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

January 28, 2000

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

Telefax No. (505) 746-2362

Administrative Order NSL-4300-A

Dear Mr. Brewer:

Reference is made to the following: (i) your application dated January 5, 2000; and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe, including the file on Division Administrative Order NSL-4300, dated June 2, 1999: all concerning Mack Energy Corporation's ("Mack") request for an unorthodox oil well location within the East Empire-Yeso Pool for Mack's proposed White Star Federal Well No. 12 to be drilled 230 feet from the North line and 1650 feet from the West line (Unit C) of Section 29, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico. The NE/4 NW/4 of Section 29 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit.

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 above-described unorthodox oil well location is hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia

U. S. Bureau of Land Management - Carlsbad

File: NSL-4300

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