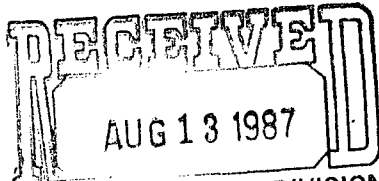




marbob
energy corporation



August 10, 1987

*NSL-238e
RUE-104F(Z)*

William J. LeMay
Director
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

*See pool below
40 Acres dedicated
SW1/4 NW1/4 Section 22*

Dear Mr. LeMay:

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

G.J. West Coop. Unit #86
1650 FNL 25 FWL
Section 22, T-17S, R-29E
Eddy County, New Mexico

The well will be completed in the Grayburg San Andres formation in the Grayburg Jackson Seven Rivers Queen Grayburg San Andres Pool. Note that this location is no closer than 330 feet to an outer boundary of a lease, or in the case of a unit, unitized area, nor subdivision inner boundary.

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

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

- C. Copies of the letters of notification sent to operators or owners of proration units offsetting proration units containing the proposed unorthodox locations in the Grayburg Jackson Seven Rivers Queen Grayburg San Andres Pool (Exhibit "C").

The letters attached as Exhibit "C" have been sent to the offset operator by certified mail and they have been requested to notify you if they have any objection. Note that with the exception of the operators notified 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,

Mack C. Chase
President

MCC/dr

**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.

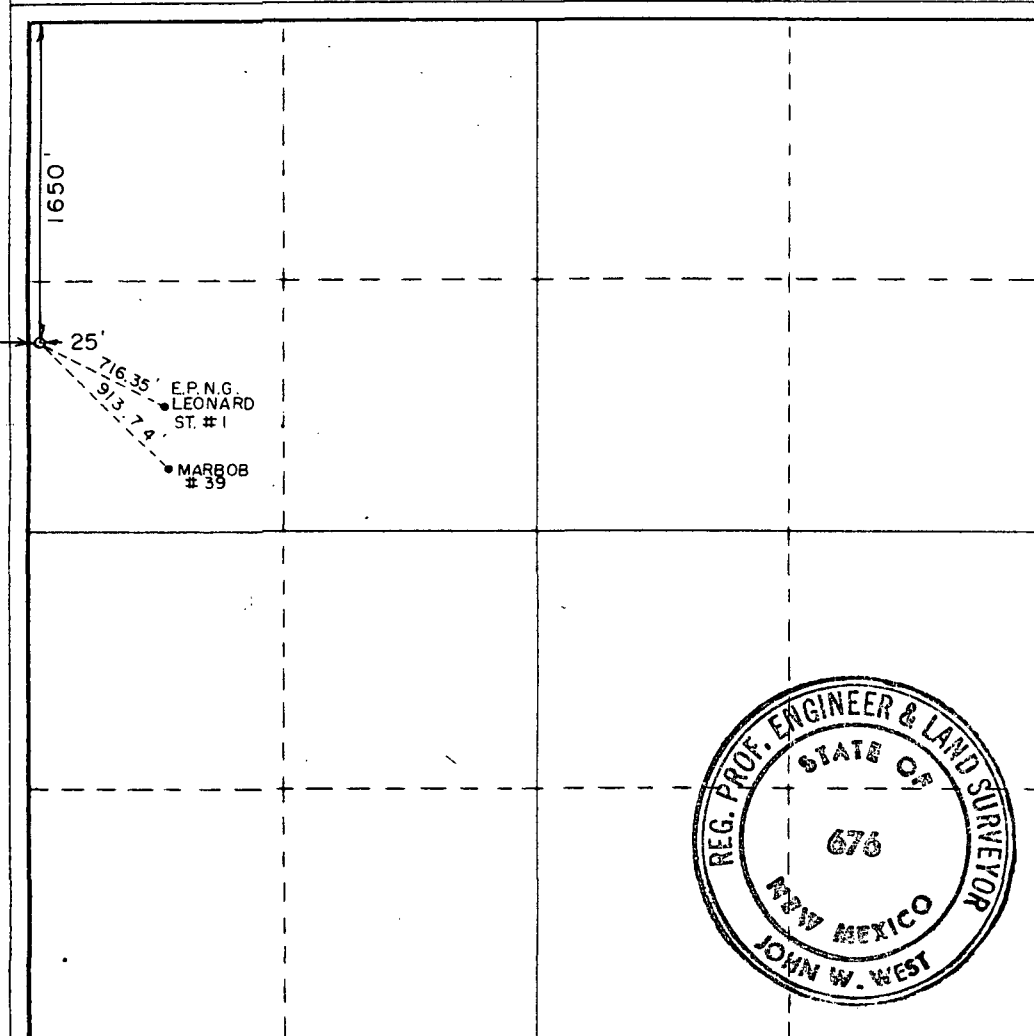
Operator Marbob Energy Corporation			Lease G. J. West Coop		Well No. 86
Unit Letter E	Section 22	Township 17 South	Range 29 East	County Eddy	
Actual Footage Location of Well: 1650 feet from the North line and 25 feet from the West line					
Ground Level Elev. 3555.2	Producing Formation		Pool		Dedicated 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 _____

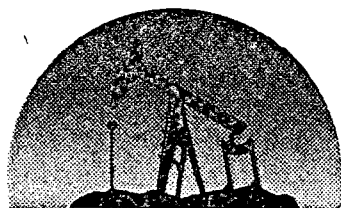
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

June 8, 1987

Registered Professional Engineer and/or Land Surveyor

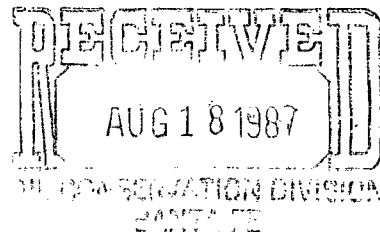
Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239



marbob
energy corporation

August 10, 1987

Midwest Investment Company
P. O. Box 597
Roswell, New Mexico 88201



RE: GJ West Co-Op Unit No.86
1650 FNL 25 FWL
Sec. 22, T-17S, R-29E.
Eddy County, New Mexico
Grayburg Jackson Seven Rivers
Queen Grayburg San Andres Pool.

