

Jack Ahlen

CONSULTING GEOLOGIST
533 PETROLEUM BUILDING
ROSWELL, NEW MEXICO 88201

24 May 1994

Bureau of Land Management
1717 W. Second St.
Roswell, N.M. 88201

Re: Marigold Unit Area
Sec. 6,7, T12S R38E
Lea Co., New Mexico

Dear Sirs:

The above referenced unit area has been formed in an effort to produce additional commercial oil and gas from the nearly depleted Gladiola field in Lea County, New Mexico.

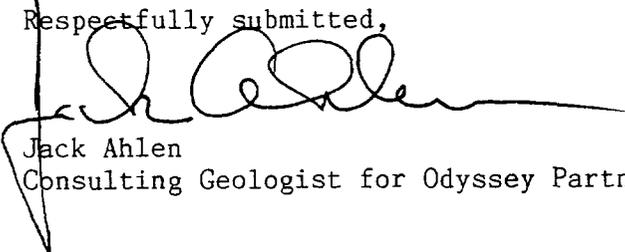
A 3-D seismic survey has been run over a portion of Gladiola field. The attached structure map, T/Devonian Lime, at the scale of 1 inch equals 500 feet shows a structural anomaly which covers approximately 40 acres and is enclosed within the proposed 80 acre unit area. The unit area is based on the configuration of the -8080 contour line. A well at the proposed location drilled to a depth of 12,500 feet should adequately test the highest part of the structure. One well is sufficient to drain the structure. Approximately 50% of the volume of the structure is located in section 6 and the remaining 50% is located in section 7. This relationship should be the basis for division of the proceeds from this project.

Unitization and/or communitization of the common productive area appears to be the most reasonable method of development, rather than drilling separate wells on each 40 acre tract. The State of New Mexico Oil Conservation Division will not allow communitization across the common section line of sections 6 and 7. It is suggested that this prospect is then logically suited for development under a unit plan.

Reservoir studies suggest that an additional 650,000 barrels of oil will be recovered as a result of the successful completion of this project.

We request that the BLM formally designate the above referenced area as a unit.

Respectfully submitted,


Jack Ahlen
Consulting Geologist for Odyssey Partners L.

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 10980 Exhibit No. 8Submitted by: Odyssey Partners, Ltd.Hearing Date: May 26, 1994