

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 _____

- DHC -
- MACK Energy Corp
13837

Well
- Ohio State
30-025-40197

Pool
- Ullum
Blind Bay
61850

[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

- Ullum
Abonker
61780
- Ullum Bone
Springs, South
61900

[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.

Deana Weaver
Print or Type Name

Deana Weaver
Signature

Production Clerk
Title

10.28.16
Date

dweaver@mec.com
e-mail Address



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

October 28, 2016

Oil Conservation Division
Attn: Phillip R Goetze
1220 South St. Francis Dr.
Santa Fe, NM 87505

Re: Amendment to DHC-4607
Ohio State #5- API # 30-025-40197
Section 7, T18S, R35E
Lea County, New Mexico

Mack Energy Corporation as operator of the aforementioned well respectfully requests an amendment for downhole commingle order DHC-4607.

Mack Energy proposes to add the Blinbry to the production of the Ohio State #5. Currently Ohio State #5 is producing from the Bone Spring and Abo. All three pools will be measured at the TB located in the NE/4 SW/4, Sec. 7 T18S R35E. This lease has common interest in all pools. Notification has been made to all parties owning an interest in this lease, including the oil purchaser, of the intent to commingle. Mack Energy Corporation owns all interest in this lease. Allocation will be done using the subtraction method based on increased production from the Blinbry formation. This well has consistent daily production from the Bone Spring and Abo formation.

Should you require any additional information concerning this application, please call Deana Weaver at 575-748-1288. Thank you for your consideration of this request.

Sincerely,

MACK ENERGY CORPORATION

Deana Weaver

Deana Weaver
Production Clerk
dweaver@mec.com

DW/
Enclosures

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

Ohio State

5

K-7-18S-35E

Lea

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 013837 Property Code 34432 API No. 30-025-40197 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Vacuum; Blinebry	Vacuum; Bone Spring, South	Vacuum; Abo Reef
Pool Code	61850	61900	61780
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6020-6500'	7288-8490'	8484-8909'
Method of Production (Flowing or Artificial Lift)	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)	38.3	36.6	36.8
Producing, Shut-In or New Zone	New Zone	Producing	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: <u>8/2016</u> Rates: <u>7/8/37</u>	Date: <u>8/2016</u> Rates: <u>0.7/0.8/4</u>
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 Deana Weaver TITLE Production Clerk DATE 10.28.16

TYPE OR PRINT NAME Deana Weaver TELEPHONE NO. (575) 748-1288

E-MAIL ADDRESS dweaver@mec.com

M E M O

DATE: October 25, 2016
TO: NMOCD
FROM: STACI SANDERS
MACK ENERGY CORPORATION
RE: DOWNHOLE COMMINGLE
OHIO STATE #5 WELL
STATE OF NM LEASE V0-7048-1
1920' FSL & 2130' FWL
NE/4SW/4 SECTION 7, T18S, R35E
LEA COUNTY, NEW MEXICO


Mack Energy Corporation respectfully requests approval to downhole commingle production in our Ohio State #5 Well. This well currently produces from the commingled Abo/Bone Spring formations. We would like to add the Blinbry formation to the existing commingle order.

All formations have identical working and net revenue interests (see attached list).

Please do not hesitate to contact me should you require any further information.

Sincerely,

Mack Energy Corporation


Staci Sanders
Land Manager

Ohio State Lease
ST of NM Lease V0-7048-1
All depths

Interest Owners:

Commissioner of Public Lands P.O. Box 1148 Santa Fe, NM 87504-1148	RI
--	----

Chase Oil Corporation P.O. Box 1767 Artesia, NM 88211	WI
---	----

Robert C. Chase P.O. Box 297 Artesia, NM 88211	WI
--	----

Ventana Minerals LLC P.O. Box 359 Artesia, NM 88211	WI
---	----

DiaKan Minerals LLC P.O. Box 693 Artesia, NM 88211	WI
--	----

RECEIVED

JUL 21 2011

Form C-102

Revised July 16, 2010

Submit to Appropriate

District Office

□ AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-02540197	Pool Code 61850	Pool Name Vacuum; Blinebry
Property Code 34432	Property Name OHIO STATE	Well Number 5
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3969'

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	7	18-S	35-E		1920	SOUTH	2130	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.						

