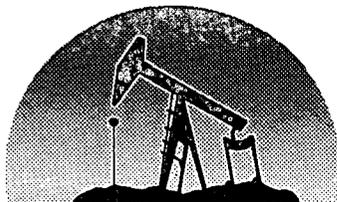
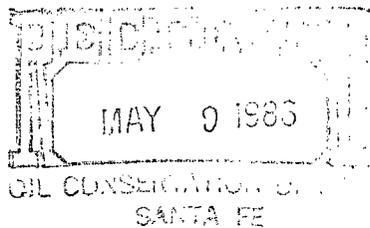


Release Immed.
No. offsets

By DEC



marbob
energy corporation



April 8, 1986

*NISL-2270
RULE-104(A)*

Richard L. Stamets
Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention: David Catanach

Dear Mr. Stamets:

The purpose of this letter is to request administrative approval without notice and hearing of unorthodox well locations pursuant to Order R-7808 of the New Mexico Oil Conservation Division. The following is a list of the footage locations for which administrative approval of unorthodox well locations are sought:

G.J. WEST CO-OP UNIT NO. 80 - *SE1/4 SW1/4*
75 FSL 2303 FWL
Section 21, T-17S, R-29E
Eddy County, New Mexico

G.J. WEST CO-OP UNIT NO. 81 *SW1/4 SE1/4*
1295 FSL 1980 FEL
Section 21, T-17S, R-29E
Eddy County, New Mexico

G.J. WEST CO-OP UNIT NO. 83 *SW1/4 NE1/4*
1345 FNL 2303 FEL
Section 28, T-17S, R-29E
Eddy County, New Mexico

The wells will be completed in the Grayburg San Andres formation in the Grayburg Jackson Seven Rivers Queen Grayburg San Andres Pool. Note that these locations are no closer than 330 feet to an outer boundary of a lease, or in the case of a unit, unitized area, nor closer than 10 feet to any quarter quarter section line or subdivision inner boundary.

Attached to this application as Exhibits "A" through "D" are the following:

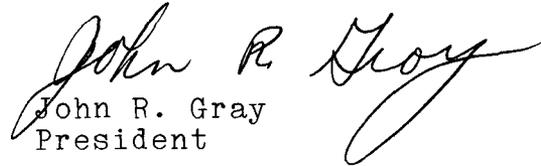
- A. Well location and Acreage Dedication Plats (Forms C-102) filed with the Artesia office of the Oil Conservation Division (Exhibits "A"- "C").

- B. A plat showing the proposed unorthodox locations, the respective proration units, and the offsetting proration units including ownership of the offsetting proration units in the Grayburg San Andres formation in the Grayburg Jackson Seven Rivers Queen Grayburg San Andres Pool (Exhibit "D").

Note that Marbob Energy Corporation is the operator of all offsetting proration units in the Grayburg San Andres formation of the Grayburg Jackson Seven Rivers Queen Grayburg San Andres Pool.

Thank-you very much for your help in this matter. Should you have any further questions or be in need of any additional information, please contact Ron Head or Raye Miller.

Sincerely,


John R. Gray
President

JRG/rsn

Exhibit "A"
 NEW MEXICO OIL CONSERVATION COMMISSION
 WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-128
 Effective 1-1-65

All distances must be from the outer boundaries of the Section.

