

DATE IN 11-28-05	SUSPENSE	ENGINEER JWS	LOGGED IN 11-28-05	TYPE DHC	FILE NO. D56m0533328806
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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 _____

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 DIVISION

[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

11/4/2005
 Date

jerrys@mackenergycorp.com
 e-mail Address

District I
1621 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-107A
Revised June 10, 2003

APPLICATION TYPE
☒ Single Well
☒ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Mack Energy Corporation

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

Operator

Address

Tenneco State

1

M-20-17S-29E

Eddy

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 013837 Property Code 22547 API No. 30-015-30603 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Grayburg Jackson SR Q G SA		Empire; Yeso East
Pool Code	28509		96610
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2287-3743		3861-4149
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	37.1		37.7
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: _____ Rates: _____	Date: _____ Rates: _____	Date: 8/31/2005 Rates: 12/66/18
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or put production, supporting data or explanation will be required.)	Oil _____ Gas _____ % %	Oil _____ Gas _____ % %	Oil _____ Gas _____ % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☐ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C- 1 02 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 11/4/2005

TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. (505) 748-1288

E-MAIL ADDRESS jerrys@mackenergycorp.com

District I
1621 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☒ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Mack Energy Corporation

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

Operator

Address

Tenneco State

2

M-20-17S-29E

Eddy

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 013837 Property Code 22547 API No. 30-015-30861 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Grayburg Jackson SR Q G SA		Empire; Yeso East
PoolCode	28509		96610
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2286-3774		3870-4154
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	37.1		37.7
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: _____ Rates: _____	Date: _____ Rates: _____	Date: 8/31/2005 Rates: 12/66/18
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or put production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☐ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C- 1 02 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

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- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 11/4/2005

TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. (505) 748-1288

E-MAIL ADDRESS jerrys@mackenergycorp.com

District I
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State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-107A
Revised June 10, 2003

APPLICATION TYPE

☒ Single Well

☒ Establish Pre-Approved Pools

EXISTING WELLBORE

☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Mack Energy Corporation

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

Operator

Address

Tenneco State

3

M-20-17S-29E

Eddy

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 013837 Property Code 22547 API No. 30-015-31480 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Grayburg Jackson SR Q G SA		Empire; Yeso East
PoolCode	28509		96610
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2291-3766		3873-4224
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	37.1		37.7
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: _____ Rates: _____	Date: _____ Rates: _____	Date: 8/31/2005 Rates: 5/30/9
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or put production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☐ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C- 1 02 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

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- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 11/4/2005

TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. (505) 748-1288

E-MAIL ADDRESS jerrys@mackenergycorp.com

District I
1621 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

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1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☒ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Mack Energy Corporation

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

Operator

Address

Tenneco State

4

M-20-17S-29E

Eddy

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 013837 Property Code 22547 API No. 30-015-32242 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Grayburg Jackson SR Q G SA		Empire; Yeso East
PoolCode	28509		96610
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2290-3752		3864-4136
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	37.1		37.7
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: _____ Rates: _____	Date: _____ Rates: _____	Date: 8/31/2005 Rates: 6/34/10
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or put production, supporting data or explanation will be required.)	Oil _____ Gas _____ % %	Oil _____ Gas _____ % %	Oil _____ Gas _____ % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☐ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C- 1 02 for each zone to be commingled showing its spacing unit and acreage dedication.
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- For zones with no production history, estimated production rates and supporting data.
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- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 11/4/2005

TYPE OR PRINT NAME Jerry W. Sherrell TELEPHONE NO. (505) 748-1288

E-MAIL ADDRESS jerrys@mackenergycorp.com

DISTRICT I
P.O. Box 1990, Hobbs, NM 88241-1990

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer 88, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30603	Pool Code 96610	Pool Name East Empire Yeso
Property Code 022547	Property Name TENNECO STATE	Well Number 1
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3635

Surface Location

UL or Lot No. M	Section 20	Township 17 S	Range 29 E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 330	East/West line WEST	County EDDY
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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
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Dedicated Acres 40	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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Crissa D. Carter Printed Name Production Clerk Title 1/22/98 Date		
	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. JANUARY 6, 1998 Date Surveyed Signature Professional Surveyor W.O. Num. 98-150005 W.O. Num. 98-150005 Certificate No. RONALD S. EIDSON, 3239 CARTER S. EIDSON, 12641 RONALD S. EIDSON, 12165		

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 88, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30603	Pool Code 28509	Pool Name Grayburg Jackson SR-Q-G-SA
Property Code 022547	Property Name TENNECO STATE	Well Number 1
OGED No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3635

Surface Location

UL or lot No. M	Section 20	Township 17 S	Range 29 E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 330	East/West line WEST	County EDDY
--------------------	---------------	------------------	---------------	---------	----------------------	---------------------------	----------------------	------------------------	----------------

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.						

