



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 8, 1999

Mack Energy Corporation
P. O. Box 960
Artesia, New Mexico 88211-0960
Attention: Matt Brewer

Telefax No. (505) 746-2362

Administrative Order NSL-4252(SD)

Dear Mr. Brewer:

Reference is made to your application dated March 18, 1999 for Mack Energy Corporation ("Mack Energy") to drill its proposed Mimosa State Well No. 2 at an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the NE/4 SW/4 (Unit K) of Section 30, Township 17 South, Range 29 East, NMPM, Undesignated Empire-Yeso Pool, Eddy County, New Mexico.

This 40-acre unit is currently dedicated to Mack Energy's Mimosa State Well No. 1 (**API No. 30-015-30575**) located at a standard oil well location 2310 feet from the South line and 1580 feet from the West line of Section 30.

The application has been duly filed under the provisions of Rule 104.F of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

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 is hereby approved:

Mimosa State Well No. 2
1650' FSL & 2070' FWL.

Further, both the existing Mimosa State Well No. 1 and the proposed Mimosa State Well No. 2 are to be simultaneously dedicated to the subject 40-acre unit.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
New Mexico State Land Office - Santa Fe