Mack energy corporation  $\frac{NSL}{5/4/98}$ 

Post Office Box 960 Artesia, New Mexico 88211-0960 (505) 748-1288 / FAX (505) 746-2362

April 10, 1998

NSL-OIL, N37



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

Dear Mr. Stogner:

Mack Energy Corporation respectfully requests an administrative approval without notice and hearing of the following unorthodox well location.

Because of our desire to drill this well in a timely manner, we also request your approval be expedited. The well location and legal description is as follows:

Woolley Federal #5 1550 FSL & 2310 FWL (K) Sec. 21, T17S, R30E Eddy County, New Mexico

The Well will be completed in the Paddock formation of 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 C).
- C.) A map showing the reason for the unorthodox location, the original location would have fallen on the top of an existing well.

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, 1998 Page 2

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

Sincerely,

Mack Energy Corporation

Matt Brewer

Matt Brewer

Engineer

MB/

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 86211-0719

DISTRICT III 1000 Rio Brazos Rd., Aztec, 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

Pool Code	Pool Name					
96718	Loco Hills Paddock					
		Well Number				
WOOLLE	5					
Opera	tor Name	Elevation				
MACK ENERGY	CORPORATION	3641'				
	96718  Prope WOOLLE					

#### 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	21	17 S	30 E		1550	SOUTH	2310	WEST	EDDY

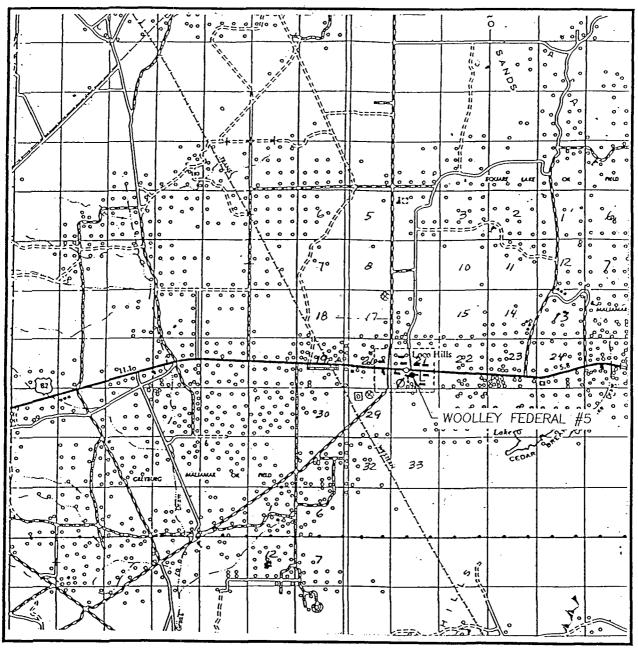
#### Bottom Hole Location If Different From Surface

ſ	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
		-1								
	Dedicated Acres	Joint of	r Infill   Co	nsolidation (	Code   Ore	der No.				
					<b>\</b>					

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 horeby certify the the information contained herein is true and complete to the best of my knowledge and belief.
	Signature Carlo
	Crissa D. Carter
	Production Clerk
	4/7/98 Date
	SURVEYOR CERTIFICATION
3643.2' 3637.8'	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 supervison, and that the same is true and correct to the best of my belief.
	MARCH 10, 1998
3636.2' 3635.2'	MARCH 10, 1998  Date Surveyed CDG  Signagura & Seal 500 Mills  Professional Surveyor O
1550' -	1 19 3-16-98 1 3-16-98
	Certificate No. RCNAL & EDSON 3239

