

NSL 5/7/01 110936429

# MACK ENERGY CORPORATION

Post Office Box 960  
Artesia, New Mexico 88211-0960  
(505) 748-1288 / FAX (505) 746-9539

April 10, 2001

Oil Conservation Division  
Attn: Mike Stogner  
2040 South Pacheco  
Santa Fe, NM 87505

See NSL 1150. 14

OL CONSERVATION DIV.  
01 APR 16 PM 2:57

Dear Mr. Stogner:

Mack Energy Corporation respectfully requests an administrative approval without notice and hearing of the following unorthodox well location pursuant to Order R-7808 of the New Mexico Oil Conservation Division.

The well location and legal description is as follows:

McIntyre A Federal #17  
1775 FSL & 1625 FEL  
Sec. 20-T17S-R30E  
Eddy County, New Mexico

The well will be completed in the Paddock formation in the Loco Hills Paddock Pool.

Attached to this application are the following exhibits.

- A.) Well location and acreage dedication plat (form C-102) filed with the Artesia office of the Oil Conservation Division (Exhibit A).
- B.) A plat showing the proposed unorthodox location, the respective proration units, and the offsetting proration units (Exhibit B).
- C.) A map showing the reason for the unorthodox location, the original location had to be moved 25' to clear the Power lines. (Exhibit C).

Please note that Mack Energy Corporation is the operator of the offsetting proration units in which we are encroaching upon in the Paddock formation of the Loco Hills Paddock Pool, therefore no other operators are required to be notified.

*Oil Conservation Division*

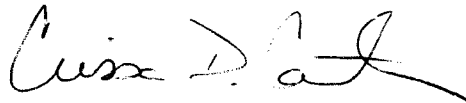
*April 10, 2001*

*Page 2*

*Thank you for your assistance in this matter. If you have any questions, please feel free to call me at (505)748-1288.*

*Sincerely,*

*MACK ENERGY CORPORATION*

A handwritten signature in cursive script, appearing to read "Crissa D. Carter".

*Crissa D. Carter  
Production Analyst*

*CDC/jws*

*Enclosures*

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

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 DD, Artesia, NM 88211-0719

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

|                         |                                          |                                 |
|-------------------------|------------------------------------------|---------------------------------|
| API Number              | Pool Code<br>96718                       | Pool Name<br>Loco Hills Paddock |
| Property Code<br>018384 | Property Name<br>McINTYRE A              | Well Number<br>17               |
| OGRID No.<br>013837     | Operator Name<br>MACK ENERGY CORPORATION | Elevation<br>3630'              |

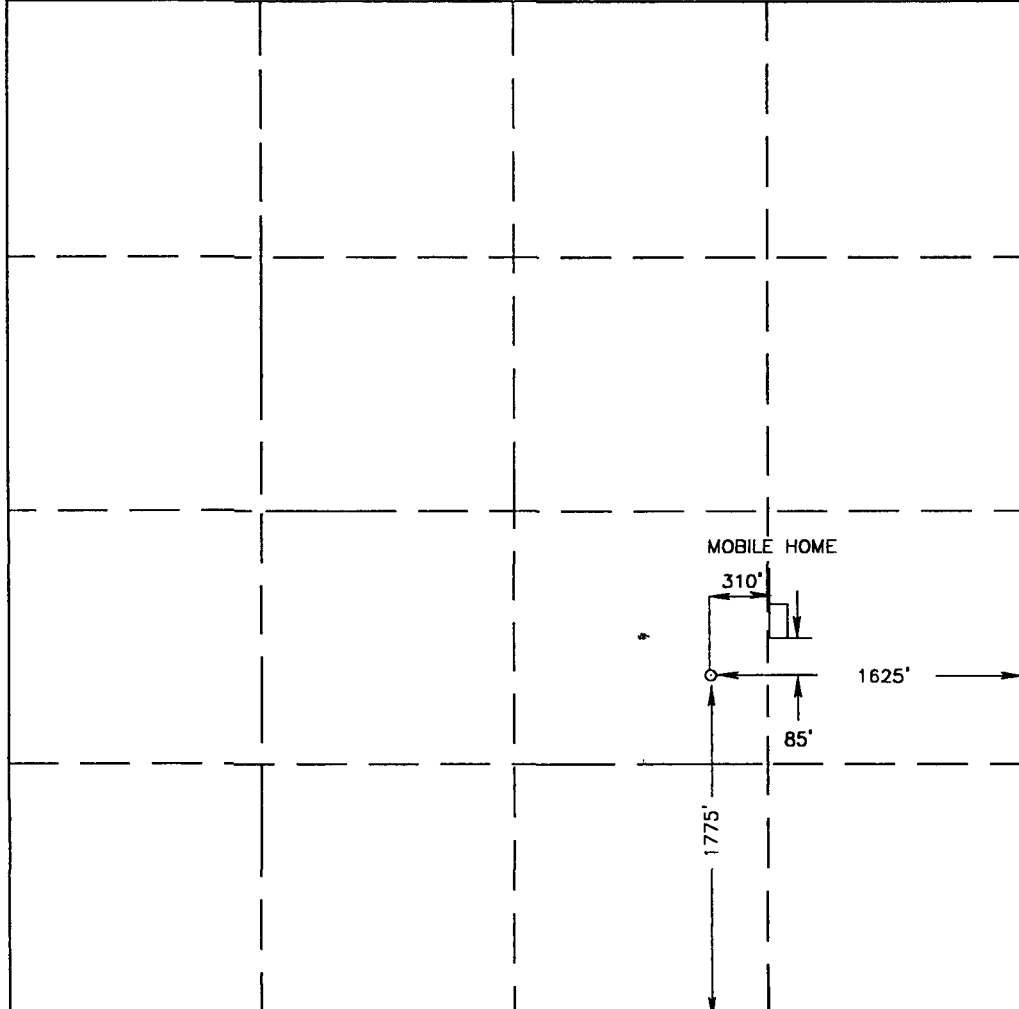
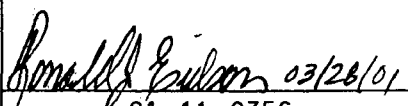
Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J             | 20      | 17-S     | 30-E  |         | 1775          | SOUTH            | 1625          | EAST           | 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<br>10 |         | 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