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

	OPERATOR CERTIFICATION I hereby certify the information contained herein is true and complete to the best of my knowledge and belief. Signature Crissa D. Carter Printed Name Production Clerk Title 1/22/98 Date		
	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. JANUARY 6, 1998 Date Surveyed Signature of Seal of Professional Surveyor Professional Surveyor R.O. Num. 98-120005 Certificate No. RONALD S. EIDSON, 3239 RONALD S. EIDSON, 12041 McDONALD, 12185		

DISTRICT II

Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Asteo, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30861	Pool Code 96610	Pool Name East Empire Yeso
Property Code 022547	Property Name TENNECO STATE	Well Number 2
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3632

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
M	20	17 S	29E		990	SOUTH	940	WEST	EDDY

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	Joint or Infill	Consolidation Code	Order No.
40			

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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Crissa D. Carter Printed Name Production Analyst Title 12/8/99 Date	
	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. NOVEMBER 23, 1999 Date Surveyed Signature & Seal of Professional Surveyor Certified by Ronald J. EIDSON 3239 PROFESSIONAL SURVEYOR 12641 Ronald J. McDonald 12185	

DISTRICT II

Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30861	Pool Code 28509	Pool Name Grayburg Jackson SR-Q-G-SA
Property Code 022547	Property Name TENNECO STATE	Well Number 2
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3632

Surface Location

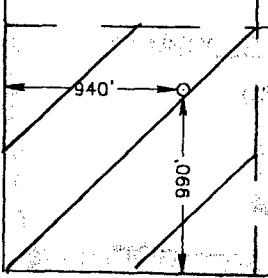
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	17 S	29E		990	SOUTH	940	WEST	EDDY

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.
------------------------------	-----------------	--------------------	-----------

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

				OPERATOR CERTIFICATION		
				<p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Crissa D. Carter</u> Signature</p> <p><u>Crissa D. Carter</u> Printed Name</p> <p><u>Production Analyst</u> Title</p> <p><u>12/8/99</u> Date</p>		
				SURVEYOR CERTIFICATION		
				<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><u>NOVEMBER 23, 1999</u> Date Surveyed</p> <p><u>RONALD J. EIDSON</u> Signature & Seal of Professional Surveyor</p> <p><u>3239</u> LMP</p> <p><u>99-11-1008</u> Certificate No.</p> <p><u>RONALD J. EIDSON</u> PROFESSIONAL SURVEYOR</p> <p><u>3239</u> 12641 12185</p>		

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994
Submit to Appropriate District OfficeState Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT I

Box 1000, Hobbs, NM 88241-1000

DISTRICT II

P.O. Boxer 22, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31480		Pool Code 28509	Pool Name Grayburg Jackson SR-Q-G-SA
Property Code 022547	Property Name TENNECO STATE		Well Number 3
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION		Elevation 3631

