STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

November 20, 1990

Marbob Energy Corporation P.O. Drawer 217 Artesia, NM 88210

Attention: David Martin

Administrative Order NSL-2940

Dear Mr. Martin:

Reference is made to your application dated Octobert 12, 1990 for a non-standard oil well location to permit the completion of an efficient production/injection pattern within an existing secondary recovery project for your Miller "B" Federal Well No. 3 to be located 990 feet from the North line and 1295 feet from the East line (Unit A) of Section 23, Township 17 South, Range 32 East, NMPM, Maljamar Grayburg-San Andres Pool, Maljamar Cooperative Agreement Unit Project Area, Lea County, New Mexico. Said well to be dedicated to the existing standard 40-acre oil spacing and proration unit comprising the NE/4 NE/4 of said Section 23.

By the authority granted me under the provisions of General Rule 104 F(I) and Division Order No. R-2403, as amended, the above-described unorthodox oil well location is hereby approved.

Sincerely, William J. LeMay Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs US Bureau of Land Management - Carlsbad