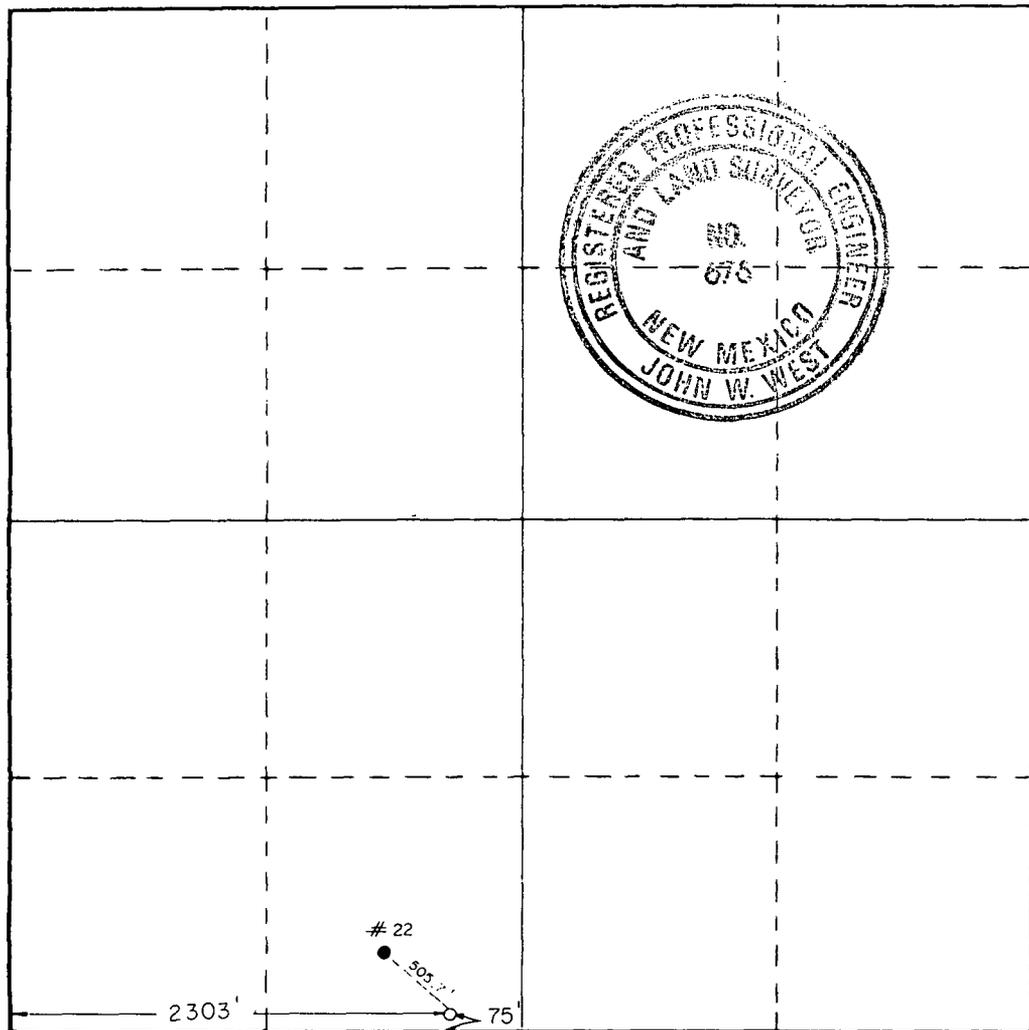
Operator MARBOB ENERGY CORP.		Lease G-J WEST UNIT			Well No. 80
Unit Letter N	Section 21	Township 17S	Range 29E	County EDDY	
Actual Footage Location of Well: 75 feet from the SOUTH line and 2303 feet from the WEST line					
Ground Level Elev. 3585.0	Producing Formation		Pool	Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes!" type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Position
Company
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed APRIL 2, 1986
Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

Exhibit "B"

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

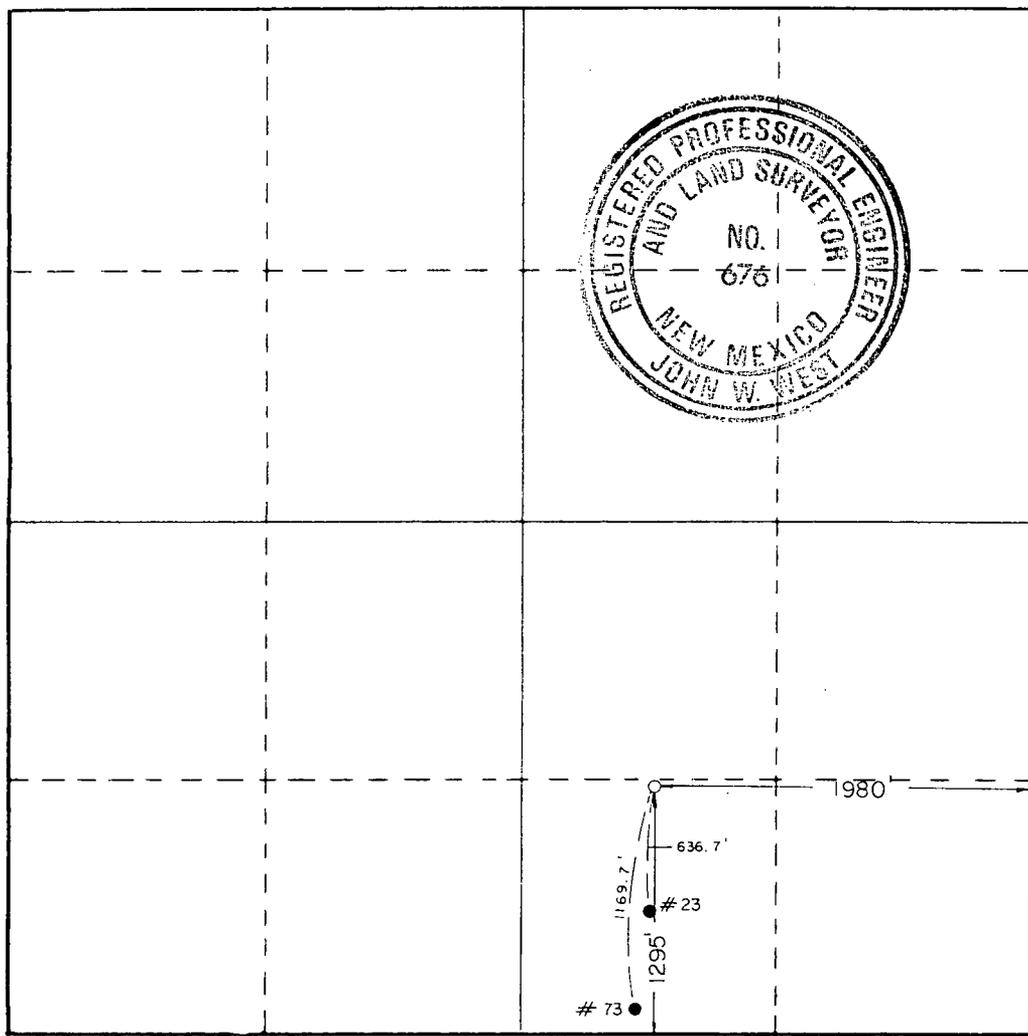
Operator MARBOB ENERGY CORP.			Lease G-J WEST UNIT			Well No. 81		
Unit Letter 0	Section 21	Township 17S		Range 29E	County EDDY			
Actual Footage Location of Well: 1295 feet from the SOUTH line and 1980 feet from the EAST line								
Ground Level Elev. 3568.5	Producing Formation			Pool			Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Position
Company
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed APRIL 1, 1986
Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