Gentlemen:

Marbob Energy Corporation as operator of the above well hereby notifies you that we have applied to the New Mexico Oil Conservation Division for administrative approval without notice and hearing of an unorthodox location pursuant to order R-7808 of the New Mexico Oil Conservation Division.

You are being contacted as an operator or owner of a proration unit offsetting the above described location in the Grayburg Jackson Seven Rivers Queen Grayburg San Andres Pool. If you have no objections to the drilling of this well please sign below and forward one copy to the NMOCD in Santa Fe, one copy to this office, and retain one copy for your files. I have provided addressed stamped envelopes for your convenience.

Thank-you very much for your cooperation in this matter.
Please do not hesitate to contact me should you have any
questions.

Sincerely,

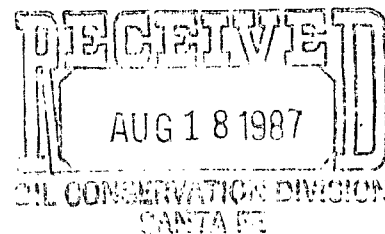
Ron Head

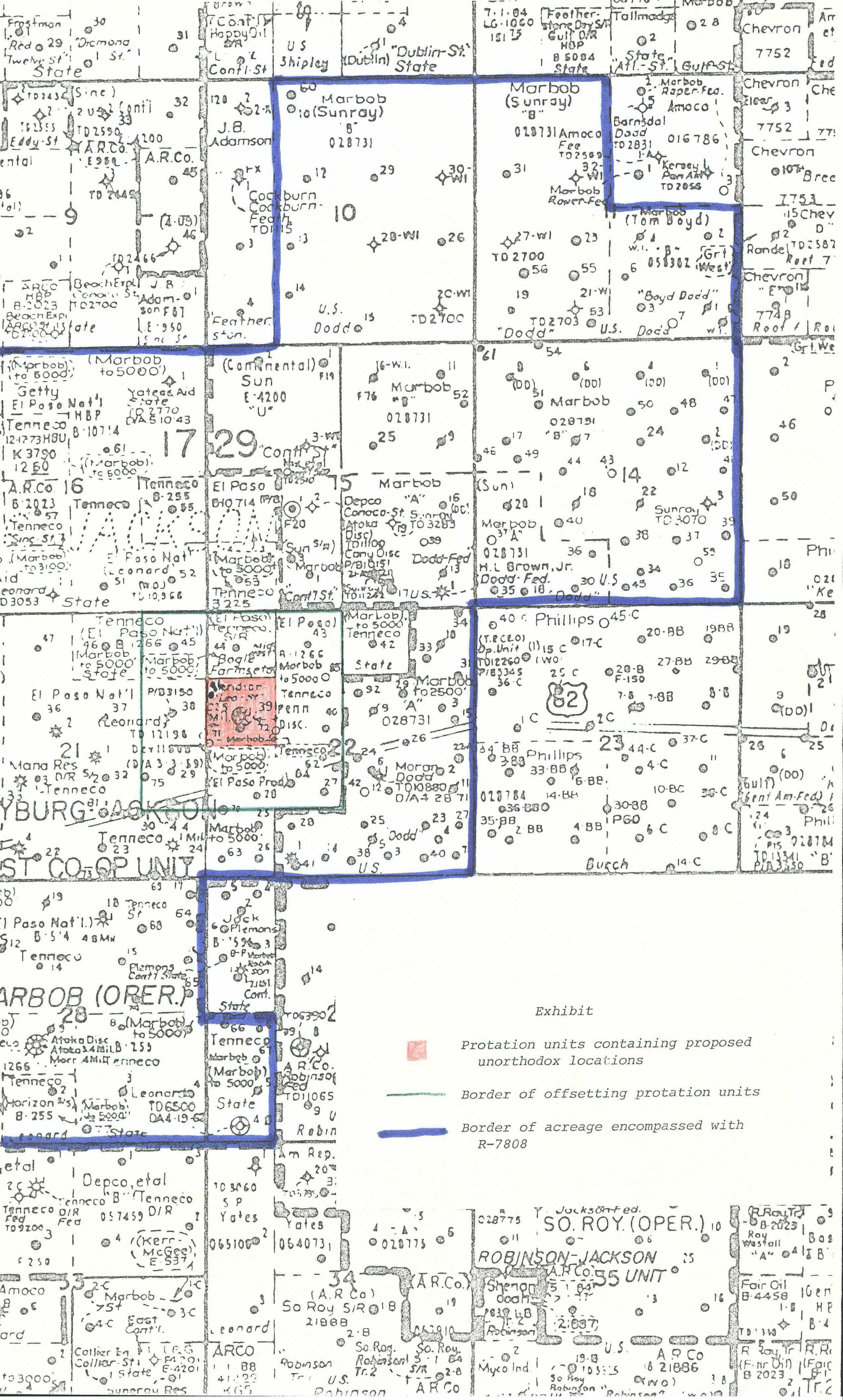
Ron Head
Land Department

APPROVAL

COMPANY: Midwest Investment Co.
BY: Margaret R. Harbour
TITLE: Treasurer
DATE: 8-17-87

CRRR:





Exhibit

Protation units containing proposed unorthodox locations

Border of offsetting protation units

Border of acreage encompassed with R-7808