



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

November 6, 2002

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

Telefax No. (505) 746-2362

Administrative Order NSL-4805 (SD)

Dear Ms. Carter:

Reference is made to the following: (i) your application received by the New Mexico Oil Conservation Division ("Division") in Santa Fe on October 16, 2002 (*application reference No. pKRV229036576*); and (ii) the Division's records 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 Lots 3, 4, 5, 6, 7, 8, 9, and 10 (NW/4 or Unit D) of Section 29, Township 17 South, Range 29 East, NMPM, East Empire-Yeso Pool (96610), Eddy County, New Mexico.

It is our understanding the location has been moved 125 feet further to the South in order to avoid an existing pipeline and road and therefore is closer than 330 feet from the Southern border of this 40-acre spacing unit.

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

- (i) White Star Federal Well No. 11 (API No. 30-015-30927), located at a standard oil well location 330 feet from the North and West lines of Section 29; and
- (ii) White Star Federal Well No. 7 (API No. 30-015-30813), located at a standard oil well location 990 feet from the North and West lines of Section 29; and
- (iii) White Star Federal Well No. 24 (API No. 30-015-32339), located at a standard oil well location 330 feet from the North and 990 feet from the West line of Section 29.

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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:

White Star Federal Well No. 26
1115' FNL & 330' FWL

Further, the three existing White Star Federal Wells No. 7, 11, and 24 and the proposed White Star Federal Well No. 26 are to be simultaneously dedicated to the subject 40-acre oil spacing and proration unit.

Sincerely,



Lori Wrotenbery
Director

LW/wvjj

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