Exhibit "C"

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

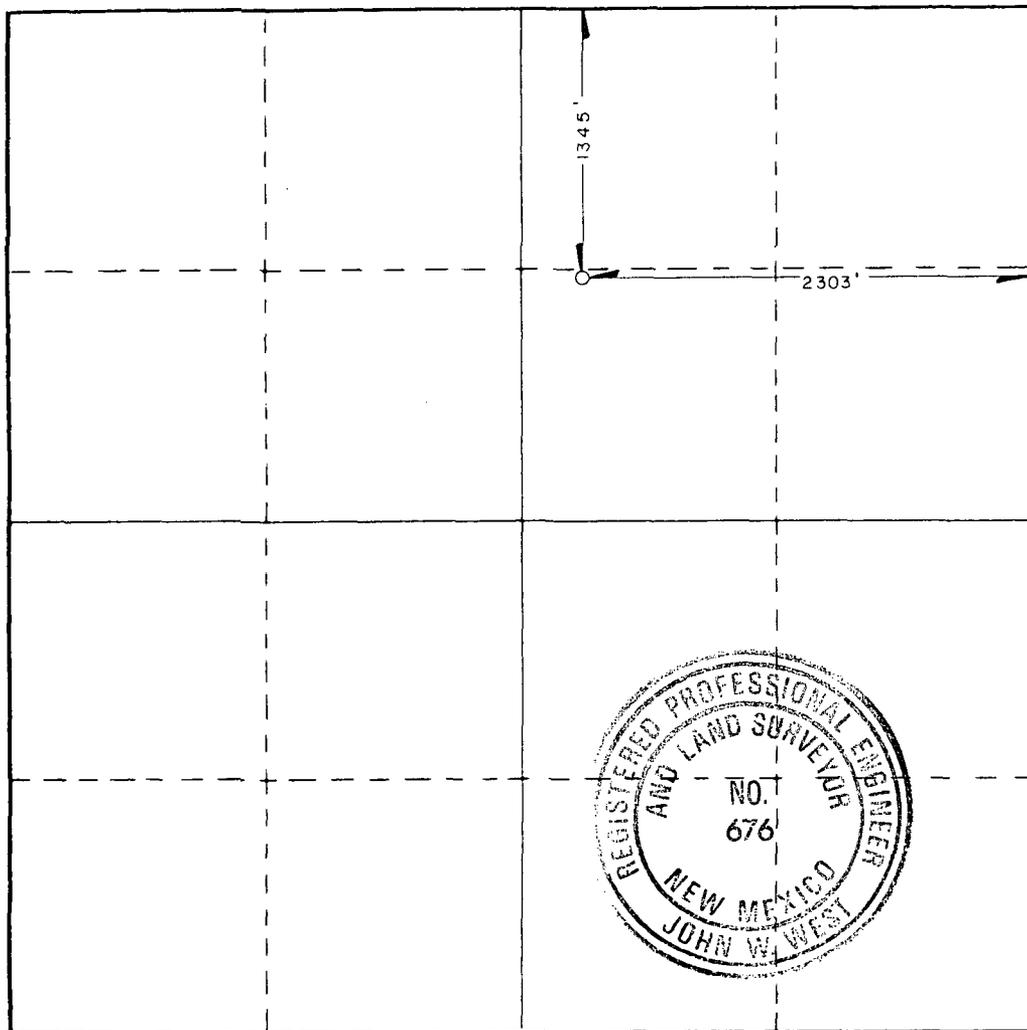
Operator MARBOB ENERGY COMPANY		Lease G-J WEST UNIT		Well No. 83
Unit Letter G	Section 28	Township 17 SOUTH	Range 29 EAST	County EDDY
Actual Footage Location of Well: 1345 feet from the NORTH line and 2303 feet from the EAST line				
Ground Level Elev. 3569.6'	Producing Formation	Pool	Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Position
Company
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed APRIL 1, 1986
Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



