



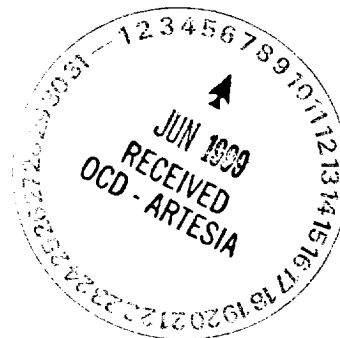
NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

June 3, 1999

Mack Energy Corporation
P. O. Box 960
Artesia, New Mexico 88211-0960

Attention: Matt J. Brewer



Re: Administrative application dated June 1, 1999 for Mack Energy Corporation's Lucky Mack Federal Well No. 1 (API No. 30-015-30265) located at an unorthodox oil well location 1650' FSL & 1450' FEL (J) of Section 6, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, to test the Wolfcamp formation for oil production within a standard 40-acre oil spacing and proration unit comprising the NW/4 SE/4 of Section 6.

Dear Mr. Brewer:

In reviewing the subject application clarification as to required notification is needed. Division Rules 104.F(3) and (4) require that, in the absence of an operator, all lessees of record of any diagonal or adjoining lease owning interests in the same pool as the proposed well be notified (see copy of Division Rule 104 attached). Was this done for those owners of mineral interests in the Wolfcamp formation underlying the NE/4 SE/4 (Unit I) and the SE/4 SE/4 (Unit P) of Section 6?

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad