

HOLLAND & HART^{LLP}



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January 5, 2010

HAND-DELIVERED

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

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Case 14422

Re: Application of Marbob Energy Corporation for compulsory pooling, Lea County, New Mexico.

Dear Mr. Fesmire:

Enclosed is the application of Marbob Energy Corporation in the above-referenced case as well as a copy of a legal advertisement. Marbob Energy Corporation requests that this matter be placed on the docket for the February 4, 2010 Examiner hearings.

Sincerely,

Ocean Munds-Dry
Ocean Munds-Dry

Enclosures

cc: Ross Duncan

Holland & Hart LLP

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

IN THE MATTER OF THE APPLICATION
OF MARBOB ENERGY CORPORATION FOR
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 14422

APPLICATION

MARBOB ENERGY CORPORATION, ("Marbob") through its undersigned attorneys, hereby makes application to the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order pooling all mineral interests from the surface to the base of the Bone Spring formation in the following described project area located in the E/2 E/2 of Section 17, Township 19 South, Range 32 East, N.M.P.M., Lea County, New Mexico to form a 160-acre project area in the Bone Spring formation. In support of its application, Marbob states:

1. Marbob is a working interest owner in the E/2 E/2 of said Section 17 and has the right to drill thereon.

2. Marbob proposes to dedicate the above-referenced spacing or proration units to its Stealth Fed Com Well No. 1H drilled from a surface location 330 feet from the South line and 600 feet from the East line (Unit P) and a bottomhole location 330 feet from the North line and 380 feet from the East line (Unit A) of said Section 17.

3. Marbob has been unable to locate and obtain voluntary agreement for the development of these lands from certain working interest owners in the subject spacing unit. These owners are identified on Exhibit A to this application.

4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit Marbob to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Marbob Energy Corporation should be designated the operator of the well to be drilled.

WHEREFORE, Marbob Energy Corporation requests that this application be set for hearing before an Examiner of the Oil Conservation Division on February 4, 2010 and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject project area,
- B. designating Marbob Energy Corporation operator of this project area and the well to be drilled thereon,
- C. authorizing Marbob Energy Corporation to recover its costs of drilling, equipping and completing the well,
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and
- E. imposing a 200% penalty for the risk assumed by Marbob Energy Corporation in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,
HOLLAND & HART LLP

By: Ocean Munds-Dry
William F. Carr
Ocean Munds-Dry
Post Office Box 2208
Santa Fe, New Mexico 87504
(505)988-4421

ATTORNEYS FOR MARBOB ENERGY
CORPORATION

EXHIBIT A

**APPLICATION OF
MARBOB RESOURCES, INC.
FOR COMPULSORY POOLING
E/2 E/2 SECTION 17, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO.**

Tritex Energy A LP
Attn: Randall Harris – Exploration Manager
P.O. Box 1466
Artesia, New Mexico 88211-1466

CASE 14422:

Application of Marbob Energy Corporation for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation in the following described project area located in the E/2 E/2 of Section 17, Township 19 South, Range 32 East, N.M.P.M., Lea County, New Mexico to form a 160-acre project area in the Bone Spring formation. Said unit is to be dedicated to its Stealth Fed Com No. 1H drilled from a surface location 330 feet from the South line and 600 feet from the East line and a bottomhole location 330 feet from the North line and 380 feet from the East line of said Section 17. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Marbob Energy Corporation, as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 14.2 miles south of Maljamar, New Mexico.