

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

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

Jami Bailey, Division Director
Oil Conservation Division



July 2, 2013

ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-671-A
Administrative Application Reference No. Paxk1315439965

Mack Energy Corporation
Attention: Mr. Jerry W. Sherrell

RE: Surface Commingling

This order supersedes Administrative Order CTB-671, which is hereby rescinded.

Reference is made to your administrative application received on May 30, 2013.

It is our understanding that you propose to commingle production from separate leases, limited to one common source of supply, through facilities operated by the above named operator. By this application you are seeking commingling approval pursuant to Division Rule 19.15.12.10.C.(4) NMAC. It is further understood that you have provided notice to all interest owners, and no objections have been received.

Applicant is hereby authorized to surface commingle oil and gas production from the Round Tank; San Andres Pool (Pool Code 52770) from the following wells located in Chaves County, New Mexico:

Name	API No.	Footages	ULSTR
Victoria Federal #1	30-005-64089	330 FS & 330 FW	M-19-15S-29E
Calgary Federal #3H	30-005-64099	990 FN & 330 FE	A-25-15S-28E

Production will be allocated by periodic wells tests.

Off lease storage and sale is approved. The oil from these wells will be measured and sold at the Calgary Tank Battery near the Calgary Federal Well No. 3 in Unit a of Section 25-15S-38E..

This installation shall be constructed and operated in accordance with applicable Division Rules.

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The operator shall notify the Artesia District office of the Division prior to implementation of commingling operations, and shall notify the transporter of this commingling authority.

As per Division Rule 19.15.12.10.C.(4)(h) NMAC, the operator shall not commence commingling prior to approval from the United States Bureau of Land Management and the New Mexico State Land Office.

Applicant has not provided notice that it is requesting addition of future wells or additional leases or pools to this commingle as per Rule 12.10.C.(4)(g)(i) NMAC. Therefore, additional wells or pools shall not be included in this surface commingle without the operator again making application and providing notice to all owners.

Sincerely,


JAMI BAILEY
Division Director

JB/db

cc: Oil Conservation Division – Artesia
New Mexico State Land Office
United States Bureau of Land Management