



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 28, 1998

Marbob Energy Corporation
P. O. Box 227
Artesia, New Mexico 88211-0227
Attention: Raye Miller

Administrative Order NSL-4020

Dear Mr. Miller:

Reference is made to your application dated April 20, 1998 for an unorthodox Morrow gas well location for the proposed Chalk Bluff Federal Com. Well No. 1 to be drilled 1650 feet from the South line and 1450 feet from the East line (Unit J) of Section 6, Township 18 South, Range 27 East, NMPM, Red Lake-Pennsylvanian Gas Pool, Eddy County, New Mexico. Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of said Section 6 being a standard 321.65-acre gas spacing and proration unit for said pool is to be dedicated to said well.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Order No. R-4611, issued in Case No. 5034 and dated August 13, 1973, and Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,



Lori Wrottenbery
Director

LW/MES/kv

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