



FOR RECORD ONLY

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

December 28, 2001

Mack Energy Corporation

P. O. Box 960

Artesia, New Mexico 88211-0960

Attention: Crissa D. Carter

ccarter@pvtnetworks.net

Telefax No. (505) 746-9539

Administrative Order NSL-4678

Dear Ms. Carter:

Reference is made to the following: (i) your application (*application reference No. pKRV0-135128811*) that was submitted to the New Mexico Oil Conservation Division ("Division") on December 13, 2001; and (ii) the Division's records in Santa Fe: all concerning Mack Energy Corporation's request for an unorthodox Paddock oil well location for the proposed BC Federal Well No. 7 to be drilled 2410 feet from the North line and 1650 feet from the East line (Unit G) of Section 19, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico. The SW/4 NE/4 of Section 19 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit for the Maljamar-Paddock Pool (44500).

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 oil well location is hereby approved.

Sincerely

Lori Wrotenbery

Director

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

