



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury
Cabinet Secretary

May 7, 2001

Lori Wrotenbery

Director

Oil Conservation Division

Mack Energy Corporation
P. O. Box 960
Artesia, New Mexico 88211-0960
Attention: Crissa D. Carter

Telefax No. (505) 746-2362

Administrative Order NSL-1214-B(SD)

Dear Ms. Carter:

Reference is made to the following: (i) your application dated April 6, 2001; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Mack Energy Corporation's ("Mack Energy") request for an unorthodox infill oil well location within an existing standard 40-acre oil spacing and proration unit comprising the NW/4 SE/4 (Unit J) of Section 20, Township 17 South, Range 30 East, NMPM, Loco Hills-Paddock Pool (96718), Eddy County, New Mexico.

This 40-acre unit is currently dedicated to the following described Mack Energy operated wells:

- (i) McIntyre "A" Federal Well No. 3 (API No. 30-015-04221), located at an unorthodox oil well location (approved by Division Administrative Order NSL-3787, dated April 16, 1997) 2365 feet from the South line and 2310 feet from the East line of Section 20; and
- (ii) McIntyre "A" Well No. 9 (API No. 30-015-23407), located at an unorthodox oil well location [approved by Division Administrative Order NSL-1214-A (SD), dated August 19, 1998] 2400 feet from the South line and 1600 feet from the East line of Section 20.

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 following described well to be drilled at an unorthodox infill oil well location within the subject unit is hereby approved:

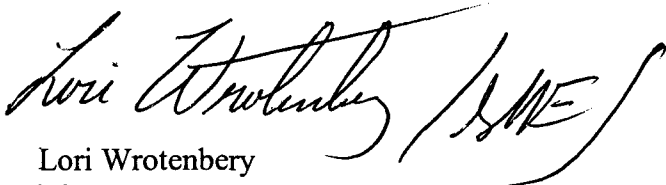
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**McIntyre "A" Well No. 17
1775' FSL & 1625' FEL**

Further, Loco Hills-Paddock oil production from the two existing McIntyre "A" Wells No. 3 and 9 and proposed McIntyre "A" Well No. 17 are to be simultaneously dedicated to the subject 40-acre oil spacing and proration unit.

Both Division Administrative Orders NSL-3787 and NSL-1214-A (SD) shall remain in full force and affect until further notice.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery" followed by a stylized monogram or initials.

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
File: NSL-1214
NSL-1214-A (SD)
NSL-3787

NSL-1214-B

Entered
7
May 7, 2001

Rec - 4-16-2001
Susp: 5-7-2001
Released 5-7-2001

Mack Energy Corporation
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5-7

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Lori Wrotenbery
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