



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

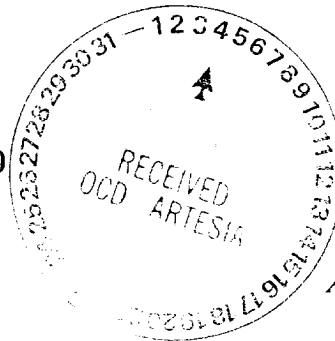
GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

May 1, 2001

Lori Wrotenbery
Director
Oil Conservation Division

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

Telefax No. (505) 746-9539



Administrative Order NSL-4580(SD)

Dear Ms. Carter:

Reference is made to the following: (i) your application dated April 6, 2001; and (ii) the records of the New Mexico Oil Conservation Division ("Division") 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, more or less, oil spacing and proration unit comprising the NW/4 SW/4 (Unit L) of Section 20, Township 17 South, Range 30 East, NMPM, Loco Hills-Paddock Pool, Eddy County, New Mexico.

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

- (i) McIntyre "B" Well No. 1 (**API No. 30-015-04218**), located at a standard oil well location 2310 feet from the South line and 330 feet from the West line of Section 20;
- (ii) McIntyre "B" Well No. 5 (**API No. 30-015-29389**), located at a standard oil well location 2183 feet from the South line and 990 feet from the West line of Section 20; and
- (iii) McIntyre "B" Well No. 6 (**API No. 30-015-29756**), located at a standard oil well location 1650 feet from the South line and 330 feet from the West line of Section 20.

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: