

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

November 7, 2003

Lori Wrotenbery
Director
Oil Conservation Division

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

Attention:

Jerry Sherrell

jerrys@mackenergycorp.com

Administrative Order NSL-4960

Dear Mr. Sherrell:

Reference is made to the following: (i) your application dated November 4, 2003 (administrative application reference No. pMES0-331133281); 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 oil well location Grayburg/San Andres oil well location for the proposed Pearsall "A" Well No. 2 to be drilled 2310 feet from the South line and 1525 feet from the East line (Unit J) of Section 33, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico. The NW/4 SE/4 of Section 33 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit for the Maljamar-Grayburg San Andres Pool (43329).

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 Grayburg/San Andres oil well location is hereby approved.

Sincerely

Lori Wrotenbery

Director

cc: New Mexico Oil Conservation Division - Hobbs

U. S. Bureau of Land Management - Carlsbad