

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



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**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]

*Mack Energy Corp  
Shetland SWD#1*

- [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	<u><i>Jerry W. Sherrell</i></u>	Production Clerk	8/9/12
Print or Type Name	Signature	Title	Date
		jerrys@mec.com	
		e-mail Address	

**APPLICATION FOR AUTHORIZATION TO INJECT**

I. PURPOSE: \_\_\_\_\_ Secondary Recovery \_\_\_\_\_ Pressure Maintenance X \_\_\_\_\_ Disposal \_\_\_\_\_ Storage  
Application qualifies for administrative approval? X \_\_\_\_\_ Yes \_\_\_\_\_ No

II. OPERATOR: Mack Energy Corporation

ADDRESS: P.O. Box 960 Artesia, NM 88211-0960

CONTACT PARTY: Jerry W. Sherrell PHONE: (505)748-1288

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.  
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? \_\_\_\_\_ Yes X \_\_\_\_\_ No  
If yes, give the Division order number authorizing the project: \_\_\_\_\_

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

\*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

\*X. Attach appropriate logging and test data on the well. (if well logs have been filed with the Division, they need not be resubmitted).

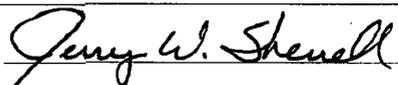
\*XI. Attach a chemical analysis of freshwater from two or more freshwater wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Jerry W. Sherrell TITLE: Production Clerk

SIGNATURE:  DATE: 8/8/12

\* if the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: \_\_\_\_\_



**INJECTION WELL DATA SHEET**

Tubing Size: 2 7/8" Lining Material: Plastic Coated

Type of Packer: Halliburton Trump Packer

Packer Setting Depth: 9650'

Other Type of Tubing/Casing Seal (if applicable): \_\_\_\_\_

Additional Data

1. Is this a new well drilled for injection?  Yes  No

If no, for what purpose was the well originally drilled? Abo

2. Name of the Injection Formation: Wolfcamp

3. Name of Field or Pool (if applicable): SWD; Wolfcamp

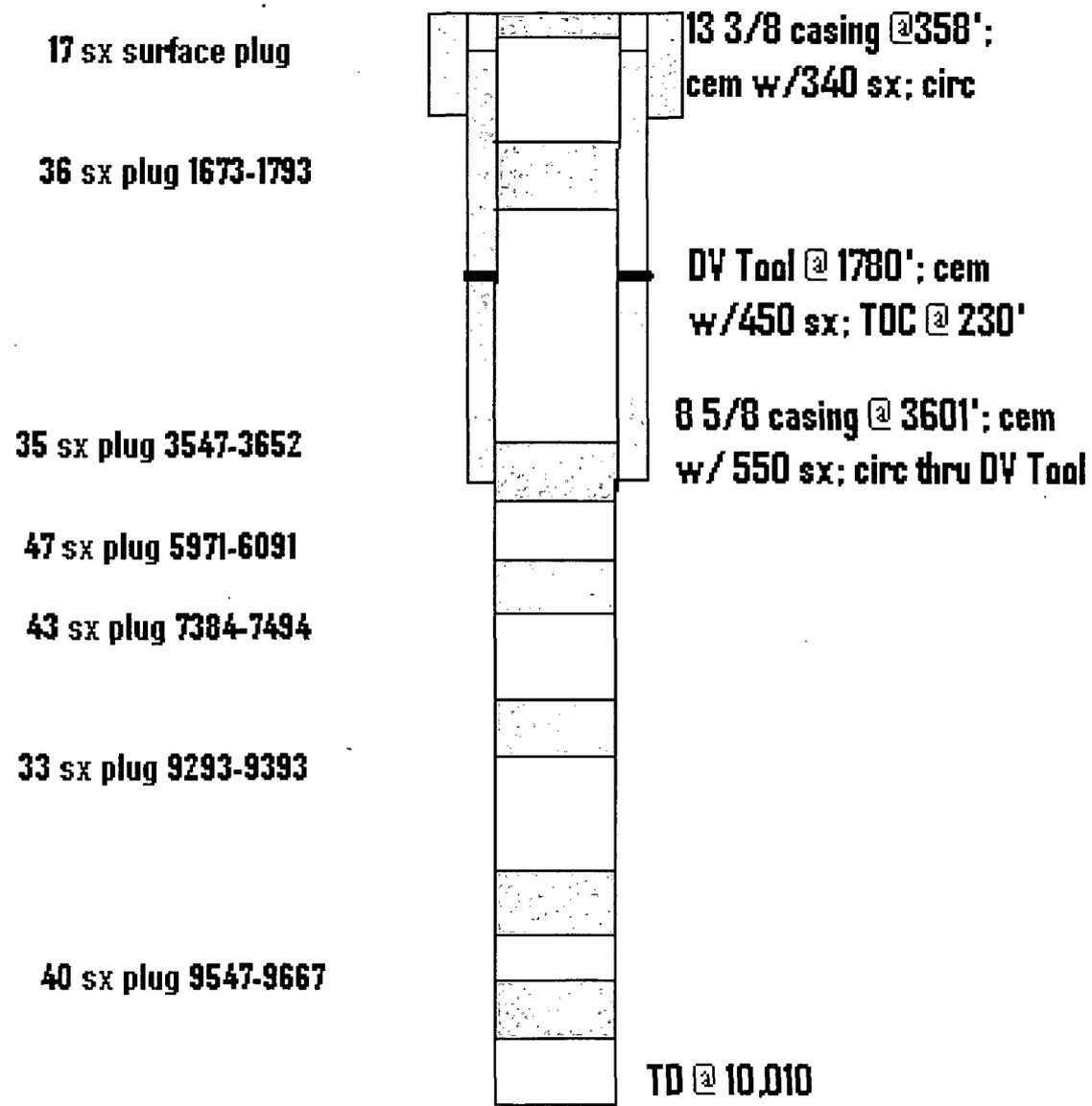
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. N/A