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

LOT 1				
37.72 AC. LOT 2				
37.80 AC. LOT 3				
37.88 AC. LOT 4				
37.96 AC.				

GEODETIC COORDINATES
NAD 27 NME

SURFACE LOCATION
Y=641314.5 N
X=756823.2 E

LAT.=32.760281° N
LONG.=103.497903° W

2130'

1920'

OPERATOR CERTIFICATION

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 Deana Weaver 10.28.11 Date

Printed Name Deana Weaver

E-mail Address dweaver@mec.com

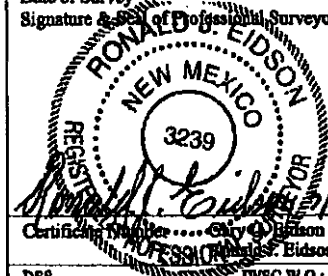
SURVEYOR CERTIFICATION

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.

JULY 11, 2011

Date of Survey

Signature & Seal of Professional Surveyor:



Certifying Surveyor Ronald Eidson 12641

DSS JWBC W.O.: 11.11.1479

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
1185 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

RECEIVED

JUL 21 2011
Form C-102
Revised July 16, 2010
Submit to Appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40197	Pool Code 61780	Pool Name Vacuum; Abo Reef
Property Code 34432	Property Name OHIO STATE	Well Number 5
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3969'

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	7	18-S	35-E		1920	SOUTH	2130	WEST	LFA

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.						

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 LOT 4</p> <p>37.96 AC</p> <p>2130'</p> <p>1920'</p> <p>GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=641314.5 N X=756873.2 E LAT.=32 760281" N LONG.=103 497903" W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that the organization either owns a working interest or claimed 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> 4-20-2012 Signature Date</p> <p><i>Jerry W. Sherrell</i> Printed Name</p> <p><i>jerry@emec.com</i> E-mail Address</p> <p>SURVEYOR CERTIFICATION</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>JULY 11, 2011 Date of Survey</p> <p>Signature of Professional Surveyor <i>Ronald J. Eidson</i></p> <p>RONALD J. EIDSON NEW MEXICO 3239 REGISTERED SURVEYOR 12641 JUL 21 2011 DSS JWS C.W.O. 11111479</p>
--	---

SCANNED

RECEIVED

JUL 21 2011

Form C-102

Revised July 16, 2010

Submit to Appropriate

District Office

DISTRICT I
1623 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
11813 S. ST. FRANCES 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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40197	Pool Code 61900	Pool Name Vacuumy, Base Spring, South
Property Code 34432	Property Name OHIO STATE	Well Number 5
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3969'

Surface Location

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
K	7	18-S	35-E		1920	SOUTH	2130	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 1/4	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 THIS DIVISION

LOT 1				
37.72 AC. LOT 2				
37.80 AC. LOT 3				
37.88 AC. LOT 4				
37.86 AC.				

GEODETIC COORDINATES
 NAD 27 NME
 SURFACE LOCATION
 Y=641314.5 N
 X=756823.2 E
 LAT.=32.760281° N
 LONG.=103.497903° W

2130'
 1920'

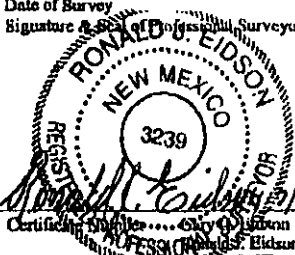
OPERATOR CERTIFICATION

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 released 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.

Jerry W. Sherrell 1-15-2013
 Signature Date
 Jerry W. Sherrell
 Printed Name
 jerry45@mcc.com
 Email Address

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.