Surface Location

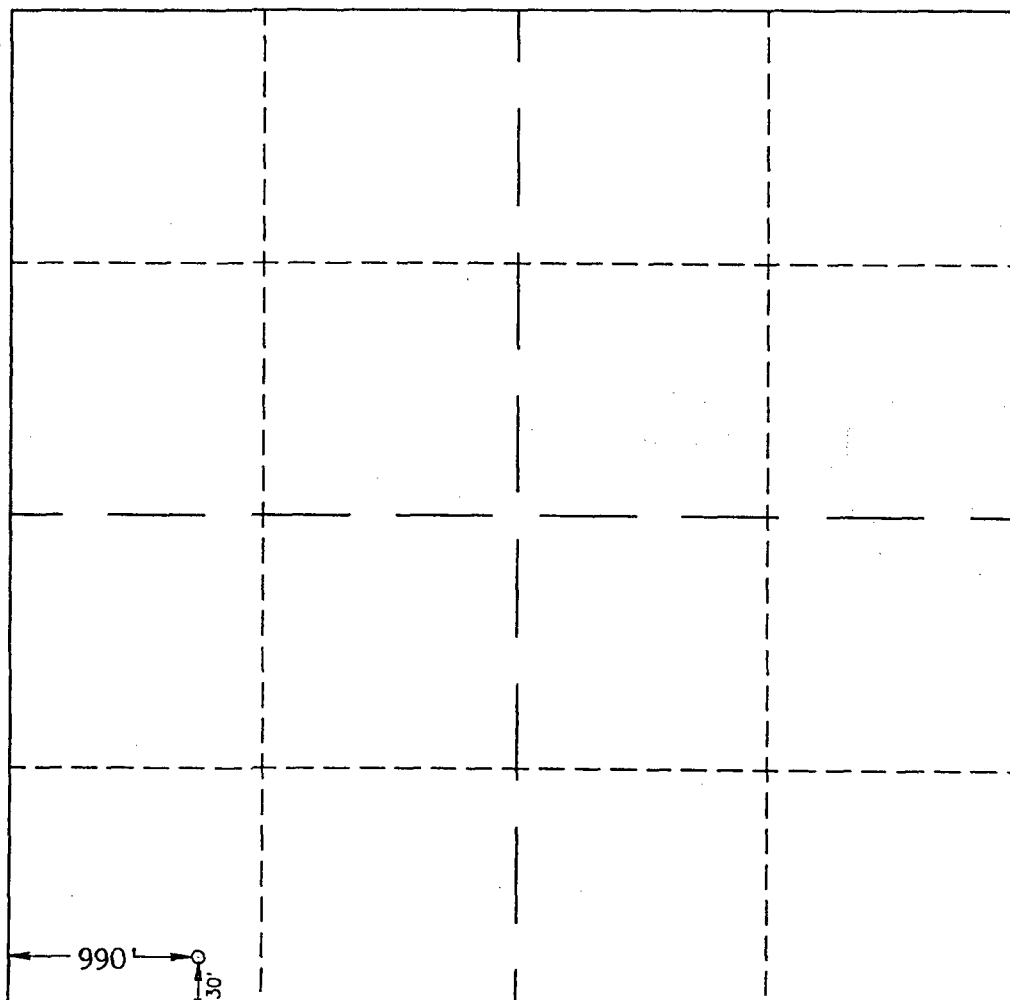


UL or lot No. M	Section 20	Township 17 S	Range 29 E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 990	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 40	Joint or Infill	Consolidation Code	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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Crissa D. Carter Printed Name Production Analyst Title 11/27/00 Date
	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. NOVEMBER 16, 2000 Date Surveyed Signature & Seal of Professional Surveyor  W.O. Num. 00-11-1442 Certificate No. RONALD J. EIDSON, 3239 GARY G. EIDSON, 12641

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994
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State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT I
Box 1000, Hobbs, NM 88241-1000

DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brason Ed., Artesia, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31480	Pool Code 96610	Pool Name East Empire Yeso
Property Code 022547	Property Name TENNECO STATE	Well Number 3
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3631

Surface Location

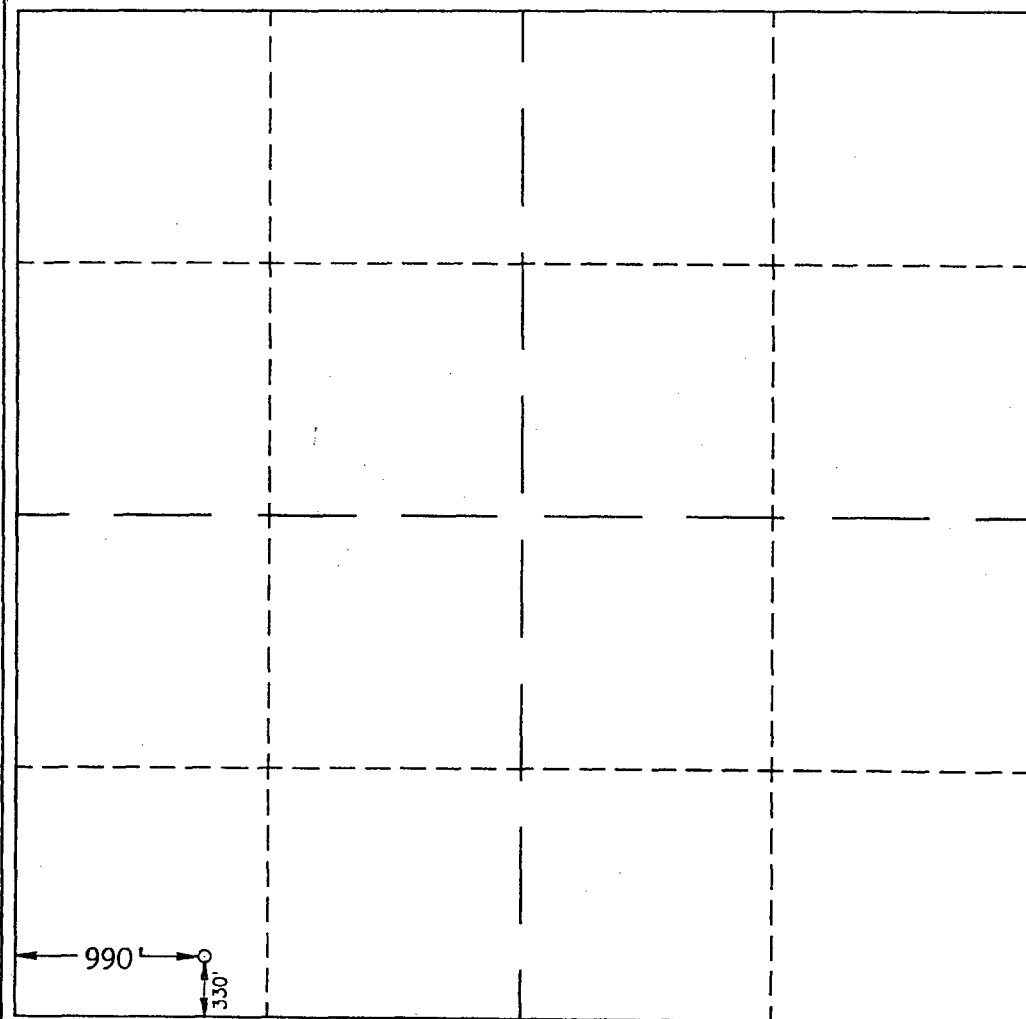


UL or lot No. M	Section 20	Township 17 S	Range 29 E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 990	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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	Certificate No. RONALD J. EIDSON, 3239 GARY G. EIDSON, 12041

State of New Mexico

Energy, Minerals and Natural Resources Department

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OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 2088, Santa Fe, NM 87504-2088DISTRICT II
P.O. Box 2088, Santa Fe, NM 87504-2088DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-32242	Pool Code 28509	Pool Name Grayburg Jackson SR-Q-G-SA
Property Code 022547	Property Name TENNECO STATE	Well Number 4
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3647'

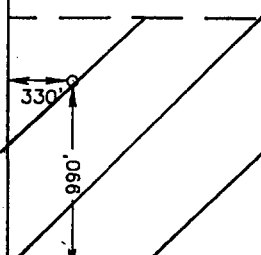
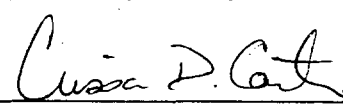
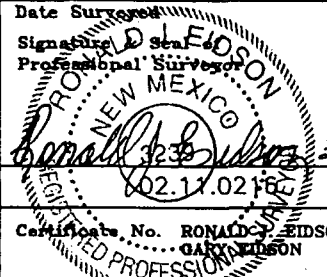
Surface Location

UL or lot No. M	Section 20	Township 17-S	Range 29-E	Lot Idn	Feet from the 990	North/South line SOUTH	Feet from the 330	East/West line WEST	County EDDY
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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.						

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

	SPC NME NAD 1927 Y=660454.58 X=570449.43 LAT.= 32°48'55.68"N LONG.= 104°06'14.47"W	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Crissa D. Carter Printed Name Production Analyst Title 4/2/2002 Date	
	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. MARCH 21, 2002 Date Surveyed AWB Signature & Seal of Professional Surveyor  3/29/02 Certificate No. RONALD D. EDSON 3239 GARY EDSON 12841		

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

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OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 2088, Santa Fe, NM 87504-2088

DISTRICT II

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT III

P.O. Box 2088, Santa Fe, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-32242	Pool Code 96610	Pool Name East Empire Yeso
Property Code 022547	Property Name TENNECO STATE	Well Number 4
GRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3647'

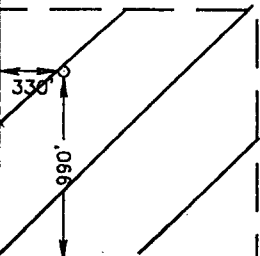
Surface Location

UL or lot No. M	Section 20	Township 17-S	Range 29-E	Lot Idn	Feet from the 990	North/South line SOUTH	Feet from the 330	East/West line WEST	County EDDY
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UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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	SPC NME NAD 1927 Y=660454.58 X=570449.43 LAT.= 32°48'55.68"N LONG.= 104°06'14.47"W	OPERATOR CERTIFICATION	
		<p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Crissa D. Carter</i> Signature Crissa D. Carter Printed Name Production Analyst Title 4/2/2002 Date</p>	
		SURVEYOR CERTIFICATION	
		<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>MARCH 21, 2002</p> <p>Date Surveyed AWB Signature RONALD J. EDSON Professional Surveyor 3/29/02 3239 12641 Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641</p>	



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

November 4, 2005

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

Re: Downhole Commingling, and measurement of
Hydrocarbon Production for:
Tenneco State #1,2,3,4
Section 20, T17S, R29E
Eddy County, New Mexico

Mack Energy Corporation as operator of the aforementioned (4) wells respectfully requests administrative approval for down hole commingling and measurement of production.

Mack Energy proposes to commingle Grayburg Jackson SR-Q-G-SA and Empire Yeso East production in the Tenneco State wells (State of NM Lease E-7640). Production of both pools will be measured at the Tenneco State TB located in the SW/4 SW/4, Sec. 20 T17S R29E. This lease has common interest in both pools. Notification has been made to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle. Testing will be conducted and allocation percentages will be sent to OCD after completion of these wells. These wells have produced for some time from the Yeso formation. The subtraction method will be used to allocate production based on increased production from the San Andres formation.

Should you require any additional information concerning this application, please call Jerry W. Sherrell at the above number. Thank you for your consideration of this request.

Sincerely,

MACK ENERGY CORPORATION

Jerry W. Sherrell
Production Clerk
jerrys@mackenergycorp.com

JWS/
Enclosures

SIGNATURE PAGE

The undersigned approves of Mack Energy Corporation's request to Downhole Commingle the following pools. Grayburg Jackson;SR-Q-G-SA and the Empire Yeso East in the Tenneco State wells #1,2,3,4 Sec 20 T17S R29E.

Tenneco State Lease DHC Approval

CHASE OIL CORPORATION

By: 

Robert C. Chase, President

Date: 11/7/2005

ROBERT C. CHASE

By: 

Robert C. Chase

Date: 11/7/2005

RICHARD L. CHASE

By: 

Richard L. Chase

Date: 11-7-05

GERENE DIANNE CHASE CROUCH

Dealing in her sole and separate property

By: 

Rebecca S. Ericson, Attorney-in-Fact

Date: 11-7-05

ERICSON REVOCABLE TRUST

By: 

Rebecca S. Ericson, Trustee

Date: 11-7-05

STACI SANDERS

By: 

Staci Sanders

Date: 11-7-05

H ANTHONY HALL

By: 

H Anthony Hall

Date: 11-7-05

CHARLOTTE GLEGHORN

By: Charlotte Gleghorn
Charlotte Gleghorn

Date: 11/7/05

JOHN M. KING

By: John M. King
John M. King

Date: 11/7/05

BILL W. CHASE

By: Bill W. Chase
Bill W. Chase

Date: 11-16-2005

BUCKHORN ENTERPRISES

By: J. Thomas Brewer
J. Thomas Brewer, President

Date: 11/14/05

STEPHEN L. GEORGE

By: Stephen L. George
Stephen L. George

Date: 11-9-05

MATT J. BREWER

By: Matt J. Brewer
Matt J. Brewer

Date: 11/04/05

MARK BREWER

By: Mark S. Brewer
Mark Brewer

Date: 11-04-05

CRISSA D. CARTER

By: Crisa D. Carter
Crisa D. Carter

Date: 11/4/05