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Overlying-Bone Spring, Underlying-Pennsylvanian

Shetland SWD #1

30-025-25991

Sec 18-T18S-R35E



17 sx surface plug

36 sx plug 1673-1793

35 sx plug 3547-3652

47 sx plug 5971-6091

43 sx plug 7384-7494

33 sx plug 9293-9393

40 sx plug 9547-9667

13 3/8 casing @ 358';  
cem w/ 340 sx; circ

DV Tool @ 1780'; cem  
w/ 450 sx; TOC @ 230'

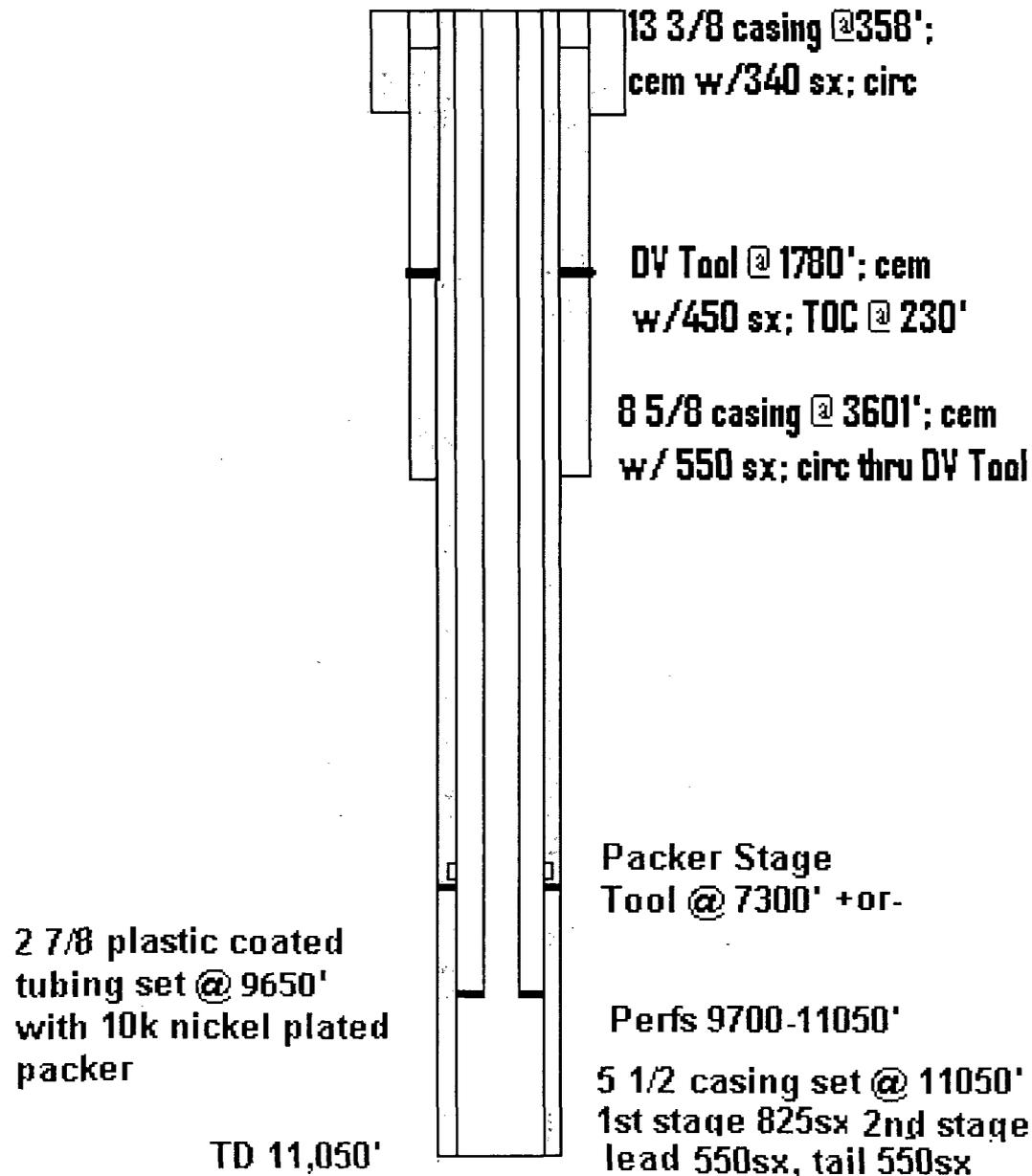
8 5/8 casing @ 3601'; cem  
w/ 550 sx; circ thru DV Tool

