NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

October 20, 1999

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

Attention:

Robert Chase

RE:

C-142 Application for New Well Status

Rincon State Well No. 1, API No. 30-015-30652

Dear Mr. Chase:

Pursuant to Division Rule 34.C.(3), the deadline for filling for the New Well Tax Incentive is within sixty (60) days of completion of the well as a producer, therefore your application is hereby denied.

If you have any questions, please contact me at (505) 827-8183.

Sincerely,

Mark Ashley

Petroleum Engineering Specialist