

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**

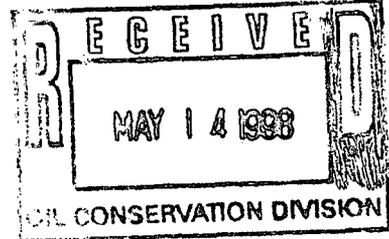
- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

**Application Acronyms:**

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]



**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Directional Drilling  
 NSL    NSP    DD    SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC    CTB    PLC    PC    OLS    OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

**[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

MICHAEL G HANAGAN  
 Print or Type Name

*Michael G Hanagan*  
 Signature

Geologist  
 Title

5/12/98  
 Date



**marbob**  
energy corporation

May 13, 1998

New Mexico Department of Energy, Minerals and Natural Resources  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Attention: Mr. Mike Stogner

RE: APPLICATION FOR ADMINISTRATIVE APPROVAL  
OF UNORTHODOX LOCATION

Marbob Energy Corporation  
Rio Bravo-Fee #1  
478' FNL & 2525' FEL  
Section 30 - T10S - R28E  
Chaves County, New Mexico

Dear Mr. Stogner:

Marbob Energy Corporation (Marbob) hereby makes application pursuant to Oil Conservation Division Rule 104.F(2) for administrative approval to drill the above referenced Rio Bravo-Fee #1 well to the Siluro-Devonian formation at an unorthodox location based on geologic considerations.

Marbob proposes to drill the above referenced well to a unorthodox bottomhole location of 478 feet from the North line and 2525 feet from the East line of Section 30, Township 10 South, Range 28 East, N.M.P.M., Chaves County, New Mexico with the intent of testing the Siluro-Devonian formation.

Exhibit "A" is a plat showing the proposed unorthodox well location, the standard spacing unit for the referenced well, the affected adjoining spacing unit, and lease ownership in the adjoining area. The proposed location is unorthodox to a lease boundary and the governmental quarter-quarter boundary. The spacing unit for the proposed well is outlined in red and the affected adjoining standard 40 acre spacing unit, being the NE/4 NW/4 of section 30, is outlined in blue.

## Application For Unorthodox Location

All of the affected lands consist of fee minerals owned by the following parties:

Plains Radio Petroleum Corporation	L.E. Minerals, Ltd.
J.E. & L.E. Mabee Foundation, Inc	Fina Oil & Chemical Company✓
Samedan royalty Corporation	Selma Andrews Trusts
White Ranch Minerals, Ltd.	Fransisca Winston Test. Trust
Fredrick S. Winston Testamentary Trust	

With the exception of the Selma Andrews Trusts interest (0.78125%), Cibola Energy Corporation and Eldorado Oil Company, Ltd are the lessees of record of all of the mineral interests below the San Andres formation under the lands shown in yellow on Exhibit "A" which includes the spacing/proration unit for the proposed well. Marbob has entered into an agreement with Cibola covering Cibola's interests in the affected lands which designates Marbob as operator on the affected lands. Marbob is in the process of leasing the above mentioned Selma Andrews interest and has received verbal approval from the Trustee as to their intentions to lease to Marbob.

As to the affected offsetting unit, Marbob has obtained leases on 75% of the mineral interests on the lands shown in green on Exhibit "A" and Marbob is in the process of obtaining leases from the mineral owners on the remainder of these lands. Marbob has notified all of the mineral owners of this application..

Exhibit "B" is a geologic map derived from 3D seismic information showing the structure at the top of the Mississippian formation. The Mississippian formation normally mimics the Devonian formation and is the deepest seismic event that can be reliably mapped. The attached Mississippian Structure Map shows a fault bounded structural closure having approximately 75 feet of closed structural relief with an area under closure of around 110 acres. The crestal position on this structure is shown in the red and yellow colored area. The proposed unorthodox location for the Rio Bravo-Fee #1 is located at the highest structural position. The estimated productive area for this feature should be approximately 40 acres (red & yellow areas) with an oil column thickness of 10'-20'. Recoverable reserves from one well drilled in an optimum location on this feature are estimated to be between 100,000 barrels of oil and 150,000 barrels of oil with very little to no associated gas.