TD @ 10,010

Shetland SWD #1

30-025-25991

Sec 18-T18S-R35E



13 3/8 casing @ 358';  
cem w/340 sx; circ

DV Tool @ 1780'; cem  
w/450 sx; TOC @ 230'

8 5/8 casing @ 3601'; cem  
w/ 550 sx; circ thru DV Tool

Packer Stage  
Tool @ 7300' +or-

Perfs 9700-11050'

5 1/2 casing set @ 11050'  
1st stage 825sx 2nd stage  
lead 550sx, tail 550sx

2 7/8 plastic coated  
tubing set @ 9650'  
with 10k nickel plated  
packer

TD 11,050'

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
EnerRy, Minerals & Natural Resources

Form C-102  
Revised March 17, 1999

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-25991		Pool Code 96135		Pool Name SWD;Wolfcamp	
Property Code		Property Name Shetland SWD			Well Number 1
OGRID No. 013837		Operator Name Mack Energy Corporation			Elevation 3964

Surface Location

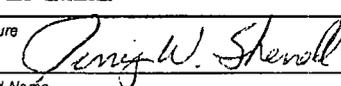
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	18	18S	35E		1980	South	1980	West	Lea

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 40	joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL XL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				<b>OPERATOR CERTIFICATION</b>	
				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.	
				Signature 	Printed Name Jerry W. Sherrell
				Title Production Clerk	Date 3/14/08
1980'				<b>"SURVEYOR CERTIFICATION</b>	
				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 of Survey	Signature and Seal of Professional Surveyer.
	1986'				Certificate Number



**NEW MEXICO STATE LAND OFFICE**  
**Rights of Way and Water Resources Bureau**  
**APPLICATION FOR SALT WATER DISPOSAL EASEMENT**

New / Renewal (SWD-\_\_\_\_)

Commissioner of Public Lands  
 State Land Office  
 P.O. Box 1148  
 Santa Fe, New Mexico 87504-1148

Dear Commissioner:

Applicant: Mack Energy Corporation  
 Address: PO Box 960 Artesia, NM 88211-0960  
 Contact: Jerry W. Sherrell

hereby applies for a salt water disposal easement.

Ownership status: Private \_\_\_\_\_% State 100 % Federal \_\_\_\_\_%

Ownership of Produced Water: 100 %

Approximate # of barrels injected 4000 Formation Wolfcamp

Name of well(s) produced water is to be injected Shetland SWD #1

OCD Order # Pending

Also, enclosed is the legal description of the proposed salt water disposal easement allocated by 40-acre tracts and a computation of the number of acres included in the proposed salt water disposal (OCD Form C- 102).

One of the following is enclosed to cover payment for damages that might occur to the state land improvements of a surface lessee:

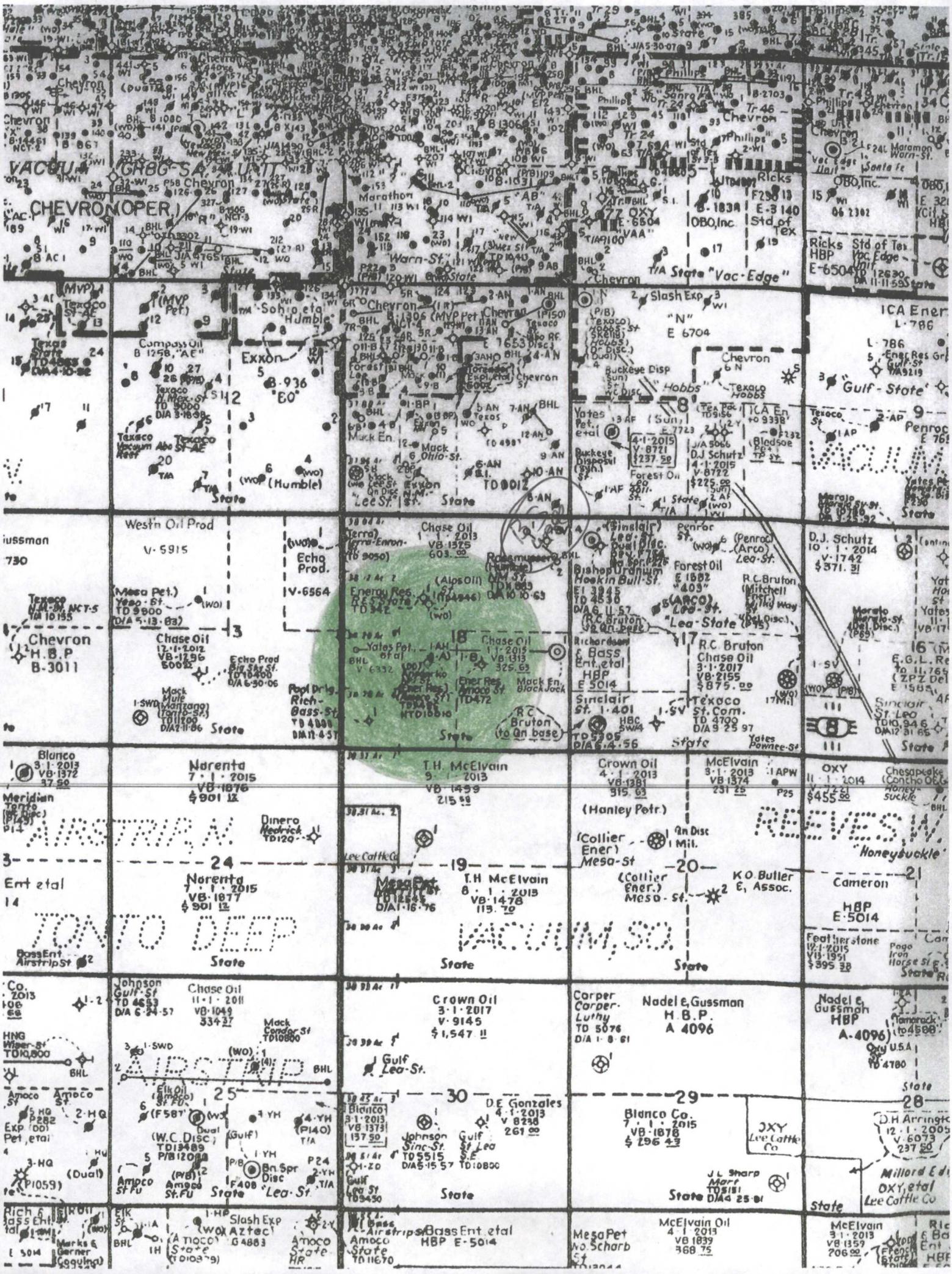
- A bond in the amount of \$10,000.00 for a single Salt Water Disposal. Bond # \_\_\_\_\_
- A megabond in the amount of \$25,000.00. Bond# B004848
- Sufficient bonding requirements have been met. Single / Megabond Bond# \_\_\_\_\_

