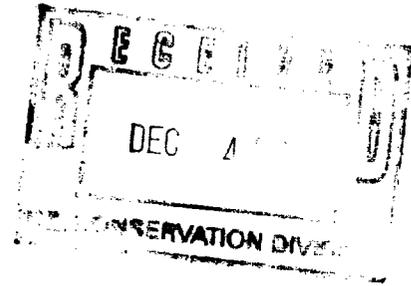


NSL
MACK ENERGY CORPORATION

12/26/00
34029391

Post Office Box 960
Artesia, New Mexico 88211-0960
(505) 748-1288 / FAX (505) 746-2362

November 30, 2000



Oil Conservation Division
Attn: Mike Stogner
2040 South Pacheco
Santa Fe, NM 87505

Dear Mr. Stogner:

Mack Energy Corporation respectfully requests an administrative approval without notice and hearing of the following unorthodox well location.

Because of our desire to drill this well in a timely manner, we also request your approval be expedited. The well location and legal description is as follows:

Continental A State #7
2314 FNL & 1968 FWL
Sec. 30, T17S, R29E
Eddy County, New Mexico

The well will be completed in the Yeso formation in the Empire Yeso Pool.

Attached to this application are the following exhibits.

- A.) Well location and acreage dedication plat (form C-102) filed with the Artesia office of the Oil Conservation Division (Exhibit A).
- B.) A plat showing the proposed unorthodox locations, the respective proration units, and the offsetting proration units (Exhibit B).
- C.) A map showing the reason for the unorthodox location, the original location would have fallen on top of or too close to existing pipelines (Exhibit C).
- D.) A lease & well location map showing that there is 1 existing Empire Yeso well on the 40-acre tract, 1 well staked and 2 other possible locations for 10-acre spacing (Exhibit D).

Oil Conservation Division

November 30, 2000

Page 2

Moving the location 54' east and 4' south will give the distance needed to build a location away from the existing pipelines. The location would have to be moved approximately 600 feet west or northwest to get away from the pipelines to make it orthodox. This will interfere with the existing well and the other 2 locations that will be staked in the future. There are no other possible orthodox locations for this well due to future locations being located on 10-acre spacing.

Mack Energy Corporation is the operator of the adjoining spacing units. Attached is a Signature Page containing the working interest owners in the adjoining spacing units and their approval of the unorthodox location.

Thank you for your assistance in this matter. If you have any questions, please feel free to call.

Sincerely,

MACK ENERGY CORPORATION



Matt J. Brewer

Geological Engineer

MB/

Enclosures

DISTRICT I
P.O. Box 1989, Hobbs, NM 88241-1989

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Ed., Artec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 96210	Pool Name Empire Yeso
Property Code 021044	Property Name CONTINENTAL "A" STATE	Well Number 7
OGRID No. 013837	Operator Name MACK ENERGY CORPORATION	Elevation 3643

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	30	17 S	29 E		2314	NORTH	1968	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><u>Crissa D. Carter</u> Signature</p> <p><u>Crissa D. Carter</u> Printed Name</p> <p><u>Production Analyst</u> Title</p> <p><u>12/1/00</u> Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>NOVEMBER 17, 2000</p> <p>Date Surveyed JLP</p> <p>Signature & Seal of Professional Surveyor</p> <p><u>Ronald J. Eison</u> 11/29/00</p> <p>W.O. Num. 00-11-0018</p> <p>Certificate No. RONALD J. EISON, 3239 GARY G. EIBSON, 12641</p>

SIGNATURE PAGE

The undersigned approves of Mack Energy Corporation's request to drill the following unorthodox location. This well encroaches the SW/4 NE/4, NE/4 SW/4, & NW/4 SE/4 Sec. 30-T17S-R29E:

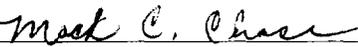
Continental A State #7
2314 FNL & 1968 FWL
Sec. 30-T17S-R29E

CHASE OIL CORPORATION

By: 
Robert C. Chase, President

Date: 12-1-00

**MACK C. AND MARILYN Y. CHASE
TRUST, U/T/A DATED 11/21/83**

By: 
Mack C. Chase

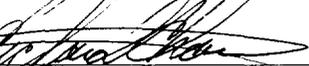
Date: 11-30-00

ROBERT C. CHASE

By: 
Robert C. Chase

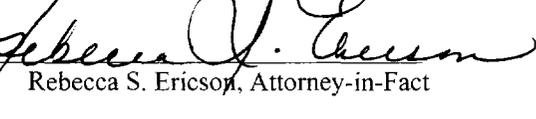
Date: 12-1-00

RICHARD L. CHASE

By: 
Richard L. Chase

Date: 12-1-00

GERENE DIANNE CHASE CROUCH
Dealing in her sole and separate property

By: 
Rebecca S. Ericson, Attorney-in-Fact

Date: 11-30-00

BILL W. CHASE

By: 
Bill W. Chase

Date: 11/30/00

BUCKHORN ENTERPRISES CORPORATION

By: 
J. Thomas Brewer

Date: 11/30/00

CMD : ONGARD 12/13/00 15:45:19
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPF4

API Well No : 30 15 29697 Eff Date : 07-31-1998 WC Status : A
Pool Idn : 96210 EMPIRE; YESO
OGRID Idn : 13837 MACK ENERGY CORP
Prop Idn : 21044 CONTINENTAL A STATE

Well No : 002
GL Elevation: 3652

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: F	30	17S	29E	FTG 1650 F N	FTG 1251 F W	P

Lot Identifier:

Dedicated Acre: 40.00

Lease Type : S

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 12/13/00 15:43:06
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPF4

API Well No : 30 15 30310 Eff Date : 11-05-1998 WC Status : A
Pool Idn : 96210 EMPIRE; YESO
OGRID Idn : 13837 MACK ENERGY CORP
Prop Idn : 22366 WESTERN FEDERAL

Well No : 002
GL Elevation: 3641

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: G	30	17S	29E	FTG 1650 F N	FTG 2310 F E	P
Lot Identifier:							
Dedicated Acre:		40.00					
Lease Type	: F						
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :							

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/13/00 15:41:15
OGOMES -TPF4
PAGE NO: 1

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1 27.71 CS E04201 0000 CONOCO INC U 09/11/60 A	C 40.00 CS E04201 0000 CONOCO INC U 09/11/60 A A	B 40.00 Federal owned U A A A	A 40.00 Federal owned U A A
2 27.94 CS E04201 0000 CONOCO INC U U 09/11/60 A A	F 40.00 CS E04201 0000 CONOCO INC U U 09/11/60 A A A	G 40.00 Federal owned U U A A A	H 40.00 Federal owned U U A A A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/13/00 15:41:22
OGOMES -TPF4
PAGE NO: 2

Sec : 30 Twp : 17S Rng : 29E Section Type : NORMAL

3 28.17 CS E04201 0000 CONOCO INC U U 09/11/60 A A A	K 40.00 CS OG0181 0001 HARVEY E YATES CO U U 09/18/66 A A A A	J 40.00 CS OPEN U U R A A A A	I 40.00 CS OPEN U U R A A A A
4 28.40 CS B07596 0000 CONOCO INC U U 05/10/48 A A	N 40.00 CS B07596 0000 CONOCO INC U U 05/10/48 A A A A	O 40.00 CS OPEN U R A A A	P 40.00 CS OPEN U R A A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12