At the nearest orthodox location of 2310 feet from the east line of section 30 there is an increased risk of encountering the Siluro-Devonian formation at a position 15' to 25' structurally lower than at the proposed unorthodox location.

Structural position is the single-most important aspect of productive Siluro-Devonian reservoirs found in this area. Oil columns are generally less than 30' thick and in some cases appear to be only 10' thick. Additional recoverable reserves from gaining just 10' of structural relief over an area of only 20 acres should be around 40,000 to 50,000 barrels of additional oil.

The proposed unorthodox location for the Rio Bravo-Fee #1 should provide the opportunity for additional recoverable oil reserves.

As Exhibit "B" illustrates, this is a small feature that covers most of the NW/4 NE/4 of section 30 and small parts of 3 other standard proration units (NE/4 NW/4 of 30, SW/4 SE/4 of 19 and SE/4 SW/4 of 19). Due to the morphology of the feature and the location of the feature within the section combined with existing spacing rules, Marbob

## Application For Unorthodox Location

could theoretically be forced into drilling four wells into this small feature in order to fully protect our interests. It is Marbob's opinion that by drilling only one well at an optimum location on this feature we can effectively and efficiently drain this reservoir, will optimize recoverable reserves and will prevent waste that would be incurred by drilling unnecessary development wells. There will be no encroachment of correlative rights due to the proposed unorthodox location as there is common ownership across all affected lands.

Upon completion of the Rio Bravo-Fee #1 as a producer, Marbob, initially, proposes to dedicate to the Rio Bravo #1 well a standard spacing/proration unit consisting of the NW/4NE/4 of Section 30. However, due to the considerations discussed in the preceding paragraph of this application, Marbob will likely submit an application to the NMOCD requesting special pool rules that would provide for a 160 acre proration unit comprised of the SE/4 SW/4 & SW/4 SE/4 of section 19-T10S-R28E and the NW/4 NE/4 & NE/4 NW/4 of section 30-T10S-R28E. Marbob has acquired, or is in the process of acquiring, oil and gas leases on all of these lands.

Oil Conservation Division Rule 104.F(4) requires that the applicant submit a statement attesting that the applicant has sent notification to the affected parties as defined in Oil Conservation Division Rule 104.F(3b). The following parties have been provided with written notification of this Application for Administrative Approval of Unorthodox Location:

Plains Radio Petroleum Company (royalty owner)  
P.O. Box 1300  
Amarillo, TX 79105

L.E. Minerals, Ltd. (royalty owner)  
P.O. Box 874  
Roswell, NM 88202-0874

J.E. & L.E. Mabee Foundation, Inc (royalty owner).  
401 South Boston  
Mid Continent Tower, 30th Floor  
Tulsa, OK 74103

Fina Oil & Chemical Company (royalty owner)  
P.O. Box 2990  
Midland, TX 79705-2990

Samedan Royalty Corporation (royalty owner)  
P.O. Box 1927  
Ardmore, OK 73402-1927

NationsBank of Texas, N.A., Trustee of Selma E. Andrews Trusts (royalty owner)  
P.O. Box 830308  
Dallas, TX 75283-0308

Application For Unorthodox Location

White Ranch Minerals, Ltd. (royalty owner)  
4800 First Bank Place  
Minneapolis, MN 55402

Fredrick Winston & James T. Wyman, Trustees of Fredrick S. Winston Trust  
(royalty owner)  
4800 First Bank Place  
Minneapolis, MN 55402

Fredrick Winston & James T. Wyman, Trustees of Fransisca S. Winston Trust  
(royalty owner)  
4800 First Bank Place  
Minneapolis, MN 55402

Cibola Energy Corporation (Lessee of record)  
P.O. Box 1668  
Albuquerque, NM 87102

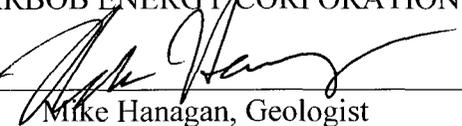
Eldorado Oil Company, Ltd (Lessee of record)  
1114 Avenue of the Americas, 46th Floor  
New York, NY 10036-7798

Marbob has requested waivers from each of the above parties and, upon our receipt, will forward all executed waivers to you. Based on the information contained herein, Marbob requests that the Division Director grant exception to Oil Conservation Division Rules 104.B(1b) and 104.C(1), without notice and hearing, so that Marbob may drill the above referenced Rio Bravo-Fee #1 well at the proposed unorthodox location.

Thank you for your time and for your consideration of this application. Should you have any questions, please feel free to give me a call at 623-5053.

Respectfully Submitted,

MARBOB ENERGY CORPORATION

By: 

Mike Hanagan, Geologist

CC: Mr. Tim Gumm, OCD District II, Artesia

R 28 E

19

T 10 S

Standard 40 acre Spacing Unit

Proposed Location  
Rio Bravo-Fee #1

Affected Adjacent Spacing Unit

30

## Exhibit "A"

### *Application For Unorthodox Location*

*Marbob Energy Corporation*

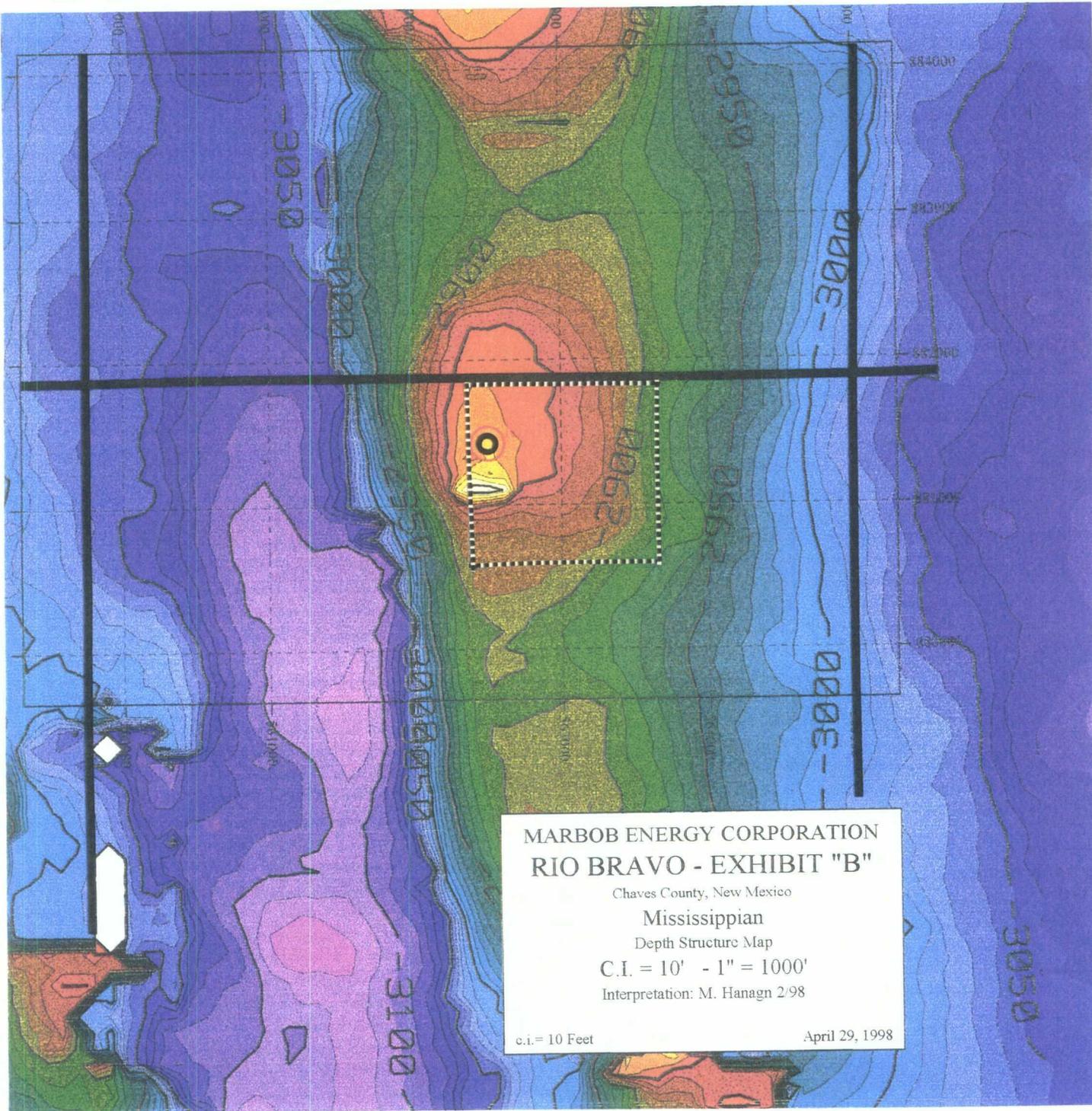
*#1 Rio Bravo -Fee*

*478' FNL & 2525' FWL*

*Section 3 0- T10S - R28E*

*Chaves County, New Mexico*

*Scale: 1" = 1,000'*



**MARBOB ENERGY CORPORATION  
RIO BRAVO - EXHIBIT "B"**

Chaves County, New Mexico

Mississippian

Depth Structure Map

C.I. = 10' - 1" = 1000'

Interpretation: M. Hanagn 2/98

c.i. = 10 Feet

April 29, 1998

OIL CONSERVATION DIVISION  
ARTESIA, NEW MEX. 88210

TO: Stogner  
FROM: MRT  
DATE: 5-22-98

NUMBER OF SHEETS ( INCLUDING TRANSMITTAL SHEET ) 2

HAVE ANY PROBLEMS WITH THIS TRANSMISSION, PLEASE CALL 505-748-1283.

FAX NUMBER (505) 748-9720

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Bravo Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

Form C-101  
Revised February 10, 1994  
Instructions on back

MAY 1998  
RECEIVED  
OCD - ARTESIA