## VICINITY MAP

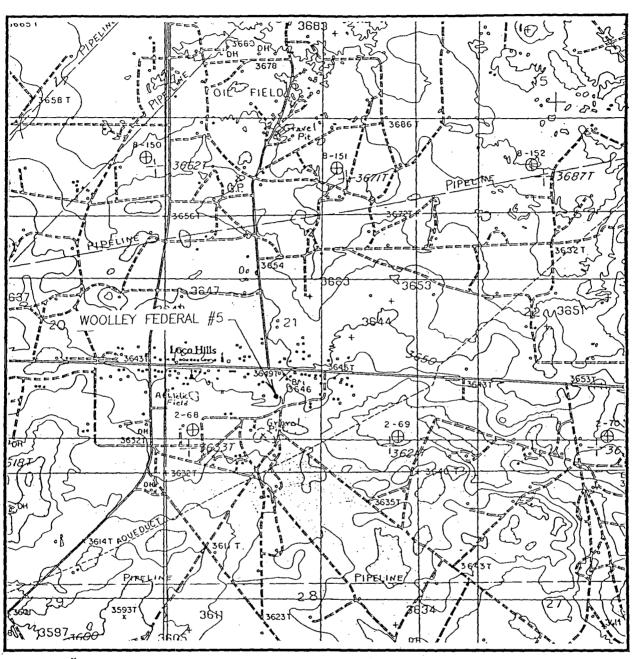


SCALE: 1'' = 2 MILES

SEC. 21 T	WP. <u>17-S</u> RGE.	30-E
SURVEY	N.M.P.M.	. \
COUNTY	EDDY	
DESCRIPTION	1550' FSL &	2310' FWL
ELEVATION	3641'	
OPERATOR	MACK ENERGY	CORPORATION
LEASE	WOOLLEY FED	ERAL

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117

# LOCATION VERIFICATION MAP



SCALE: 1'' = 2000'

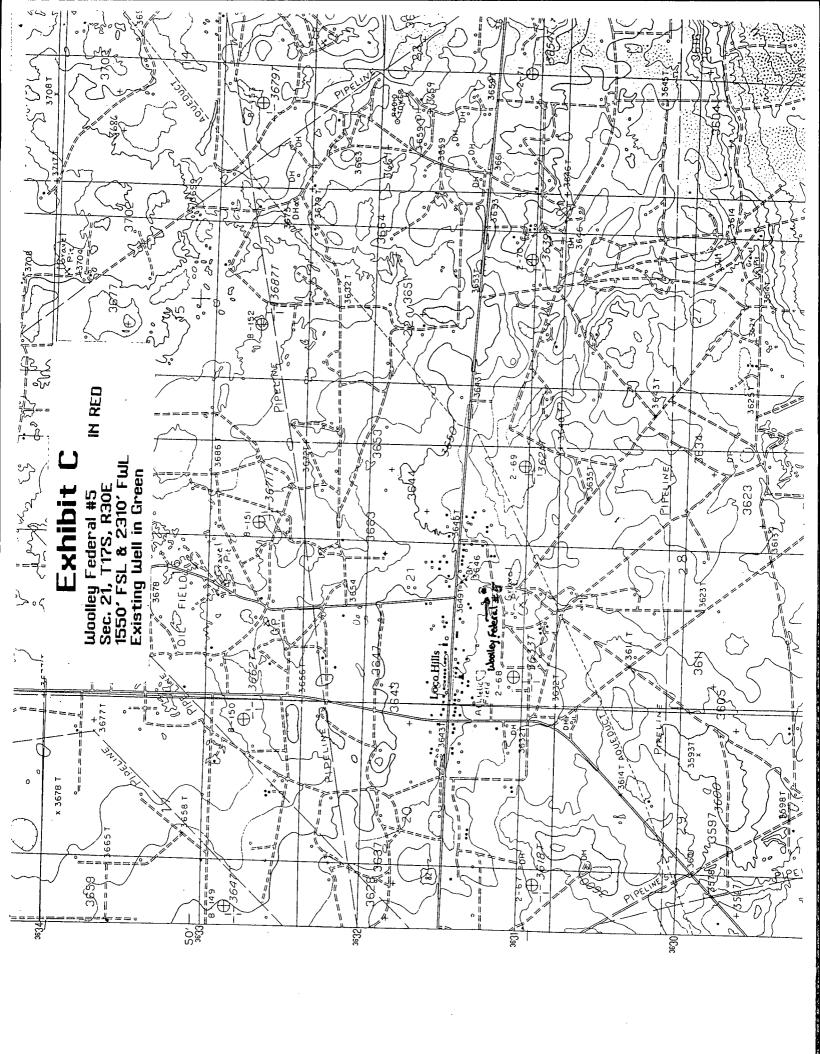
CONTOUR INTERVAL. - 10'