Enclosed is a check in the amount of \$ 90.00 for \_\_\_\_\_ acres at \$ \_\_\_\_\_ per acre, plus \$60.00 (\$50.00 Renewals) application fee and \$30.00 appraisal fee. (If applicable)

The approximate dates for construction of facilities on the Salt Water Disposal are from  
 When approved \_\_\_\_\_ to \_\_\_\_\_

Applicant covenants and agree to abide by all laws and regulations of the Land Office and to hold harmless, indemnify, and defend the Commissioner, his agents and lessees, in their official and individual capacities of and from any and all liability, claims, losses, or damages arising out of or alleged to arise out of or indirectly connected with operations under any grant made by the Commissioner.

Applicant  
 By: Jerry W. Sherrell  
 Title: Production Clerk



Chevron  
VACUUM  
CHEVRON OPER.

Marathon  
Warn-St.  
Chevron

Phillips  
Chevron  
Ricks  
OBO, Inc.

Phillips  
Chevron  
Ricks  
OBO, Inc.

Phillips  
Chevron  
Ricks  
OBO, Inc.

Texas  
Chevron  
Exxon

Exxon  
Chevron  
Exxon

Exxon  
Chevron  
Exxon

Exxon  
Chevron  
Exxon

Exxon  
Chevron  
Exxon

West'n Oil Prod  
Chevron  
H.B.P.

Blanco  
Meridian  
Ent et al

Narenta  
Meridian  
Ent et al

T.H. McElvain  
Meridian  
Ent et al

Crown Oil  
Meridian  
Ent et al

OXY  
Meridian  
Ent et al

Johnson  
Chase Oil  
Amoco

Rich E  
Amoco



### AREA OF REVIEW WELL DATA

LEASE/API	WELL#	LOCATION	ID (PBTD)	TYPE & DATE DRILLED	HOLE SIZE	CASING SIZE & WEIGHT	SETTING DEPTH	SX CMT	TOC	PERFS
Shetland SWD 30-025-25991	1	1980' FSL 1980' FWL 18-18S-35E	10,010' CIBP @ 0'	Oil 6/29/1978	17 11 7 7/8	13 3/8, 48 8 5/8, 32 / DV Tool NA	358 3601 NA	340 1000 NA	Circ 230' NA	Plugged
Pre Onguard 30-025-03122	1	660' FSL 632' FWL 18-18S-35E	5100' 0' P&A	Oil 11/30/1957	12 1/4 7 7/8	8 5/8, 29	334	250	N/A	None
Pre Onguard 30-025-25992	1	1980' FSL 1980' FEL 18-18S-35E	472' 0' P&A	Oil 8/21/1978	17 1/2	8 5/8, 32	341-Pulled	None	N/A	None
Pre Onguard 30-025-26047	1	1980' FNL 1980' FWL 18-18S-35E	342' 0' P&A	Oil 8/21/1978	17 1/2	8 5/8, 32	236-Pulled	None	N/A	None
State 18 30- 025-03122	1	1915' FNL 1915' FWL 18-18S-35E	4950' 0' P&A	Oil 3/30/1983	12 1/4 7 7/8	8 5/8, 24 5 1/2, 17	1761' 4938'-Pulled 2000'	955 300	Circ 3190'	4664-4738

*Received 9/28/12*

## VII. DATA SHEET: PROPOSED OPERATIONS

1. Proposed average and maximum daily rate and volume of fluids to be injected;  
**Respectively, 2000 BWPD and 4000 BWPD**
2. The system is closed or open;  
**Closed**
3. Proposed average and maximum injection pressure;  
**0-1940#**
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than re-injected produced water;  
**We will be re-injecting produced water**
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water;

