELL  
LOCATED 1160 FEET FROM THE SOUTH LINE  
AND 1420 FEET FROM THE WEST LINE OF SECTION 7,  
TOWNSHIP 18 SOUTH, RANGE 35 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO

Survey Date: 7/11/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.1480	Dr. By: DSS
Date: 7/15/11	Rel. W.O.: 11111480
	Scale: 1"=100'

