

January 2, 2002

Mack Energy Corporation
P. O. Box 960
Artesia, New Mexico 88211-0960

Telefax No. (505) 746-9539

Attention: Crissa D. Carter
ccarter@pvtnetworks.net

Administrative Order NSL-4681

Dear Ms. Carter:

Reference is made to the following: (i) your application (*application reference No. pKRV0-136545200*) that was submitted to the New Mexico Oil Conservation Division ("Division") on December 20, 2001; and (ii) the Division's records in Santa Fe: all concerning Mack Energy Corporation's request for an unorthodox Paddock oil well location for the proposed G. C. Federal Well No. 1 to be drilled 2225 feet from the South line and 2406 feet from the East line (Unit J) of Section 19, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico. The NW/4 SE/4 of Section 19 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit for the Maljamar-Paddock Pool (**44500**).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location is hereby approved.

Sincerely

Lori Wrotenbery
Director

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management – Carlsbad