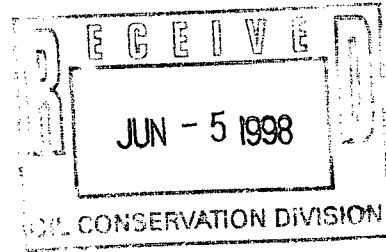


MACK ENERGY CORPORATION

NSL 6/25/98

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

June 2, 1998



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.

Because of our desire to drill this well in a timely manner, we also request your approval be expedited. The well location and legal description is as follows:

Schley Federal #8
1580 FNL & 1650 FWL
Sec. 29, T17S, R29E
Eddy County, New Mexico

The well will be completed in the Paddock formation in the East Empire Yeso 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).
- C.) A map showing the reason for the unorthodox location, the original location would have fallen on top of existing pipeline. (Exhibit C).

Please note that Mack Energy Corporation is the operator of the offsetting proration units in which we are encroaching upon in the Paddock formation of the East Empire Yeso Pool, therefore no other operators are required to be notified.

Oil Conservation Division

June 2, 1998

Page 2

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

Matt J. Brewer

Geological Engineer

/mb

Enclosures

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

MAY 5 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		96610	East Empire Yeso
Property Code	Property Name		Well Number
022367	SCHLEY Federal		8
OGRID No.	Operator Name		Elevation
013837	MACK ENERGY CORPORATION		3607

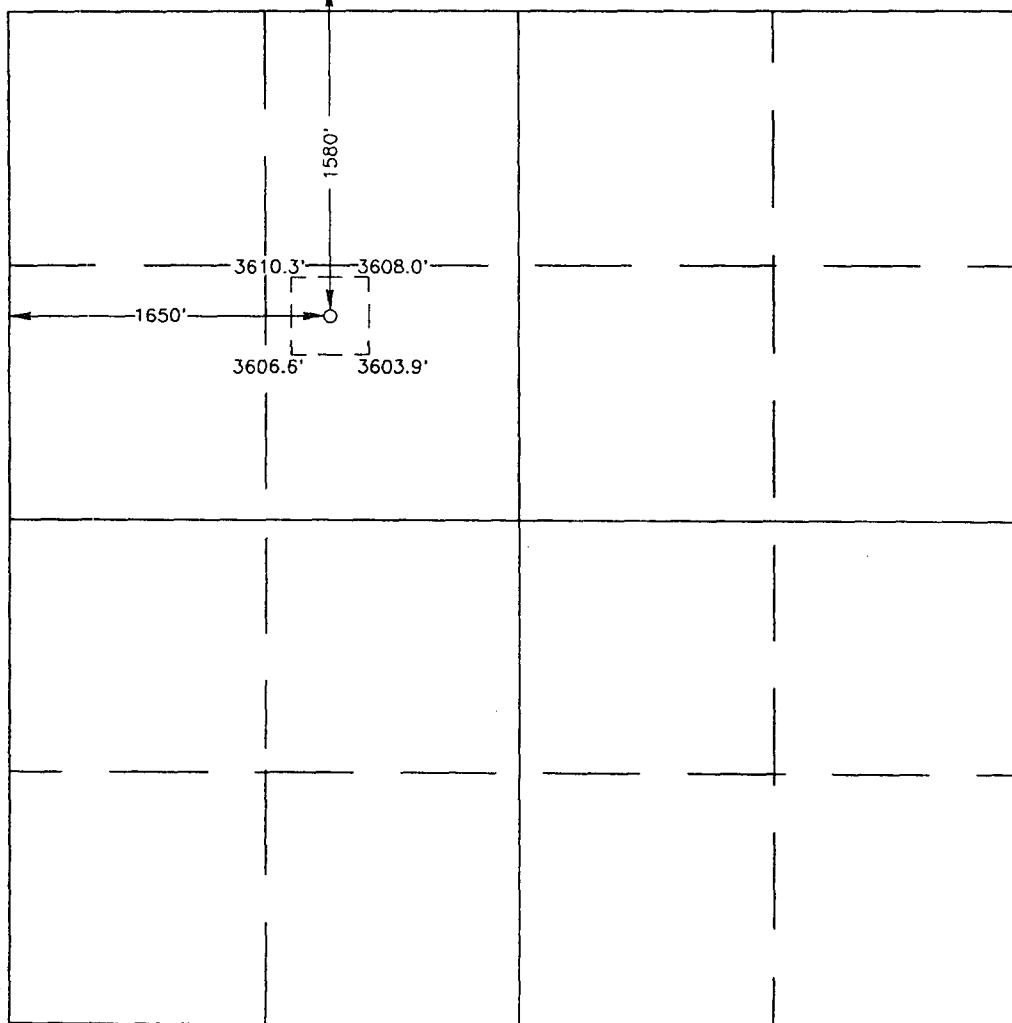
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	29	17 S	29 E		1580	NORTH	1650	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information
contained herein is true and complete to the
best of my knowledge and belief.

Matt J. Brewer
Signature

Matt J. Brewer
Printed Name

Geological Engineer
Title

5/13/98
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

APRIL 22, 1998

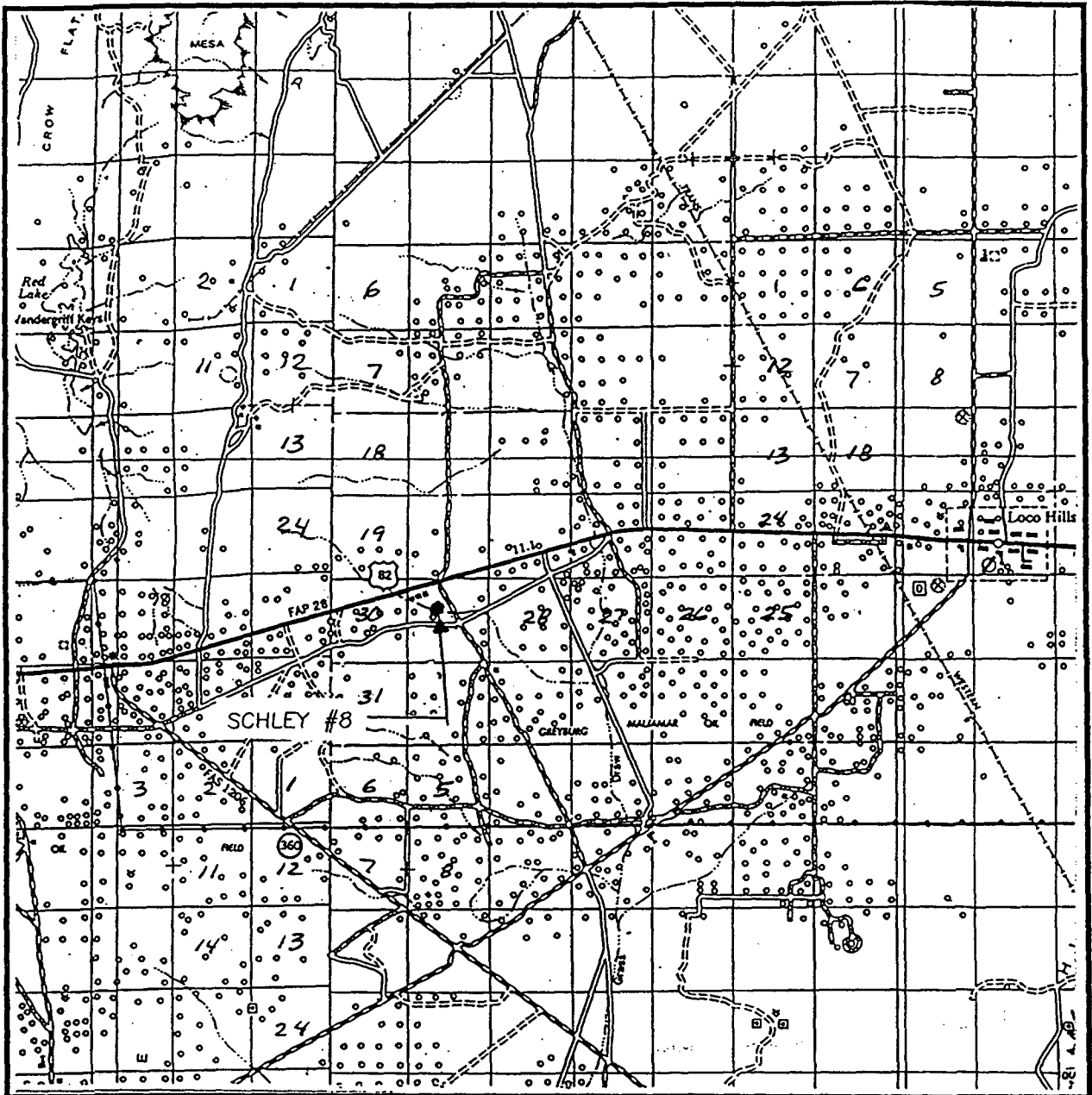
Date Surveyed: 11/11/11 DMCC

Signature & Seal of
Professional Surveyor

NEW MEXICO
1234567890
5-04-98
08-11-06

Certificate No.	RONALD D. DEIDSON	3239
	GARY WILSON	12641
	DAVID McDONALD	12185

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 29 TWP. 17-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1580' FNL & 1650' FWL

ELEVATION 3607

OPERATOR MACK ENERGY CORPORATION

LEASE SCHLEY

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117

THORTH



CONTOUR INTERVAL:
RED LAKE SE - 10'

RED LAKE SE, N.M.