SEC. 21 TWP. 17-S RGE. 30-E
SURVEYN.M.P.M.
COUNTYEDDY
DESCRIPTION 1550' FSL & 2310' FWL
ELEVATION 3641'
OPERATOR MACK ENERGY CORPORATION
LEASE WOOLLEY FEDERAL
U.S.G.S. TOPOGRAPHIC MAP
LOCO HILLS, NM

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117



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- (2) The Division Director shall have authority to grant an exception to the well location requirements of Sections 104.B and 104.C above or to the well location requirements of special pool rules without notice and hearing when the necessity for such unorthodox location is based upon geologic conditions, archaeological conditions, topographical conditions, or the recompletion of a well previously drilled to a deeper horizon provided said well was drilled at an orthodox or approved unorthodox location for such original horizon. [1-1-82...2-1-96]
- (3) Applications for administrative approval of unorthodox locations pursuant to Rule 104.F(2), above, shall be accompanied by a plat showing the subject spacing unit, its proposed unorthodox well location, the diagonal and adjoining spacing units and/or leases (whichever is applicable) and wells, and a list of affected parties. If the proposed unorthodox location is based upon topography or archaeology, the plat shall also show and describe the existent topographical or archaeological conditions. If the proposed unorthodox location is based upon geology, the application shall include appropriate geologic exhibits and a discussion of the geologic conditions which result in the necessity for the unorthodox location. [2-9-66...2-1-96]
  - (a) Adjoining and diagonal spacing units shall be defined as those immediately adjacent existing spacing units in the same pool(s) as the proposed unorthodox well and towards which the unorthodox well location encroaches. [2-9-66...2-1-96]
  - (b) Affected parties shall be defined as those parties who own interests in leases or operate wells on adjoining or diagonal spacing units and include:
    - (i) the designated operator of any adjoining or diagonal spacing unit producing from the same pool(s) as the proposed well;
    - (ii) in the absence of an operator, all lessees of record of any diagonal or adjoining lease owning interests in the same pool(s) as the proposed well; and
    - (iii) in the absence of an operator or lessee, all owners of record of unleased mineral interests in the same pool(s) as the proposed well. [2-9-66...2-1-96]
- (4) The applicant shall submit a statement attesting that applicant, on or before the same date the application was submitted to the Division, has sent notification to the affected parties by submitting a copy of the application, including a copy of the plat described in Rule 104.F(3) above by certified or registered mail-return receipt in accordance with Rule  $1207\,(A)\,(5)$  advising them that if they have an objection it must be filed in writing within twenty days from the date notice was sent. The Division Director may approve the unorthodox location upon receipt of waivers from all said parties or if no said party has entered an objection to the unorthodox location within 20 days after the Director has received the application. [2-9-66...2-1-96]
- (5) The Division Director may set any application for administrative approval of an unorthodox location for public hearing, and may require that a directional survey be run in the unorthodox well to establish the actual location of the producing interval(s). [1-1-82...2-1-96]
- 104.G. Whenever an exception is granted, the Division may take such action as will offset any advantage which the person securing the exception may obtain over other producers by reason of the unorthodox location. [1-1-50...2-1-96]
  - 104.H. If the drilling tract is within an allocated oil pool or is

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Description: 74 Sec. 20 (R-10822 6-17-97) Ext: NEY Sec. 20, NWY Sec. 21 (R-10951,2-4-98)	
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