



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

July 9, 2001

**Mack Energy Corporation
P. O. Box 960
Artesia, New Mexico 88211-0960
Attention: Jerry W. Sherrell**

Telefax No. (505) 746-9539

Administrative Order NSL-4605(SD)

Dear Mr. Sherrell:

Reference is made to your application dated June 5, 2001 for Mack Energy Corporation's ("Mack") request for an unorthodox infill oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SE/4 SE/4 (Unit P) of Section 20, Township 17 South, Range 29 East, NMPM, East Empire-Yeso Pool, Eddy County, New Mexico.

This 40-acre unit is currently simultaneously dedicated to Mack's: (i) Rincon State Well No. 1 (**API No. 30-015-30652**) located at a standard oil well location 330 feet from the South and East line of Section 20; and (ii) Rincon State Well No. 2 (**API No. 30-015-30860**) located at a standard oil well location 990 feet from the South and East lines of Section 20.

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 for the East Empire-Yeso Pool within the SE/4 SE/4 of Section 20 is hereby approved:

**Rincon State Well No. 5
180' FSL & 940' FEL
(API No. 30-015-31810).**

Further, both the existing Rincon State Wells No. 1 and 2 and the proposed Rincon State Well No. 5 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