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address: MARBOB ENERGY CORPORATION P.O. BOX 227 ARTESIA, NM 88210		OGRID Number 14049
		API Number 30-00S-43171
Property Code 23299	Property Name RIO BRAVO FEE	Well No. 1

Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South Line	Feet from the	East/West Line	County
B	30	10S	28E	NWNE	478	NORTH	2525	EAST	CHAVES

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South Line	Feet from the	East/West Line	County

Proposed Pool 1 WILDCAT Bassa Track; Devonian, S.P. 96811	Proposed Pool 2 Post ID-1 5-22-95
---	---

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code P	Grand Level 3739' GR
Multiples	Proposed Depth BRILL	Formation BRILL	Contractor BRILL	Spud Date

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Seals of Cement	Estimated TOC
17 1/2"	13 3/8"	48	250'	315 SX	CIRCULATED
12 1/4"	8 5/8"	24	1575'	775 SX	CIRCULATED
7 7/8"	5 1/2"	17	7200'	300 SX	6500 MIN.

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

DRILL 17 1/4" HOLE TO 250' (RUSTLER), SET 13 3/8" CSG & CIRC CMT - NU BOPE -  
DRILL 12 1/4" HOLE TO APPROX 40' INTO SAN ANDRES FORM (1575'), SET 8 5/8" CSG  
& CIRC CMT - NU 3000 BOPE - DRILL 7 7/8" HOLE TO APPROX 7200', SET 5 1/2" CSG  
TO TD AND CMT W/SUFFICIENT CMT TO COVER PRODUCTION ZONE PLUS A MINIMUM OF 500'  
OF CMT ABOVE PRODUCTION ZONE. 18 hours WOC on 13 3/8" ; 8 5/8" casing.

*(Signature)*

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

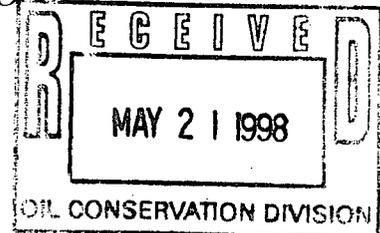
Signature: *Rhonda Nelson*  
Printed name: RHONDA NELSON  
Title: RPRODUCTION CLERK  
Date: 5/12/98  
Phone: 748-3303

OIL CONSERVATION DIVISION  
Approved by: *Sign W. Dean*  
Title: *District Supervisor*  
Approval Date: 5-18-98  
Expiration Date: 5-18-99  
Conditions of Approval: *NSL*  
Attached  *DRILL ONLY*



**marbob**  
energy corporation

May 18, 1998



*New Mexico Department of Energy,  
Minerals and Natural Resources  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505*

*Attention: Mr. Mike Stogner*

*RE: APPLICATION FOR ADMINISTRATIVE APPROVAL  
OF UNORTHODOX LOCATION  
Marbob Energy Corporation  
Rio Bravo Fee #1 - 478' FNL and 2525' FEL  
Section 30-10S-28E, Chaves County, New Mexico*

*Dear Mr. Stogner:*

*Enclosed are copies of the letters, along with a copy of the receipts for certified mail, which we mailed out to the partners for the above referenced unorthodox location. We mailed the application to your office on May 13, 1998.*

*Thank you for your help in this matter. If you have any questions, please contact Mike Hanagan at (505) 622-6182.*

*Sincerely,*

*Misti McLurg  
Land Department*

*/mm  
Enclosures*



---

**marbob**  
energy corporation

---

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Plains Radio Petroleum Company  
P.O. Box 1300  
Amarillo, TX 79105

ATTENTION: Mr. Jim Walker

RE: Application of Marbob Energy Corporation for Administrative  
Approval of Unorthodox Location  
Rio Bravo-Fee #1  
478' FNL & 2525' FEL  
Section 30-T10S-R28E, NMPM  
Chaves County, New Mexico

This letter is to advise you that Marbob Energy Corporation has filed the enclosed application with the New Mexico Oil Conservation Division (NMOCD) seeking administrative approval of unorthodox location for the Rio Bravo-Fee #1 well which will be drilled at a location of 478' FNL and 2525' FEL of section 30, Township 10 South, Range 28 East, NMPM, Chaves County, New Mexico.

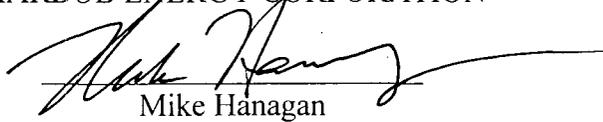
The Division Director of the NMOCD may administratively approve this application without hearing if no affected party has filed a written objection with the NMOCD within twenty days from the affected parties receipt of this notice. As you are a mineral owner in subject spacing unit and/or the adjoining spacing unit you qualify as an affected party. Failure to file such written objection to the application may preclude you from challenging this application at a later date.

Should you have no objection to this application, Marbob would ask that you so indicate in the space provided for below, keeping one copy for your records and returning one copy to Marbob. Marbob will then forward a copy of each approval to the NMOCD.

The enclosed application should answer most of your questions regarding this matter, however, should you have any questions, please give me a call at 505-623-5053 or Raye Miller at 505-748-3303 and we will make every attempt to adequately address your concerns..

Sincerely,

MARBOB ENERGY CORPORATION



Mike Hanagan

\_\_\_\_\_ **I/We have no objection to the application by Marbob Energy Corporation for administrative approval of unorthodox location for its Rio Bravo-Fee #1 well which will be located 478' FNL and 2525' FEL of section 30, Township 10 South, Range 28 East, NMPM, Chaves County, New Mexico.**

**BY:** \_\_\_\_\_

**FOR:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATED:** \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