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117**

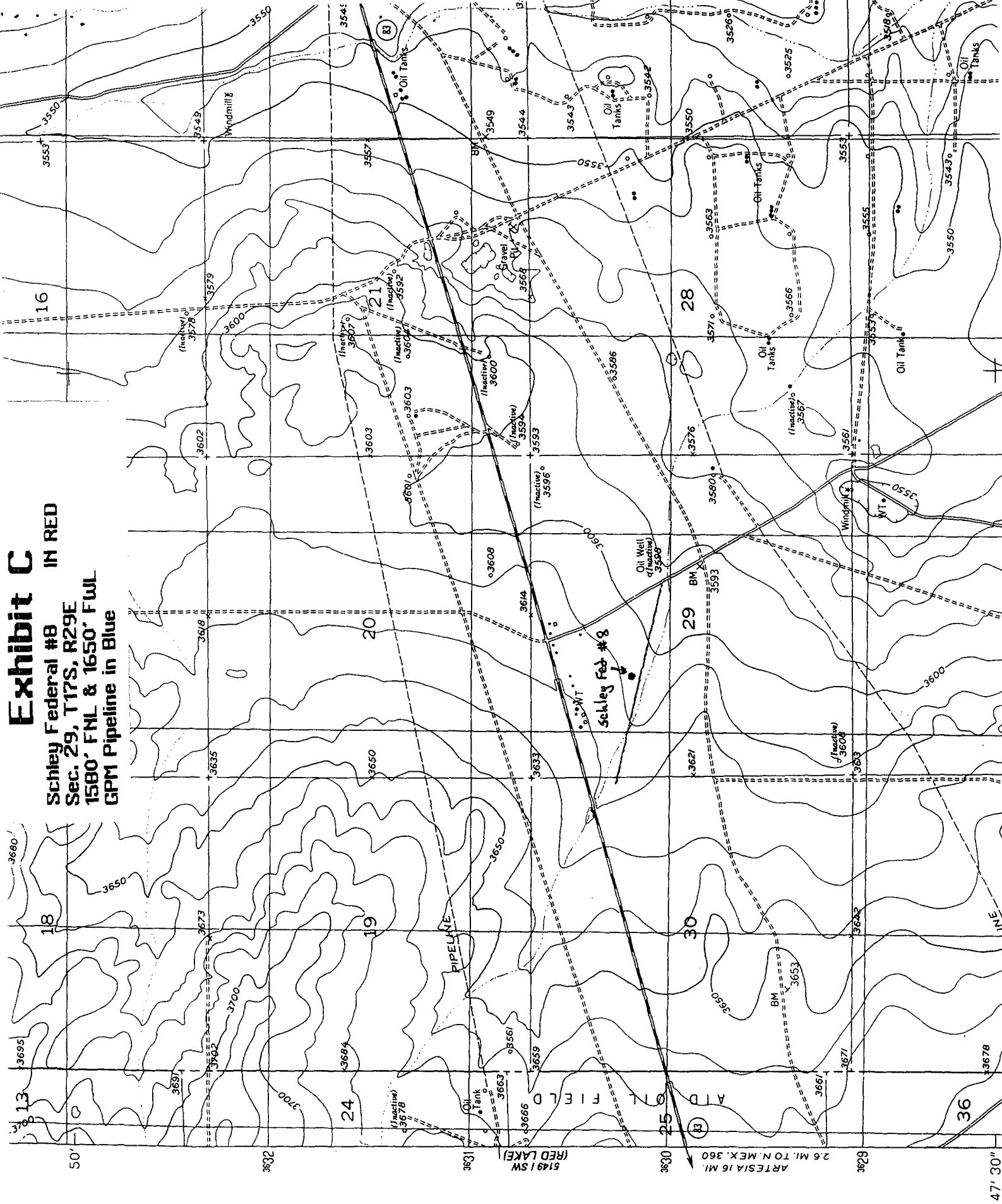
Bridges

**Schley Federal #8
Sec. 29, T17S, R29E
1580' FNL & 1650' FWL**

[illegible][illegible]

Exhibit C

Schley Federal #8 IN RED
Sec. 29, T17S, R29E
1580' FNL & 1650' FWL
GPM Pipeline in Blue



County Eddy Pool Empire-Yeso

TOWNSHIP 17 South Range 28 East NMPM

A 36x36 grid with numbers 1-36 along the top and left edges. A 3x3 square is highlighted in the bottom right corner, spanning rows 34-36 and columns 34-36.