JULY 11, 2011
 Date of Survey
 Signature of Registered Surveyor:

 Certified true and correct by the Surveyor:
 Ronald E. Edison 12641
 DSS JWS: W.A.L.: 11.11.1479



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

October 28, 2016

Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

VIA CERTIFIED MAIL 7015 0640 0006 7024 4431
CERTIFIED RETURN RECEIPT MAIL

Dear Sir:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD to amend Down Hole Commingle order DHC-4607 to add the Blinebry pool on the Ohio State #5 located in Sec. 7 T18S R35E, 1920 FSL & 2130 FWL, Lea County, New Mexico.

Should you have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the DHC application if no objection has been made within the 20 days after the application has been received.

Sincerely,

Deana Weaver
Production Clerk
dweaver@mec.com

DW/

Enclosures

Monthly Production Report

Prod Date	Days Up	Reg Inv	Oil Sales	Oth Disp	End Inv	Oil Prod	Avg BOPD	Gas Sales	Oth Disp	Gas Prod	Avg MCFPD	Gas MMBTU	Gas Inj	Water Prod	Water Inj
Del Sys Code:		Ohio State		Del Sys Name:		Ohio State									
Code: 0923.005.1		Name:		Ohio State 5 - 1 (Abo Reef)											
03/31/2016	31	4.	22	0.	9.	26.	1.	29.	0.	29.	1.	39.63	0	73.	0.
Prop Total:			22.	0.		26.	1.	29.	0.	29.	1.	39.63	0.	73.	0.
Code: 0923.005.2		Name:		Ohio State 5 - 2 (Bone Spring South)											
03/31/2016	31	45.	242	0.	94.	291.	9.	317.	0	317.	10.	436.06	0.	803.	0.
Prop Total:			242.	0.		291.	9.	317.	0	317.	10.	436.06	0.	803.	0.
Del Sys Total:			264.	0.		318.	10	346.	0.	346.	11.	475.69	0.	876.	0.
Report Total:			284.	0.		318.	10	346.	0.	346.	11.	475.69	0.	876.	0.

Entity / Del Sys Code IN 'Ohio State'
 Property / Code IN 'Ohio State 5 - 1 (Abo Reef)', 'Ohio State 5 - 2 (Bone Spring South)'
 Production Date BETWEEN 3/1/2016 12:00:00 AM AND 3/31/2016 12:00:00 AM

Monthly Production Report

Prod Date	Days Up	Beg Inv	Oil Sales	Oth Disp	End Inv	Oil Prod	Avg BOPD	Gas Sales	Oth Disp	Gas Prod	Avg MCFPD	Gas MMBTU	Gas Inj	Water Prod	Water Inj
Del Sys Code:		Ohio State		Del Sys Name:		Ohio State									
Code: 0923.005.1		Name:		Ohio State 5 - 1 (Abo Reef)											
04/30/2016	30	9	63	0	15	70	2	66	0	66	2	91.41	0	330	0
Prop Total:			63	0		70	2	66	0	66	2	91.41	0	330	0
Code: 0923.005.2		Name:		Ohio State 5 - 2 (Bone Spring South)											
04/30/2016	30	94	432	0	104	442	15	421	0	421	14	579.04	0	2,090	0
Prop Total:			432	0		442	15	421	0	421	14	579.04	0	2,090	0
Del Sys Total:			495	0		512	17	487	0	487	16	670.45	0	2,421	0
Report Total:			495	0		512	17	487	0	487	16	670.45	0	2,421	0

Entity / Del Sys Code IN 'Ohio State'
 Property / Code IN 'Ohio State 5 - 1 (Abo Reef)', 'Ohio State 5 - 2 (Bone Spring South'
 Production Date BETWEEN 4/1/2016 12:00:00
 AM AND 4/30/2016 12:00:00 AM

Monthly Production Report

Prod Date	Days Up	Beg Inv	Oil Sales	Oth Disp	End Inv	Oil Prod	Avg BOPD	Gas Sales	Oth Disp	Gas Prod	Avg MCFPD	Gas MMBTU	Gas Inj	Water Prod	Water Inj
Del Sys Code:		Ohio State		Del Sys Name:		Ohio State									
Code: 0923.005.1		Name:		Ohio State 5 - 1 (Abo Reef)											
05/31/2016	31	15.	34	0.	7.	.26	1.	30.	0.	30	1.	38.57	0.	134.	0
Prop Total:			34.	0.		.26	1.	30.	0.	30.	1.	38.57	0.	134.	0
Code: 0923.005.2		Name:		Ohio State 5 - 2 (Bone Spring South)											
05/31/2016	31	104	236	0.	49.	181.	6.	207.	0	207.	7.	269.90	0.	938.	0.
Prop Total:			236	0.		181.	6.	207.	0.	207.	7.	269.90	0.	938.	0.
Del Sys Total:			270.	0.		206.	7.	237.	0.	237.	8.	308.47	0.	1,071.	0.
Report Total:			270	0.		206	7.	237.	0.	237.	8	308.47	0.	1,071.	0.

Entity / Del Sys Code IN 'Ohio State'
 Property / Code IN 'Ohio State 5 - 1 (Abo Reef)', 'Ohio State 5 - 2 (Bone Spring South)'
 Production Date BETWEEN 5/1/2016 12:00:00 AM AND 5/31/2016 12:00:00 AM

Monthly Production Report

Prod Date	Days Up	Beg Inv	Oil Sales	Oth Disp	End Inv	Oil Prod	Avg BOPD	Gas Sales	Oth Disp	Gas Prod	Avg MCFPD	Gas MMBTU	Gas Inj	Water Prod	Water Inj
Del Sys Code:		Ohio State		Del Sys Name:		Ohio State									
Code: 0923.005.1		Name:		Ohio State 5 - 1 (Abo Reef)											
06/30/2016	30	7	31	0	6	30	1	34	0	34	1	44.44	0	149	0
Prop Total:			31	0		30	1	34	0	34	1	44.44	0	149	0
Code: 0923.005.2		Name:		Ohio State 5 - 2 (Bone Spring South)											
06/30/2016	30	49	192	0	37	181	6	205	0	205	7	266.67	0	894	0
Prop Total:			192	0		181	6	205	0	205	7	266.67	0	894	0
Del Sys Total:			223	0		211	7	239	0	239	8	311.11	0	1,043	0
Report Total:			223	0		211	7	239	0	239	8	311.11	0	1,043	0

Entity / Del Sys Code IN 'Ohio State'
 Property / Code IN 'Ohio State 5 - 1 (Abo Reef)', 'Ohio State 5 - 2 (Bone Spring South'
 Production Date BETWEEN 6/1/2016 12:00:00
 AM AND 6/30/2016 12:00:00 AM

Monthly Production Report

Prod Date	Days Up	Beg Inv	Oil Sales	Oth Disp	End Inv	Oil Prod	Avg BOPD	Gas Sales	Oth Disp	Gas Prod	Avg MCFPD	Gas MMBTU	Gas Inj	Water Prod	Water Inj
Del Sys Code: Ohio State			Del Sys Name: Ohio State												
Code: 0923.005.1			Name: Ohio State 5 - 1 (Abo Reef)												
07/31/2016	31	6	24	0	7	25	1	29	0	29	1	37.55	0	114	0
Prop Total:			24	0		25	1	29	0	29	1	37.55	0	114	0
Code: 0923.005.2			Name: Ohio State 5 - 2 (Bone Spring South)												
07/31/2016	31	37	143	0	42	148	5	173	0	173	6	225.35	0	682	0
Prop Total:			143	0		148	5	173	0	173	6	225.35	0	682	0
Del Sys Total:			167	0		173	6	202	0	202	7	262.90	0	796	0
Report Total:			167	0		173	6	202	0	202	7	262.90	0	796	0

Entity / Del Sys Code IN 'Ohio State'
 Property / Code IN 'Ohio State 5 - 1 (Abo Reef)' 'Ohio State 5 - 2 (Bone Spring South)'
 Production Date BETWEEN 7/1/2016 12:00:00 AM AND 7/31/2016 12:00:00 AM