L.E. Minerals, Ltd.  
P.O. Box 874  
Roswell, NM

ATTENTION: Mr. Phelps White

RE: Application of Marbob Energy Corporation for Administrative  
Approval of Unorthodox Location  
Rio Bravo-Fee #1  
478' FNL & 2525' FEL  
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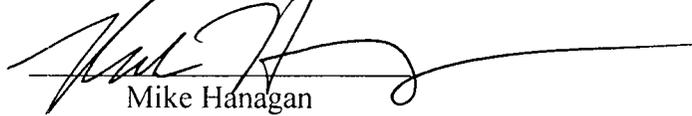
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Mike Hanagan

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**BY:** \_\_\_\_\_

**FOR:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATED:** \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

J.E. & L.E. Mabee Foundation, Inc.  
401 South Boston, Mid Continent Tower, 30th Floor  
Tulsa, OK 74103

RE: Application of Marbob Energy Corporation for Administrative  
Approval of Unorthodox Location  
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MARBOB ENERGY CORPORATION



Mike Hanagan

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**BY:** \_\_\_\_\_

**FOR:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATED:** \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Fina Oil and Chemical Company  
P.O. Box 2990  
Midland, TX 79705-2990

Attention: R. Keith Turner

RE: Application of Marbob Energy Corporation for Administrative  
Approval of Unorthodox Location  
Rio Bravo-Fee #1  
478' FNL & 2525' FEL  
Section 30-T10S-R28E, NMPM  
Chaves County, New Mexico

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MARBOB ENERGY CORPORATION



Mike Hanagan

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**BY:** \_\_\_\_\_

**FOR:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATED:** \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Samedan Royalty Corporation  
P.O. Box 1927  
Ardmore, OK 73402-1927

Attention: Mr. Thomas Doppler (Houston)

RE: Application of Marbob Energy Corporation for Administrative  
Approval of Unorthodox Location  
Rio Bravo-Fee #1  
478' FNL & 2525' FEL  
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BY: \_\_\_\_\_

FOR: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATED: \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

NationsBank of Texas, N.A., Trustee of Selma Andrews Trusts  
P.O. Box 830308  
Dallas, TX 75283-0308

Attention: Ms. Vicky Rose

RE: Application of Marbob Energy Corporation for Administrative  
Approval of Unorthodox Location  
Rio Bravo-Fee #1  
478' FNL & 2525' FEL  
Section 30-T10S-R28E, NMPM  
Chaves County, New Mexico

This letter is to advise you that Marbob Energy Corporation has filed the enclosed application with the New Mexico Oil Conservation Division (NMOCD) seeking administrative approval of unorthodox location for the Rio Bravo-Fee #1 well which will be drilled at a location of 478' FNL and 2525' FEL of section 30, Township 10 South, Range 28 East, NMPM, Chaves County, New Mexico.

The Division Director of the NMOCD may administratively approve this application without hearing if no affected party has filed a written objection with the NMOCD within twenty days from the affected parties receipt of this notice. As you are a mineral owner in subject spacing unit and/or the adjoining spacing unit you qualify as an affected party. Failure to file such written objection to the application may preclude you from challenging this application at a later date.

Should you have no objection to this application, Marbob would ask that you so indicate in the space provided for below, keeping one copy for your records and returning one copy to Marbob. Marbob will then forward a copy of each approval to the NMOCD.

The enclosed application should answer most of your questions regarding this matter, however, should you have any questions, please give me a call at 505-623-5053 or Raye Miller at 505-748-3303 and we will make every attempt to adequately address your concerns..

Sincerely,

MARBOB ENERGY CORPORATION



Mike Hanagan

\_\_\_\_\_ **I/We have no objection to the application by Marbob Energy Corporation for administrative approval of unorthodox location for its Rio Bravo-Fee #1 well which will be located 478' FNL and 2525' FEL of section 30, Township 10 South, Range 28 East, NMPM, Chaves County, New Mexico.**

**BY:** \_\_\_\_\_

**FOR:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATED:** \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

White Ranch Minerals, Ltd.  
4800 First Bank Place  
Minneapolis, MN 55402

RE: Application of Marbob Energy Corporation for Administrative  
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BY: \_\_\_\_\_