|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>OPERATOR CERTIFICATION</b><br><br>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.<br><br><br>Signature<br>Crissa D. Carter<br>Printed Name<br>Production Analyst<br>Title<br>4/10/2001<br>Date                                                                                                                                                          |
|                                                                                    | <b>SURVEYOR CERTIFICATION</b><br><br>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.<br><br>MARCH 23, 2001<br>Date Surveyed<br>AWB<br>Signature & Seal of Professional Surveyor<br><br>01-11-0356<br>Certificate No. RONALD J. EIDSON 3239<br>GARY EIDSON 12841 |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

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State of New Mexico

Energy, Minerals and Natural Resources Department

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

|                         |                                          |                                 |
|-------------------------|------------------------------------------|---------------------------------|
| API Number              | Pool Code<br>96718                       | Pool Name<br>Loco Hills Paddock |
| Property Code<br>018384 | Property Name<br>McINTYRE A              | Well Number<br>17               |
| OGRID No.<br>013837     | Operator Name<br>MACK ENERGY CORPORATION | Elevation<br>3630'              |

Surface Location

|                    |               |                  |               |         |                       |                           |                       |                        |                |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|-----------------------|------------------------|----------------|
| UL or lot No.<br>J | Section<br>20 | Township<br>17-S | Range<br>30-E | Lot Idn | Feet from the<br>1775 | North/South line<br>SOUTH | Feet from the<br>1625 | East/West line<br>EAST | County<br>EDDY |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|-----------------------|------------------------|----------------|

Bottom Hole Location If Different From Surface

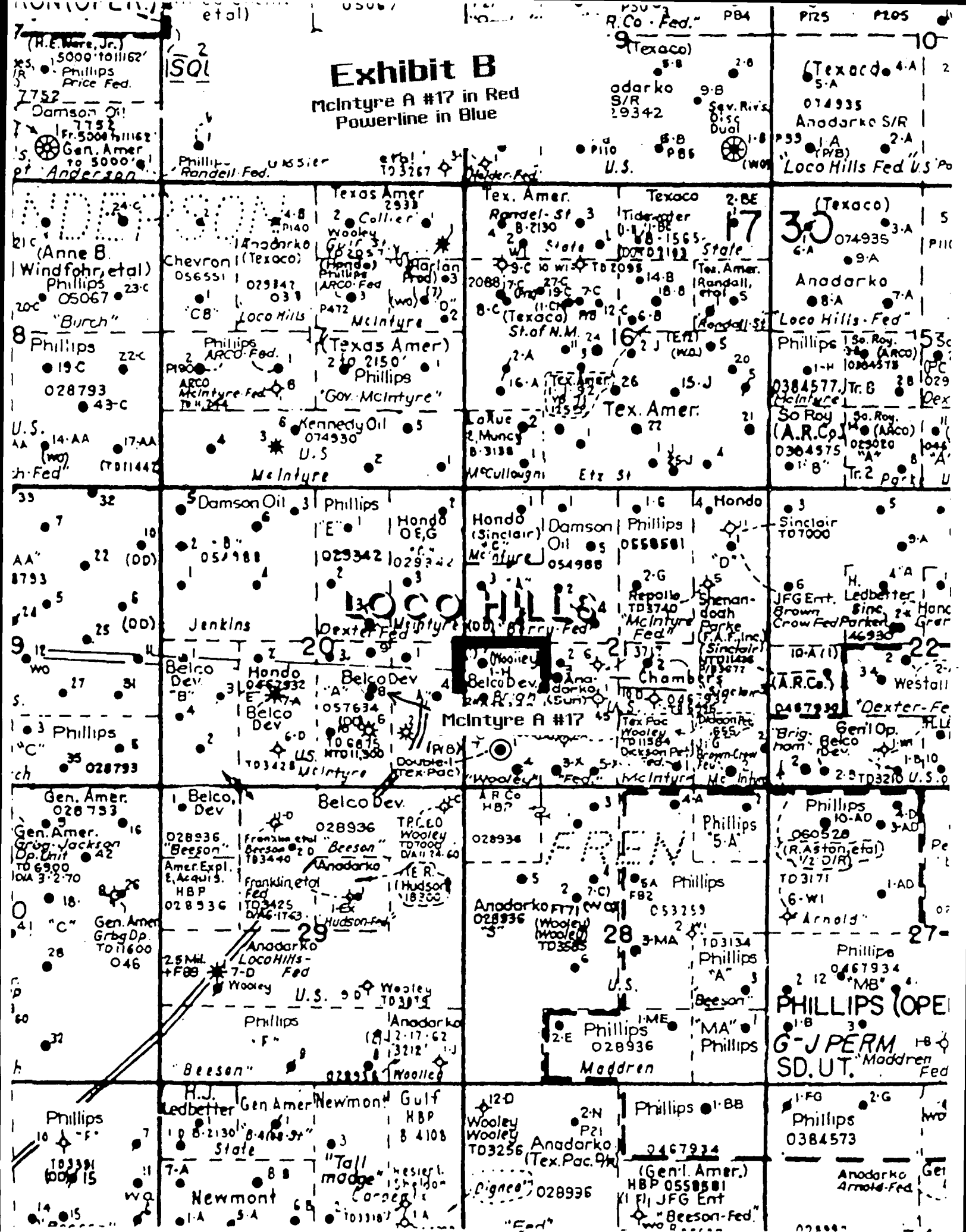
|                       |                 |                    |           |         |               |                  |               |                |        |
|-----------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No.         | Section         | Township           | Range     | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|                       |                 |                    |           |         |               |                  |               |                |        |
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  | <b>OPERATOR CERTIFICATION</b><br><br>I hereby certify the the information<br>contained herein is true and complete to the<br>best of my knowledge and belief.<br><br><br>Signature<br>Crissa D. Carter<br>Printed Name<br>Production Analyst<br>Title<br>4/10/2001<br>Date                                                                                                                                                                   |  |
|  | <b>SURVEYOR CERTIFICATION</b><br><br>I hereby certify that the well location shown<br>on this plat was plotted from field notes of<br>actual surveys made by me or under my<br>supervision, and that the same is true and<br>correct to the best of my belief.<br><br>MARCH 23, 2001<br>Date Surveyed<br>AWB<br>Signature & Seal of<br>Professional Surveyor<br><br>01-11-0356<br>Certificate No. RONALD J. EIDSON 3239<br>GARY EIDSON 12641 |  |
|  |                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
|  |                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |

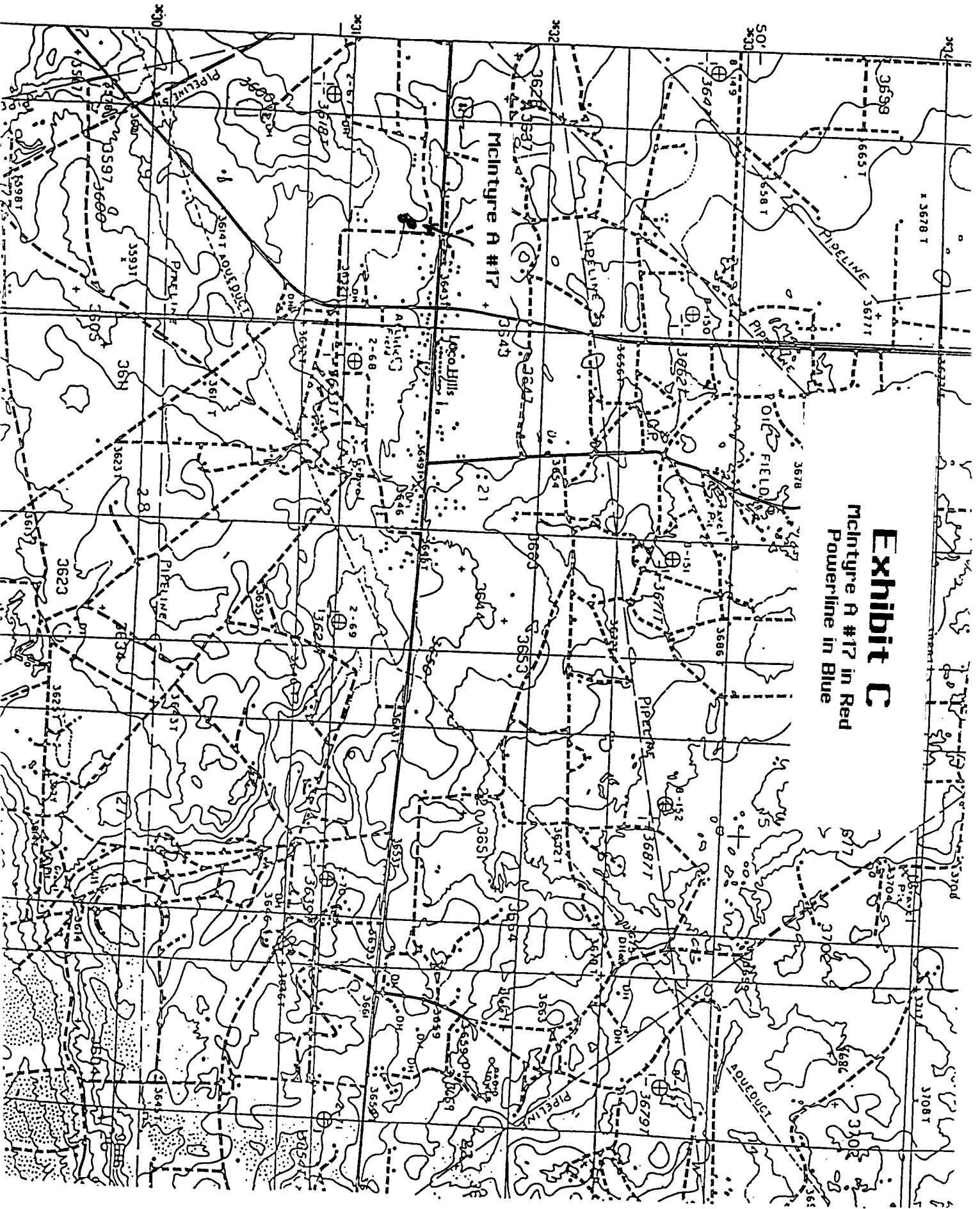
McIntyre A #17 in Red  
Powerline in Blue

McIntyre A #17 in Red  
Powerline in Blue



# Exhibit C

McIntyre A #17 in Red  
Powerline in Blue



**SIGNATURE PAGE**

The undersigned approves of Mack Energy Corporation's request to drill the following unorthodox Location. This well encroaches the NE/4 SE/4, SE/4 SE/4 Sec 20 T17S R30E.

**McIntyre A #17**  
**1775 FSL 1625 FEL**  
**Sec 20 T17S R30E**

**CHASE OIL CORPORATION**

By:   
Robert C. Chase, President

Date: 4/13/01

**MACK C. AND MARILYN Y. CHASE**  
**TRUST, U/T/A DATED 11/21/83**

By:   
Mack C. Chase, Trustee

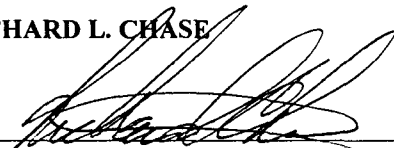
Date: 4/13/01

**ROBERT C. CHASE**

By:   
Robert C. Chase

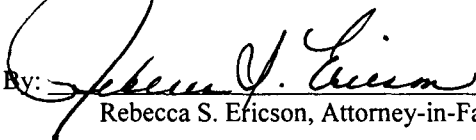
Date: 4/13/01

**RICHARD L. CHASE**

By:   
Richard L. Chase

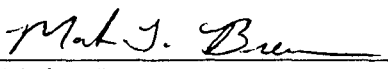
Date: 4/13/01

**GERENE DIANNE CHASE CROUCH**  
**Dealing in her sole and separate property**

By:   
Rebecca S. Ericson, Attorney-in-Fact

Date: 4/13/01

**MARK T. BREWER**

By:   
Mark T. Brewer

Date: 4-12-01