Description: SE 1/4 Sec. 23 (R-10/24, 5-31-94)

County Eddy Pool Empire-Yeso

Pool

Empire - Yeso

TOWNSHIP

TOWNSHIP 17 South

Range

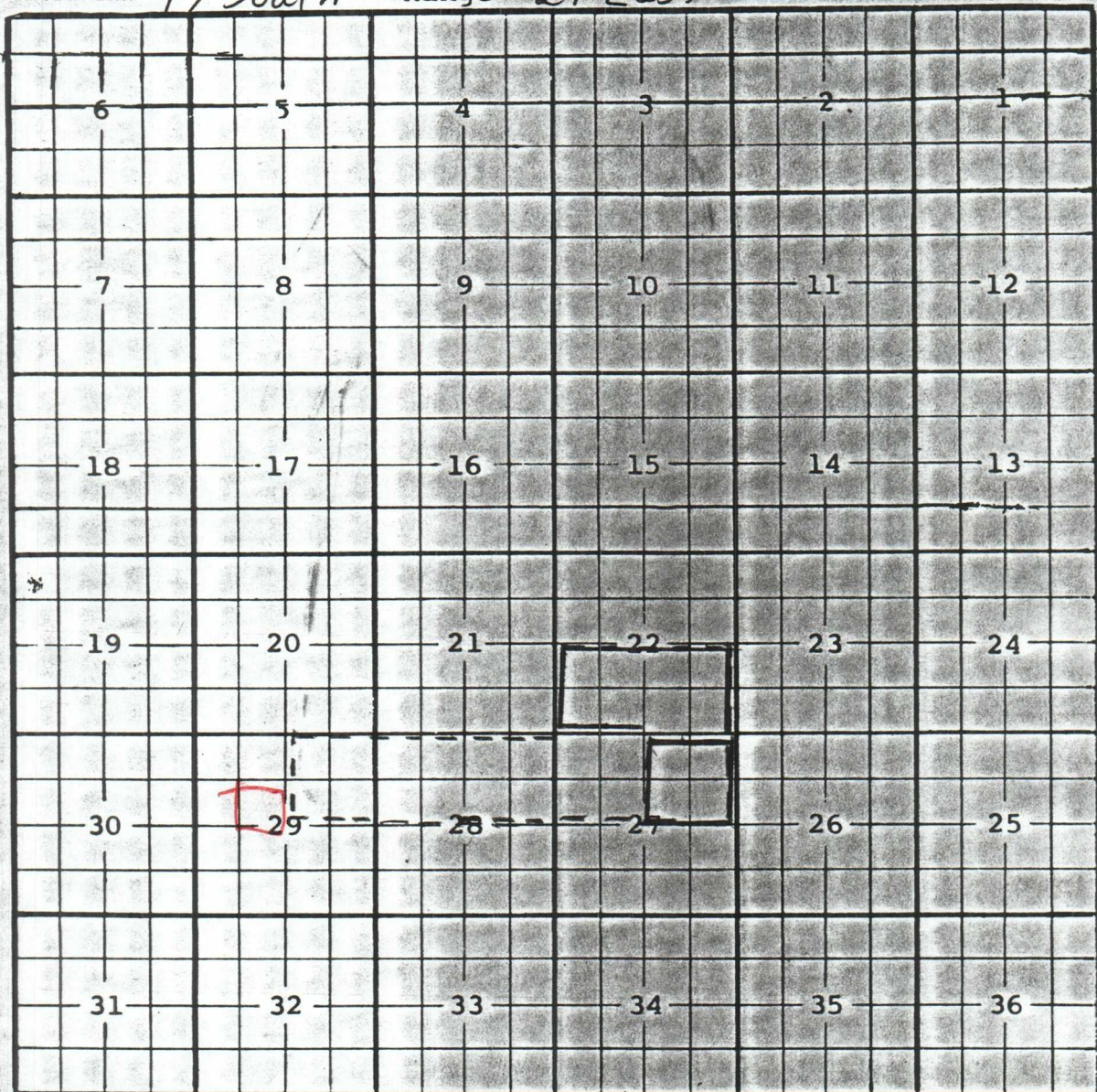
29 East

NMPM

A 36x6 grid of graph paper. The top row contains numbers 1 through 36. The left column contains numbers 6 through 36. A red square is drawn around the number 29, which is located in the row labeled 30 and the column labeled 29.This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are some minor dark spots and smudges on the paper, particularly near the top center and bottom right corner. The paper appears to be a standard notebook or ledger page.

County Eddy Pool East Empire - Yeso

TOWNSHIP 17 South Range 29 East NMPM



Description: $\frac{NE}{4}$ Sec. 27 (R-10724, 1-8-97) Ext: $\frac{S}{2}$ Sec. 22 (R-10951, 2-4-98)