



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

June 25, 1998

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

Administrative Order NSL-4063

Dear Mr. Brewer:

Reference is made to your application dated June 2, 1998 for an unorthodox oil well location in either the Undesignated Empire-Yeso or Undesignated East Empire-Yeso Pools for Mack Energy Corporation's proposed Western Federal Well No. 3 to be drilled 2330 feet from the North line and 1650 feet from the East line (Unit G) of Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico. The SE/4 NE/4 of Section 30 is to be dedicated to the well in order to form a standard 40-acre oil spacing and proration unit for either pool.

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

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

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

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