



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 3, 1998

Marbob Energy Corporation
P.O. Box 227
Artesia, New Mexico 88211-0227
Attention: Mike Hanagan

Administrative Order NSL-4051

Dear Mr. Hanagan:

Reference is made to your application dated May 13, 1998, as amended by supplemental data submitted on May 21, 1998, for a non-standard oil well location for Marbob Energy Corporation's proposed Rio Bravo Fee Well No. 1 (API No. 30-005-63171) to be drilled 478 feet from the North line and 2525 feet from the East line (Unit B) of Section 30, Township 10 South, Range 28 East, NMPM, Chaves County, New Mexico.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the Siluro-Devonian formation than a well drilled at a location considered to be standard within the proposed standard 40-acre oil spacing and proration unit comprising the NW/4 NE/4 of Section 30.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wrotenberg".
Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia