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William F. Carr

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July 29, 2003

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Oil Conservation Division

HAND-DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Case 13135

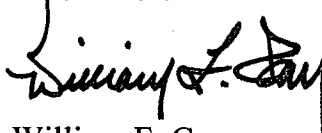
Re: Application of Mack Energy Corporation for approval of a unit agreement,
Eddy County, New Mexico.

Application of Mack Energy Corporation for approval of injection for
pressure maintenance, Eddy County, New Mexico.

Dear Ms. Wrotenbery:

Enclosed in duplicate is the application of Mack Energy Corporation for approval of its Aoudad State Unit and two copies of Oil Conservation Division Form C-108 which is Mack Energy Corporation's application for a pressure maintenance project in this unit area. Drafts of legal advertisements for each application are also enclosed. Mack Energy Corporation requests that these applications be placed on the Division Examiner Hearing docket set for August 21, 2003.

Very truly yours,



William F. Carr

Enclosures

cc: Mr. C. Scott Atkinson
Marbob Energy Corporation
Post Office Box 10526
Midland, Texas 79702-0526

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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JUL 29 2003

Oil Conservation Division
CASE NO. 13135

APPLICATION OF MACK ENERGY
CORPORATION FOR APPROVAL
OF A UNIT AGREEMENT,
EDDY COUNTY, NEW MEXICO.

APPLICATION

MACK ENERGY CORPORATION ("Mack"), through its undersigned attorneys, hereby makes application for an order approving its Aoudad State Unit and in support of this application states:

1. The proposed Unit Area consists of 320.00 acres, more or less, of State of New Mexico lands, situated in Eddy County, New Mexico. The horizontal limits of said unit are described as follows:

Township 17 South, Range 31 East, N.M.P.M.

Section 36: All

2. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.

3. The Applicant, Mack Energy Corporation, is designated as Unit Operator in said Unit Agreement and all oil and gas in the all formations are unitized.

4. The proposed Unit Area covers all, or substantially all, of the geological structures or anomaly involved.

5. Said Unit Agreement and the unitized operation and management of the Unit Area will be in the interest of conservation and the prevention of waste, and that it will protect the correlative rights of all parties concerned.

WHEREFORE, Mack Energy Corporation requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 21, 2003, that notice be given as required by law and the rules of the Division, and that the Aoudad State Unit be approved.

Respectfully submitted,

HOLLAND & HART, LLP

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR MACK ENERGY
CORPORATION

CASE NO. _____:

Application of Mack Energy Corporation for approval of a Unit Agreement, Eddy County, New Mexico. Applicant seeks approval of the Aoudad State Unit for an area comprising 320.00 acres of State of New Mexico lands in Section 36, Township 17 South, Range 31 East, NMPM which is located approximately 5 miles southwest of Maljamar, New Mexico.

6ASE NO. _____:

Application of Mack Energy Corporation for approval of a pressure maintenance project and qualification of the Project Area for the Recovered Oil Tax rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant in the above-styled cause, seeks approval of its Aoudad State Pressure Maintenance Project by injection of water into the Grayburg-San Andres formations through one injection well located in the following described area:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

Section 36: All

The applicant requests that the Division establish procedures for the administrative approval of additional injection wells within the unit area without the necessity of further hearings and the adoption of any provisions necessary for such other matters as may be appropriate for said pressure maintenance operations.

Said area is located approximately 5 miles southwest of Maljamar, New Mexico.