N/A

## VIII. GEOLOGICAL DATA

### Wolfcamp

1. Lithologic Detail; **Carbonate**
2. Geological Name; **Wolfcamp**
3. Thickness; **1350'**
4. Depth; **9700-11050'**

## IX. PROPOSED STIMULATION PROGRAM

1. To be treated with 10000 gallons 15% acid

## X. LOGS AND TEST DATA

1. Well data has been previously filed with the OCD, new data will be filed with OCD.

## XI. ANALYSIS OF FRESHWATER WELLS

1. Attached

Additional Information

Waters Injected: Bone Spring, Abo, Blinbry, Yeso, Drinkard and San Andres

## XII. AFFIRMATIVE STATEMENT

RE: Shetland SWD #1

We have examined the available geologic and engineering data and find no evidence of open faults or any other hydraulic connection between the disposal zone and any underground source of drinking water.

Mack Energy Corporation

Date: 8/9/12



Charles Sadler, Geologist



**E/2NE/4 Sec. 13 T18S R34E**



**The Allar Company PO Box 1567 Graham, TX 76450**

**Echo Production Inc. PO Box 1210 Graham, TX 76450**

**W.O. "Buck" Dollar 710 Austin Road Graham, TX 76450**

**Floyd H. Joyer 1328 Corvadura Graham, TX 76450**



**E/2SE/4 Sec. 13 T18S R34E**

**Chase Oil**



**All Sec. 18 T18S R35E**

**Chase Oil**



**N/2N/2 Sec. 19 T18S R35E**

**McElvain Energy, Inc. 1050 17<sup>th</sup> Street, Ste 2500 Denver, CO 80265**

**Devon Energy Production Company L.P. 20 N. Broadway OKC, OK 73102**

**Jerry Sherrell**

---

From: Ron Lanning  
Sent: Wednesday, March 12, 2008 10:30 AM  
To: Jerry Sherrell  
Cc: Charles Sadler; Matt Brewer; Chris Lanning  
Subject: Shetland SWD

E/2NE/4 13-18-34: Echo Production Inc., PO Box 1210, Graham, TX 76450 *ok ✓*  
E/2SE/4 13-18-34, All 18-18-35: Chase Oil Corporation *ok*  
N/2N/2 19-18-35: State of New Mexico (unleased), PO Box 1148, Santa Fe, NM *ok ✓*  
87504

Surface: State of New Mexico *ok*  
Grazing Lessee: Lee Cattle Company Limited Partnership *ok ✓*  
HC 60, Box 465  
Lovington, NM 88260

**Ronald W. Lanning**  
**Land Manager**  
**Mack Energy Corporation**  
**Chase Oil Corporation**  
**Chase Farms LLC**  
**575-748-1288 office**  
**575-748-7374 fax**  
**575-746-7608 cell**



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

August 9, 2012

**VIA CERTIFIED MAIL 7010 2780 0002 5883 2148**  
**RETURN RECEIPT REQUESTED**

Devon Energy Production Company  
20 North Broadway  
Oklahoma City, OK 73102

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 9700-11,050'. The Shetland SWD #1 located 1980 FSL & 1980 FWL, Sec. 18 T18S R35E, Lea County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert this well into a water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at 1220 South St. Francis Drive, Santa Fe, NM 87505 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

A handwritten signature in black ink that reads "Jerry W. Sherrell". The signature is written in a cursive style.

Jerry W. Sherrell  
Production Clerk

JWSI



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

August 9, 2012

**VIA CERTIFIED MAIL 7011 1150 0001 4477 0360**  
**RETURN RECEIPT REQUESTED**

Echo Production Inc.  
PO Box 1210  
Graham, TX 76450

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 9700-11,050'. The Shetland SWD #1 located 1980 FSL & 1980 FWL, Sec. 18 T18S R35E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

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Jerry W. Sherrell  
Production Clerk

JWS1



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

August 9, 2012

**VIA CERTIFIED MAIL 7006 0100 0002 8524 8748**  
**RETURN RECEIPT REQUESTED**

Floyd H. Joyer  
1328 Corvadura  
Graham, TX 76450

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 9700-11,050'. The Shetland SWD #1 located 1980 FSL & 1980 FWL, Sec. 18 T18S R35E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

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Jerry W. Sherrell  
Production Clerk

JWS\



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

August 9, 2012

**VIA CERTIFIED MAIL 7011 1150 0001 4477 0353**  
**RETURN RECEIPT REQUESTED**

Lee Cattle Co.  
176 Lee Ranch Road  
Lovington, NM 88260  
Attn.: Bill Lee

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 9700-11,050'. The Shetland SWD #1 located 1980 FSL & 1980 FWL, Sec. 18 T18S R35E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

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Jerry W. Sherrell  
Production Clerk

JWS\dw



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

August 9, 2012

**VIA CERTIFIED MAIL 7010 2780 0002 5883 2124**  
**RETURN RECEIPT REQUESTED**

McElvain Energy Inc.  
1050 17<sup>th</sup> Street, Ste. 2500  
Denver, CO 80265

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 9700-11,050'. The Shetland SWD #1 located 1980 FSL & 1980 FWL, Sec. 18 T18S R35E, Lea County.

