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#### BEFORE THE

## OIL CONSERVATION DIVISION

## NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF MARBOB ENERGY CORPORATION FOR DIRECTIONAL DRILLING AND AN UNORTHODOX BOTTOMHOLE LOCATION, CHAVES COUNTY, NEW MEXICO.

CASE NO. 11306

#### **APPLICATION**

Marbob Energy Corporation, through its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its Leaping Lizard Federal No. 1 Well to the Devonian formation, South Lone Wolf-Devonian Pool, and in support of this application states:

 Applicant is the operator of the NE/4 NW/4 of Section 4, Township 14 South, Range 29 East, N.M.P.M., Chaves County, New Mexico.

2. Applicant proposes to re-enter its Leaping Lizard Federal No. 1 Well at a surface location 421 feet from the North line and 2381 feet from the West line of Section 4, kick-off at a depth of approximately 9000 feet and drilling in a northeasterly direction to a proposed unorthodox bottomhole location within 50 feet of a point 300 feet from the North line and 2610 feet from the West line of said Section 4, with the intent of testing the Devonian formation.

3. Applicant proposes to dedicate to the Leaping Lizard Federal No. 1 Well a standard spacing or proration unit comprised of the NE/4 NW/4 of said Section 4.

4. Directionally drilling this well will enable Marbob Energy Corporation to more efficiently produce the reserves which underlie the above-described proration unit.

5. Approval of this application will enable the Applicant to produce hydrocarbons that otherwise would not be produced and will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on June 15, 1995, that notice be given as required by law and the rules of the Division, and that the Division enter its Order granting this application and providing such other relief as is proper.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

Bv:

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ATTORNEYS FOR MARBOB ENERGY CORPORATION

APPLICATION, Page 2