Monthly Production Report

Prod Date	Days Up	Beg Inv	Oil Sales	Oth Disp	End Inv	Oil Prod	Avg BOPD	Gas Sales	Oth Disp	Gas Prod	Avg MCFPD	Gas MMBTU	Gas Inj	Water Prod	Water Inj
Del Sys Code: Ohio State		Del Sys Name: Ohio State													
Code: 0923.005.1		Name: Ohio State 5 - 1 (Abo Reef)													
08/31/2016	31	7.	25	0	6	24.	1.	28.	0.	28.	1.	38.78	0.	126.	0
Prop Total:			25	0.		24.	1.	28.	0.	28.	1.	38.78	0.	126.	0
Code: 0923.005.2		Name: Ohio State 5 - 2 (Bone Spring South)													
08/31/2016	31	42.	212.	0.	51.	220.	7.	253	0	253	8.	348.94	0.	1,135.	0
Prop Total:			212.	0		220.	7.	253	0	253	8.	348.94	0	1,135	0
Del Sys Total:			237.	0.		245	8	281	0.	281.	9.	387.72	0.	1,261	0
Report Total:			237.	0		245	8	281.	0.	281.	9	387.72	0.	1,261.	0.

Entity / Del Sys Code IN 'Ohio State'
 Property / Code IN 'Ohio State 5 - 1 (Abo Reef)', 'Ohio State 5 - 2 (Bone Spring South'
 Production Date BETWEEN 8/1/2016 12:00:00
 AM AND 8/31/2016 12:00:00 AM

Monthly Production Report

Prod Date	Days Up	Seg Inv	Oil Sales	Oth Disp	End Inv	Oil Prod	Avg BOPD	Gas Sales	Oth Disp	Gas Prod	Avg MCFPD	Gas MMBTU	Gas Inj	Water Prod	Water Inj
Del Sys Code: Ohio State		Del Sys Name: Ohio State													
Code: 0923.005.1		Name: Ohio State 5 - 1 (Abo Reef)													
09/30/2016	30	6	35	0.	6	35	1.	41.	0.	41.	1.	56.04	0.	244.	0
Prop Total:			35	0.		35	1.	41.	0.	41.	1.	56.04	0	244	0
Code: 0923.005.2		Name: Ohio State 5 - 2 (Bone Spring South)													
09/30/2016	30	51	297	0.	50	295	10	346	0.	346	12.	476.30	0.	2,072.	0
Prop Total:			297	0		295	10	346	0.	346	12.	476.30	0.	2,072.	0
Del Sys Total:			332	0.		330	11.	386	0.	386	13.	532.34	0.	2,316.	0.
Report Total:			332	0		330	11.	386	0.	386	13.	532.34	0.	2,316	0

Entity / Del Sys Code IN 'Ohio State'
 Property / Code IN 'Ohio State 5 - 1 (Abo Reef)' 'Ohio State 5 - 2 (Bone Spring South'
 Production Date BETWEEN 9/1/2016 12:00:00 AM AND 9/30/2016 12:00:00 AM

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order DHC-4607

Order Date: 2/28/2013

Application Reference Number: pPRG1304655523

Mack Energy Corporation
PO Box 960
Artesia, NM 88211-0960

Attention: Jerry Sherrell

Ohio State Well No. 5
API No: 30-025-40197
Unit K, Section 7, Township 18 South, Range 35 East, NMPM
Lea County, New Mexico

Pool WC-025 G-06 S183518A; BONE SPRING Oil 97930
Names: VACUUM; ABO REEF Oil 61780

Reference is made to your recent application for an exception to 19.15.12.9A NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

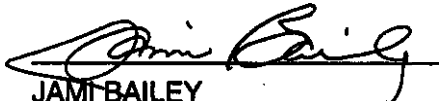
It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A NMAC, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the well shall be based on the subtraction method. The total well production minus the Abo Reef production shall be assigned to the Wildcat 025 G-06 S183518A Bone Spring Pool.

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.

Pursuant to 19.15.12.11B NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.


JAMI BAILEY
Director

JB/prg

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division