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Sincerely,

MACK ENERGY CORPORATION

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Jerry W. Sherrell  
Production Clerk

JWS1



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

August 9, 2012

**VIA CERTIFIED MAIL 7006 0100 0002 8524 8762**  
**RETURN RECEIPT REQUESTED**

The Allar Company  
PO Box 1567  
Graham, TX 76450

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 9700-11,050'. The Shetland SWD #1 located 1980 FSL & 1980 FWL, Sec. 18 T18S R35E, Lea County.

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MACK ENERGY CORPORATION

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Jerry W. Sherrell  
Production Clerk

JWS\



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

August 9, 2012

**VIA CERTIFIED MAIL 7006 0100 0002 8524 8755**  
**RETURN RECEIPT REQUESTED**

W.O. "Buck" Dollar  
710 Austin Road  
Graham, TX 76450

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 9700-11,050'. The Shetland SWD #1 located 1980 FSL & 1980 FWL, Sec. 18 T18S R35E, Lea County.

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MACK ENERGY CORPORATION

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Jerry W. Sherrell  
Production Clerk

JWS\

**Legal Notice**  
**August 11, 2012**

Mack Energy Corporation, Post Office Box 960, Artesia, NM 88211-0960, has filed an Application with the New Mexico Oil Conservation Division seeking authorization to inject produced water into the Shetland SWD #1 NE/4 of the SW/4 of Section 18 T18S R35E, NMPM, Lea County, New Mexico. The water will be injected into the Wolfcamp formation at a disposal depth of 9700 feet to 11,050 feet. Water will be injected at a maximum surface pressure of 1984 pounds and a maximum injection rate of 4000 BWPD. Any interested party with questions or comments may contact Jerry W. Sherrell at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960 or call (575) 748-1288. Objections to this application or requests for hearing must be filed with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, within fifteen days of the date of the publication of this notice.  
**#27517**

# Affidavit of Publication

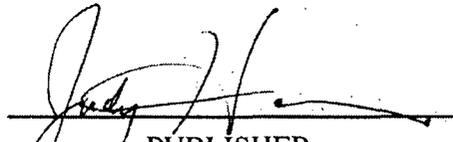
State of New Mexico,  
County of Lea.

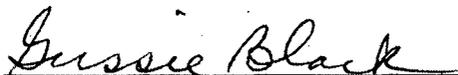
I, JUDY HANNA  
PUBLISHER

of the Hobbs News-Sun, a  
newspaper published at Hobbs, New  
Mexico, do solemnly swear that the  
clipping attached hereto was  
published in the regular and entire  
issue of said newspaper, and not a  
supplement thereof for a period

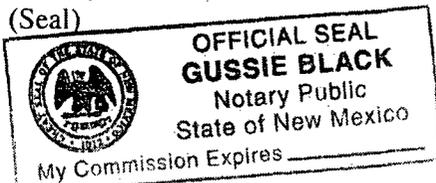
of 1 issue(s).

Beginning with the issue dated  
August 11, 2012  
and ending with the issue dated  
August 11, 2012

  
PUBLISHER  
Sworn and subscribed to before me  
this 13th day of  
August, 2012

  
Notary Public

My commission expires  
January 29, 2015  
(Seal)



This newspaper is duly qualified to  
publish legal notices or  
advertisements within the meaning of  
Section 3, Chapter 167, Laws of  
1937 and payment of fees for said  
publication has been made.

**Legal Notice**  
August 11, 2012

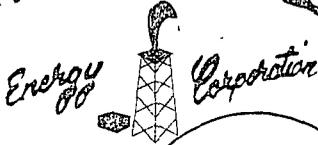
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#27517

67100900                      00098437  
ATTN: SHAWN  
MACK ENERGY CORPORATION  
PO BOX 960  
ARTESIA,, NM 88211-0960



# MACK



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

March 14, 2008

**VIA CERTIFIED MAIL 7006 0100 0002 8524 6287**  
**RETURN RECEIPT REQUESTED**

State of New Mexico  
PO Box 1148  
Santa Fe, NM 87504

Gentlemen:

Enclosed for your review, is a copy of Mack Energy Corporation's application for a Wolfcamp SWD well. Produced water will be injected at a proposed depth of 9700-11,050'. The Shetland SWD #1 located 1980 FSL & 1980 FWL, Sec. 18 T18S R35E, Lea County.

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to convert this well into a water disposal well. If you have any objections, you must notify the Oil Conservation Division in Santa Fe in writing at PO Box 1148, Santa Fe, NM 87504 within fifteen (15) days of receiving this letter.