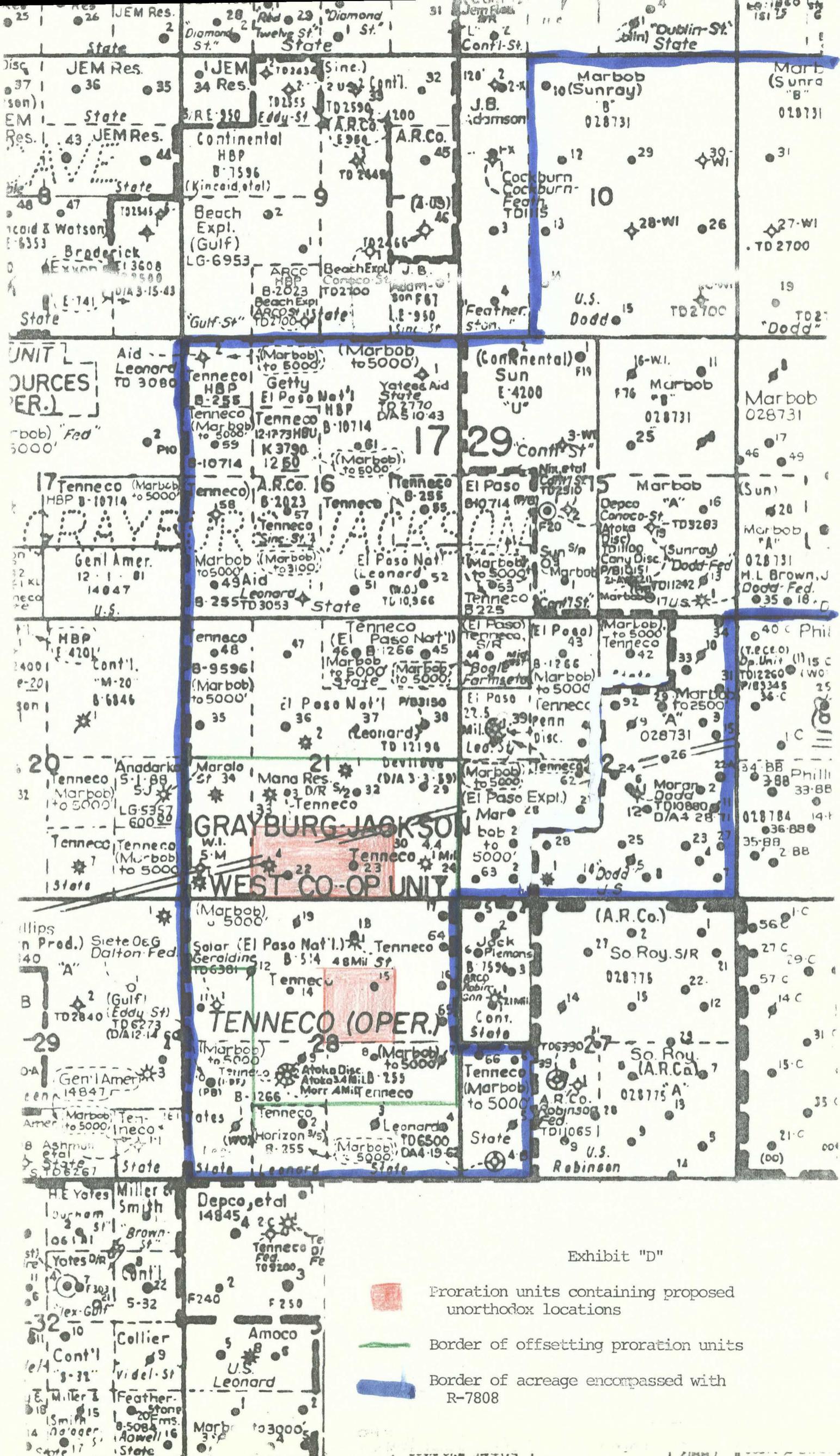


Exhibit "D"

- Proration units containing proposed unorthodox locations
- Border of offsetting proration units
- Border of acreage encompassed with R-7808