

December 14, 2000

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

Telefax No. (505) 746-2362

*Administrative Order NSL-***** (SD)*

Dear Mr. Brewer:

Reference is made to the following: (i) your application dated November 30, 2000; 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 oil spacing and proration unit comprising the SE/4 NW/4 (Unit F) of Section 30, Township 17 South, Range 29 East, NMPM, Empire-Yeso Pool, Eddy County, New Mexico.

This 40-acre unit is currently dedicated to Mack Energy's Continental "A" State Well No. 2 (**API No. 30-015-29697**) located at a standard oil well location 1650 feet from the North line and 1251 feet from the West line of Section 30.

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 SE/4 NW/4 of Section 30 is hereby approved:

Continental "A" State Well No. 7
2314' FNL & 1968' FWL.

Further, both the existing Continental "A" State Well No. 2 and the proposed Continental "A" State Well No. 7 are to be simultaneously dedicated to the subject 40-acre unit.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

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