Sincerely,

MACK ENERGY CORPORATION

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

Jerry W. Sherrell  
Production Clerk

JWS\dw



### Water Analysis Report

Company: Mack Energy Corporation      Sample #: 9502  
 Area: Artesia      Analysis ID #: 738  
 Lease: B LEE  
 Location: 1      0  
 Sample Point: Wellhead

BLUEBRY

Sampling Date: 2/13/08 Analysis Date: 2/14/08 Analyst: Mitchell Labs TDS (mg/l or g/m3): 158957 Density (g/cm3): 1.111 Hydrogen Sulfide: 82 Carbon Dioxide: 22 Comments:	<b>Anions</b> Chloride: 95304.7 Bicarbonate: 183.3 Carbonate: Sulfate: 2100.0	<b>Cations</b> Sodium: 66877.4 Magnesium: 1137.0 Calcium: 3362.7 Strontium: Barium: Iron: 1.5 Manganese: 0.350
	mg/l      meq/l 2688.2      3.      43.72	mg/l      meq/l 2474.03      93.53      167.3 0.05      0.01 7      7      198200 75      .0505

Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl

Temp	Calcite CaCO <sub>3</sub>		Gypsum CaSO <sub>4</sub> ·2H <sub>2</sub> O		Anhydrite CaSO <sub>4</sub>		Celestite SrSO <sub>4</sub>		Barite BaSO <sub>4</sub>	
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	0.50	7.81	-0.18	0.00	-0.18	0.00	0.00	0.00	0.00	0.00
100	0.55	9.61	-0.25	0.00	-0.18	0.00	0.00	0.00	0.00	0.00
120	0.59	11.41	-0.31	0.00	-0.16	0.00	0.00	0.00	0.00	0.00
140	0.62	13.52	-0.36	0.00	-0.11	0.00	0.00	0.00	0.00	0.00

**Mack Energy Corporation**  
**Shetland SWD #1**

amended  
1/10/08  
2008

1. I have attached the affidavit of legal notice. Copies of all parties with interest. Letter was sent to the State Land office because the minerals were unleased.
2. Water analysis of Blinebry attached. Yes water will be taken from Mack Energy leases in the area.
3. The Fresh water analysis will be sent ASAP. Depth to groundwater is 85'.
4. Attached "AFTER" wellbore diagram.
5. Top of Pennsylvanian is 11,225'.
6. Producing pools in this area are Blinebry, Grayburg, Abo and Devonian.

(not WOLF CAMP)

**Jones, William V., EMNRD**

**From:** Jones, William V., EMNRD  
**Sent:** Tuesday, April 22, 2008 8:54 AM  
**To:** 'Jerry Sherrell'  
**Cc:** Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD  
**Subject:** SWD application on behalf of Mack Energy Corp: Shetland SWD #1 (formerly Amoco "A" State #1 and NM "AH" State #1) (API No. 30-025-25991) Proposed Wolfcamp injection

Hello again Mr. Jerry:

After reviewing this application, I have the following questions:

- 1) Send a copy of the notice as published in the newspaper.  
 The notices sent to the three parties have the State Land Office address in them - you should send corrected letters to them, don't have to send them certified. Who controls the minerals in the N/2 N/2 of Section 19? Please let me know who and if they were notified.
- 2) Send a listing of all types of waters (the source Pools) to be disposed into this well and water analysis of each of these. Will you confirm that this well be taking water from "off-lease"? I assume it will from your application.
- 3) Your app said a fresh water analysis was included, but I can't find it. Send a fresh water analysis from the nearest water well (windmill, etc) to this location.  
 How deep is the fresh water in this area? 85'
- 4) Send an "AFTER" wellbore diagram showing the planned casing/cement/DVtool and tubing/packer as it will look like after Mack re-enters the well.
- 5) Ask your geologist to pick the top of the Pennsylvanian.
- 6) What Pools are producing in this area or the nearest Pools?

Inactive wells and financial assurance looks OK as of today.

Let me know your schedule on obtaining this requested info.

Thank You,

William V. Jones PE  
 New Mexico Oil Conservation Division  
 1220 South St. Francis  
 Santa Fe, NM 87505  
 505-476-3448

*Cancelled 4/22/08*







Fresh water  
well within  
1 mile of the  
Shetland SWD\*

### Water Analysis Report

Company: Mack Energy Corporation Sample #: 10132  
 Area: Artesia Analysis ID #: 920  
 Lease: National Well  
 Location: 1 FW 0  
 Sample Point: Wellhead

Sampling Date:	4/29/08	<b>Anions</b>	mg/l	meq/l	<b>Cations</b>	mg/l	meq/l
Analysis Date:	5/2/08	Chloride:	167.2	4.72	Sodium:	65.6	2.85
Analyst:	Mitchell	Bicarbonate:	146.6	2.4	Magnesium:	19.7	1.62
TDS (mg/l or g/m3):	493.2	Carbonate:			Calcium:	65.1	3.25
Density (g/cm3):	1	Sulfate:	29.0	0.6	Strontium:		
Hydrogen Sulfide:					Barium:		
Carbon Dioxide:					Iron:		
Comments:		pH at time of sampling:		7	Manganese:		
		pH at time of analysis:					
		pH used in Calculation:		7	Conductivity (micro-ohms/cm):		704
		Temperature @ lab conditions (F):		75	Resistivity (ohm meter):		14.2045

**Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl**

Temp	Calcite CaCO <sub>3</sub>		Gypsum CaSO <sub>4</sub> ·2H <sub>2</sub> O		Anhydrite CaSO <sub>4</sub>		Celestite SrSO <sub>4</sub>		Barite BaSO <sub>4</sub>	
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	-0.50	0.00	-2.16	0.00	-2.23	0.00	0.00	0.00	0.00	0.00
100	-0.36	0.00	-2.16	0.00	-2.16	0.00	0.00	0.00	0.00	0.00
120	-0.21	0.00	-2.14	0.00	-2.07	0.00	0.00	0.00	0.00	0.00
140	-0.04	0.00	-2.11	0.00	-1.95	0.00	0.00	0.00	0.00	0.00

## Jones, William V., EMNRD

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**From:** Jones, William V., EMNRD  
**Sent:** Tuesday, August 28, 2012 9:39 AM  
**To:** Jerry Sherrell  
**Cc:** Gonzales, Elidio L, EMNRD; Kautz, Paul, EMNRD  
**Subject:** Disposal application from Mack Energy Corp: Shetland SWD #1 30-025-25991  
Wolfcamp perms 9700 to 11050 feet  
**Attachments:** EddyNM\_NASH\_53\_SWD.pdf

Hello Jerry,  
Looks like permit SWD-1125 expired and you want to re-permit?

✓ You sent several notices. Would you again send me a list of "who owns what" lands around this well? I am attaching to this email an example of one way to show this. I did find an old document from Ron Lanning in the old permit file, but don't know if it is up to date ... you could print it out from our web site and show it to Ron again and get him to sign and date verifying it is correct?

✓ I see no notice to the SLO, yet the old application says they are the surface owner and mineral owner in this area. Please send proof of notice to the SLO.

✓ Would you please send a simple list of all wells (even shallow wells) in the Area of Review and the maximum total vertical depth of each of these wells? What this does is establish a record of these wells no matter what depth and shows you have looked up the total depths. It appears you guys are going after the Bone Spring in this area with proposed wells.

? If you can find a Wolfcamp water analysis – please send. Even if it is for WC several miles away.

I saw that Anadarko ran a DST over the upper Wolfcamp when they reentered this well in 1989. What sort of logging program will Mack have for this well? ✓

Thanks in advance for the info.

William V. Jones, P.E.  
505-476-3448W 505-476-3462F  
Engineering Bureau, Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

**Injection Permit Checklist** (11/15/2010)

WFX \_\_\_\_\_ PMX \_\_\_\_\_ SWD 125-A Permit Date 9/28/12 UIC Qtr (TAS)

# Wells 1 Well Name(s): SHETLAND SWD #1

API Num: 30-025-25991 Spud Date: 6/29/18 New/Old: 0 (UIC primacy March 7, 1982)

Footages 1980 FSL/1980 FWL Unit K Sec 18 Tsp 18S Rge 35E County LEA

General Location: 1 mi SOUTH of VGSALU

Operator: MACK Energy CORPORATION Contact Jerry W. Sherrill

OGRID: 013837 RULE 5.9 Compliance (Wells) 3/393 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed \_\_\_\_\_ Current Status: PEA

Planned Work to Well: Re-Entry, Deepen, Rm 5 1/2"

Diagrams: Before Conversion  After Conversion  Elogs in Imaging File:  need deeper logs - ?

Well Details:	Sizes Hole.....Pipe	Setting Depths	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
New ___ Existing <input checked="" type="checkbox"/> Surface	17 1/2 13 3/8	358'		340 SX	CIRC
New ___ Existing <input checked="" type="checkbox"/> Interm	11 8 5/8	360'	1780'	1000 SX	CIRC 30' T.S.
New ___ Existing <input checked="" type="checkbox"/> LongSt	7 7/8 5 1/2"	11,050 TD	7300'	825/550+550	CIRC/CIRC (PLAN)
New ___ Existing ___ Liner					
New ___ Existing ___ OpenHole		(9010 TD)			BY ANADARKO after RE-ENTRY

Depths/Formations:	Depths, Ft.	Formation	Tops?
	9313	ABO	<input checked="" type="checkbox"/>
Formation(s) Above	9667	WC	<input checked="" type="checkbox"/>
Injection TOP:	9700	WC	Max. PSI 1940
Injection BOTTOM:	11050		Tubing Size 2 7/8
Formation(s) Below	11225	C1500	<input checked="" type="checkbox"/>

SWD-1125

Capitan Reef? (Potash? Noticed?) (WIPP? Noticed?) Salado Top/Bot 1765-3056 Chff House?

Fresh Water: Depths: 85-90 Formation \_\_\_\_\_ Wells? yes Analysis?  Affirmative Statement

Disposal Fluid Analysis? Sources: MACK PROD. water BS/ABO/BL./Yess/DR./SA.

Disposal Interval: Analysis? Production Potential/Testing: Tested by ANADARKO (DST) 2/21/89

Notice: Newspaper Date 8/15/12 Surface Owner SLO Mineral Owner(s) SLO

RULE 26.7(A) Affected Persons: Davon/ECH/Joyce/Lee/McElvin/Dollar/ where -

AOR: Maps  Well List?  Producing in Interval? NO Wellbore Diagrams? \_\_\_\_\_

.....Active Wells 0 Repairs? \_\_\_\_\_ Which Wells? \_\_\_\_\_  
 .....P&A Wells 0 Repairs? \_\_\_\_\_ Which Wells? \_\_\_\_\_

Issues: Test for Hydrocarbons Request Sent \_\_\_\_\_ Reply: \_\_\_\_\_

*Send LIST of all wells in path to RW/Path*