FOR: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATED: \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Fredrick Winston & James T. Wyman, Trustees of Fredrick S. Winston Trust  
4800 First Bank Place  
Minneapolis, MN 55402

RE: Application of Marbob Energy Corporation for Administrative  
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Section 30-T10S-R28E, NMPM  
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**BY:** \_\_\_\_\_

**FOR:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATED:** \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Cibola Energy Corporation  
P.O. Box 1668  
Albuquerque, NM 87102

Attention: Mr. Harvey Yates, Jr,

RE: Application of Marbob Energy Corporation for Administrative  
Approval of Unorthodox Location  
Rio Bravo-Fee #1  
478' FNL & 2525' FEL  
Section 30-T10S-R28E, NMPM  
Chaves County, New Mexico

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BY: \_\_\_\_\_

FOR: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATED: \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe



**marbob**  
energy corporation

May 14, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Eldorado Oil Company, Ltd.  
1114 Avenue of the Americas, 46th Floor  
New York, NY 10036-7798

Attention: Mr. Don Turlington

RE: Application of Marbob Energy Corporation for Administrative  
Approval of Unorthodox Location  
Rio Bravo-Fee #1  
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Section 30-T10S-R28E, NMPM  
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**BY:** \_\_\_\_\_

**FOR:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATED:** \_\_\_\_\_

CC: Mr. Michael Stogner  
NMOCD-Santa Fe

P 355 937 795

US Postal Service  
Receipt for Certified Mail

No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to	
Sameedan Royalty Corporation	
Street & Number	
P. O. Box 1927	
Post Office, State, & ZIP Code	
Ardmore, OK 73402-1927	
Postage	\$ .55
Certified Fee	\$ 1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	\$ 1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	

P 355 937 796

US Postal Service  
Receipt for Certified Mail

No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to	
Fina Oil & Chemical Company	
Street & Number	
P. O. Box 2990	
Post Office, State, & ZIP Code	
Midland, TX 79705-2990	
Postage	\$ .55
Certified Fee	\$ 1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	\$ 1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	

P 355 937 798

US Postal Service  
Receipt for Certified Mail

No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to	
L. E. Minerals, Ltd.	
Street & Number	
P. O. Box 874	
Post Office, State, & ZIP Code	
Roswell, NM 88202	
Postage	\$ .55
Certified Fee	\$ 1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	\$ 1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	

P 355 937 799

US Postal Service  
Receipt for Certified Mail

No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to	
Eldorado Oil Co., Ltd.	
Street & Number	
114 Ave. of the Americas, 46th Flr	
Post Office, State, & ZIP Code	
New York, NY 10036-7798	
Postage	\$ .55
Certified Fee	\$ 1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	\$ 1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	

PS Form 3800, April 1995

PS Form 3800, April 1995

PS Form 3800, April 1995

P 355 937 794

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to	
NationsBank of Texas, N.A.	
Street & Number	
Trustee of Selma Andrews Trst	
P. O. Box 820108	
Post Office, State, & ZIP Code	
Dallas, TX 75283-0308	
Postage	\$ .55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	PM 8210

PS Form 3800, April 1995

P 355 937 801

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to	
Plains Radio Petroleum Co.	
Street & Number	
P. O. Box 1300	
Post Office, State, & ZIP Code	
Amarillo, TX 79105	
Postage	\$ .55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	

PS Form 3800, April 1995

PS Form 3800, April 1995

US Postal Service <b>Receipt for Certified Mail</b> No Insurance Coverage Provided. Do not use for International Mail (See reverse)	
Sent to	
Cibola Energy Corporation	
Street & Number	
P. O. Box 1668	
Post Office, State, & ZIP Code	
Albuquerque, NM 87102	
Postage	\$ .55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	PM 8210

P 355 937 800

PS Form 3800, April 1995

US Postal Service <b>Receipt for Certified Mail</b> No Insurance Coverage Provided. Do not use for International Mail (See reverse)	
Sent to	
White Ranch Minerals	
Street & Number	
Fredrick Winsten, James Wymen	
4800 First Bank Place	
Post Office, State, & ZIP Code	
Minneapolis, MN 55402	
Postage	\$ .55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	

