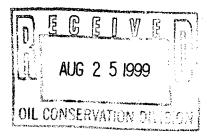
NSL 9/14/99

MACK ENERGY CORPORATION

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

August 24, 1999



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.

Due to the current conditions, we desire to drill this well in a timely & economical manner, we also request your approval be expedited. The well location and legal description is as follows:

McIntyre DK Federal #12-Y 990 FSL & 315 FEL Sec. 17-T17S-R30E Eddy County, New Mexico

The well will be completed in the Paddock formation in the Loco Hills Paddock 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).

The reason for the unorthodox location is due to the 8 5/8" intermediate casing parting at 968' which caused the hole to be lost, therefore, the rig was skidded 15 feet east to spud a new hole. The original legal location was 990 FSL & 330 FEL Sec. 17-T17S-R30E.

Oil Conservation Division August 24, 1999 Page 2

By copy of this letter including the exhibits to all parties, we are notifying them by certified mail return-receipt requested 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

cc: CERTIFIED MAIL:

Attn: Michael Cervantes Texaco Exploration & Production 500 North Loraine Midland, TX 79702 DISTRICT I P.O. Box 1980, Hobbs, NM 68241-1980 State of New Mexico

Pool Code

Energy, Minerals and Natural Resources Departme

Pool Name

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 58211-0719

DISTRICT III

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

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

API Number

1000 Rio Brazos Rd., Autec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

		96718			Loco Hills Paddock					
Property Code		Property Name					Well Number			
006143		McINTYRE DK FEDERAL						12 Y		
OGRID No. 013837			Operator Name MACK ENERGY CORPORATION					3658	Elevation 3658	
Surface Location										
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MACK ENERGY CORPORATION

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

August 24, 1999

Attn: Mike Cervantes
Texaco Exploration & Production
500 North Loraine
Midland, TX 79702

VIA CERTIFIED MAIL Z 266 869 390 RETURN RECEIPT REQUESTED

Dear Mr. Cervantes:

This letter will serve as a notice that Mack Energy Corporation has requested administrative approval from the NMOCD for unorthodox location for the McIntyre DK Federal #12Y under Rule 104.F. (3). The reason for the unorthodox location is due to the 8 5/8" casing parting at 968' causing the hole to be lost, therefore, the rig was skidded 15' to the east to spud a new hole. The new location for this well is 990 FSL & 315 FEL in Section 17-T17S-R30E, Eddy County, New Mexico. The well is encroaching the Wichita State Lease in the Loco Hills Paddock Pool.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the unorthodox location if no objection to the unorthodox location has been made within the 20 days after the application has been received.

Sincerely,

Matt J. Brewer Geological Engineer

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Enclosures

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ONGARD

INQUIRE LAND BY SECTION

09/01/99 11:37:20 OGOMES -TPMC

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