



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

March 16, 1999

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

Telefax No. (505) 746-2362

Administrative Order NSL-4232

Dear Mr. Brewer:

Reference is made to your application dated February 23, 1999 for an unorthodox oil well location in the Undesignated Loco Hills-Paddock Pool for Mack Energy Corporation's proposed Pawnee State Well No. 1 to be drilled 2185 feet from the North line and 1600 feet from the East line (Unit G) of Section 16, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico. The SW/4 NE/4 of Section 16 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit.

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

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

Sincerely,

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia /
New Mexico State Land Office - Santa Fe