P 355 937 802

PS Form 3800, April 1995

US Postal Service <b>Receipt for Certified Mail</b> No Insurance Coverage Provided. Do not use for International Mail (See reverse)	
Sent to	
J.E.&L.E. Mabee Foundation	
Street & Number	
401 S Boston, Mid Continent	
Post Office, State, & ZIP Code	
Tulsa, OK 74103	
Postage	\$ .55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	

P 355 937 797

Twr

=== COVER PAGE ===

TO: \_\_\_\_\_

FAX: 1089915058271389

FROM: MARBOB ENERGY CORP

FAX: 505-623-5055

TEL: 505-623-5053

COMMENT:

May 21, 1998

VIA FACSIMILE

TO: Michael Stogner  
FROM: Mike Hanagan (Marbob Energy)

RE: Application for Unorthodox Location  
Rio Bravo-Fee #1  
Section 30-T10S-R28E  
Chaves County, New Mexico

Dear Mike:

The attached map shows the mineral ownership in the two affected spacing/proration units.

All of the lands in this area fall on the L.E. Ranch which is a large ranch (aprx 125,000 acres) of most fee surface/mineral ownership. The minerals have been sub-divided over time with the present situation being one group ("the undivided group") consisting of ~~Fina, Samedan, Winston Trusts, White Ranch Minerals and Selma Andrews Trust~~ ~~owing an undivided 25% across all of the fee minerals. The remaining 75% is checkerboarded between Plains Radio Petroleum Company and another group consisting of L.E. Minerals and the Mabee Foundation.~~ Under the "checkerboard" Plains owns 75% of the minerals in one-half of each section and LE/Mabee own 75% in the other one-half section.

~~In this case the undivided group owns a 25% mineral interest in all of section 19 and section 30.~~ Plains owns a 75% mineral interest in the E/2 of section 19 and the W/2 of section 30. LE/Mabee Foundation own a 75% mineral interest in the W/2 of section 19 and the E/2 of section 30.

In the spacing unit/proration unit for the Rio Bravo-Fee #1 (NW/4NE/4 section 30) all of the mineral interest are presently either leased to Marbob or controlled by Marbob by way of a farmout agreement with Cibola Energy. In the affected adjoining spacing unit (NE/4 NW/4 section 30) Marbob presently has all but the Fina mineral interest under lease. Marbob is attempting to obtain a lease from Fina. The Fina ownership is the same in both of the affected units. The only difference in mineral ownership in the two units is the Plains and LE/Mabee interests, both of which have been leased by Marbob on identical terms.

I will send executed waivers to you as soon as we receive them from the notified parties. Should you have any questions, please give me a call at 623-5053.

Sincerely,

MARBOB ENERGY CORPORATION

Mike Hanagan

R 28 E

T 10 S

19

Standard 40 acre Spacing Unit

Proposed Location  
Rio Bravo-Fee #1

owner	West/2	Sec 30	%	Lease
<del>PLATON RADIO</del>			7.5%	yes
FINA Oil			12.5%	NO
SAMEDAN			6.25%	yes
White Ranch/Winston			5.46875	yes
Selma Andrews Trust			0.78125	yes

Affected Adjacent Spacing Unit

MINERAL OWNER	East/2	Section 30	%	LEASE STATUS
<del>L.E. MINERALS</del>			37.5%	YES
MABEE FOUNDATION			37.5%	yes
FINA OIL: Chem			12.5%	yes
SAMEDAN Royalty			6.25%	yes
White Ranch/Winston			5.46875%	yes
Selma Andrews			0.78125%	yes

### Exhibit "A"

#### Application For Unorthodox Location

Marbob Energy Corporation  
 #1 Rio Bravo -Fee  
 478' FNL & 2525' FWL  
 Section 30- T10S - R28E  
 Chaves County, New Mexico

Scale: 1" = 1,000'