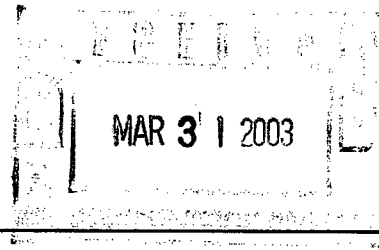


marbob
energy corporation



MS

March 21, 2003

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Attention: Mr. Mike Stogner

RE: Application for Administrative
Approval of Unorthodox Location
Carlsbad State Com #1
2140' FNL & 990' FWL
Section 16-22S-27E
Eddy County, New Mexico

Dear Mike:

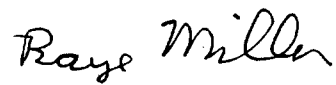
Marbob Energy Corporation (Marbob) hereby makes application pursuant to Oil Conservation Division Rule 104.F(2) and Rule 104.D(2) for administrative approval to re-complete the above referenced Carlsbad State Com #1 in the Strawn formation.

When initially drilled the location was orthodox at both a Morrow and Strawn completion. Since that time the set back requirements have been changed. At the adoption of the new requirements, the Carlsbad State Com #1 was a Morrow producing well and therefore was grandfathered. Due to the requirement changes and engineering's recommendation to re-complete in the Strawn formation, we are seeking approval for this application.

The Carlsbad State Com #1 well is currently producing in the South Carlsbad Morrow formation with its proration unit being the west half of Section 16. Exhibit "A" is a plat showing the existing well and proration unit. Marbob is the only affected offset operator. All adjoining proration units are identified on Exhibit "B" with offset operators listed on Exhibit "C". Each party listed has been notified and supplied with a copy of this application.

I appreciate you taking time to visit with me regarding the history of this well. Thank you for your assistance and I look forward to seeing you during one of my trips to Santa Fe.

Sincerely,

A handwritten signature in cursive script that reads "Raye Miller".

Raye Miller
Land Department

RM/mp

Attachments

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Drawer 80, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

EXHIBIT "A"

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-23207	Pool Code 7420 74040	Pool Name CARLSBAD; STRAWN, 800TH (GAS)
Property Code 26988	Property Name CARLSBAD STATE COM	Well Number 1
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3105

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	16	22 S	27 E		2140	NORTH	990	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature DIANA J. CANNON Printed Name PRODUCTION ANALYST Title FEBRUARY 26, 2003 Date
	SURVEYOR CERTIFICATION 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 belief. SEPTEMBER 11, 2000 Date Surveyed Signature & Seal of Professional Surveyor W.D. Num. 00-115010 Certificate No. RONALD J. EDSON, 3239 GARY C. EDSON, 12841 MASON McDONALD, 12185

EXHIBIT "C"

Offset Operators

Willow Creek Resources, Inc.
PO Box 1309
Midland, TX 79702-1309

Devon Energy Production Co., LP
20 N. Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Oxy USA WTP Limited Partnership
PO Box 50250
Midland, TX 79710-0250

Dickson Petroleum
PO Box 50160
Midland, TX 79710

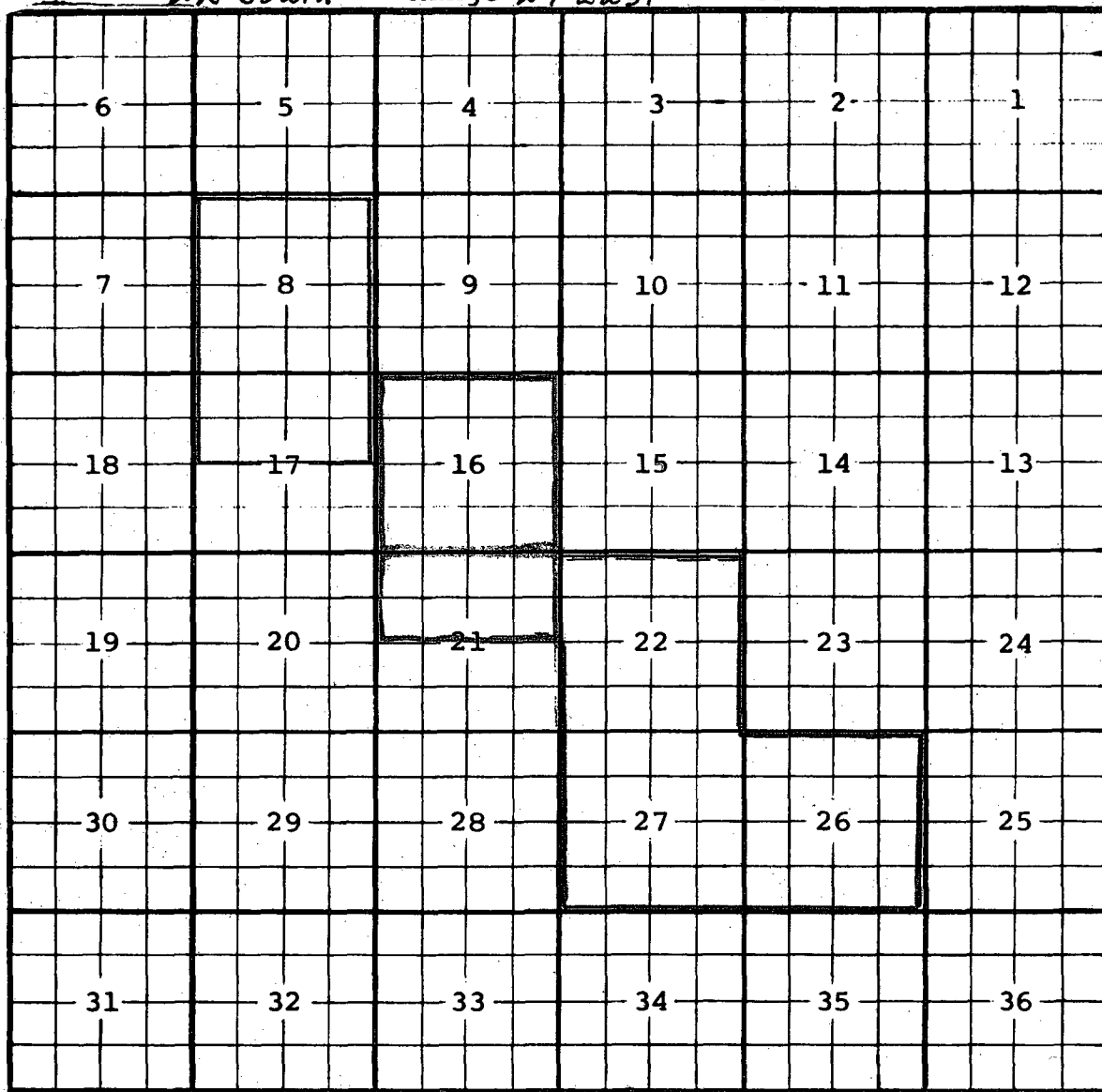
County Eddy

Pool Carlsbad-Strawn Gas

TOWNSHIP 22 South

Range 27 East

NMPM



Description: All Sec 8, $\frac{N}{2}$ Sec 17 (R-5162, 3-1-76)

Ext: Sec: 16 All, 21 n/2, (R-7114, 10-19-82)

Ext: All Sec. 22, All Secs. 26 and 27 (R-7997, 8-6-85)