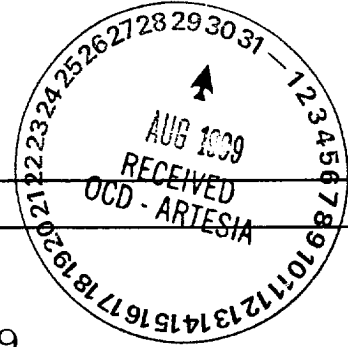


marbob
energy corporation



August 27, 1999

Oil Conservation Division
811 South First Street
Artesia, New Mexico 88210

Attention: Mr. Tim Gum

RE: Unorthodox Well Location

Dear Mr. Gum:

Marbob Energy Corporation respectfully requests an administrative approval of the following unorthodox location pursuant to Order No. R-7900-B:

Burch Keely Unit #297 ✓
660 feet from the South line
1295 feet from the East line
Section 18, Township 17 South,
Range 30 East
Eddy County, New Mexico

Burch Keely Unit #299
2615 feet from the North line
1980 feet from the East line
Section 23, Township 17 South,
Range 29 East
Eddy County, New Mexico

These wells may be completed in the upper 500 feet of the Yeso, the Grayburg, the San Andres, and or the Seven Rivers Formation in the Grayburg Jackson Pool.

Attached to the applications are the following Exhibits:

- A. Application for Permit to Drill filed with the Bureau of Land Management (Exhibit A).
- B. Oil Conservation Division Form C-102 which shows the location and all other wells within the quarter-quarter section (Exhibit B).