



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

Joanna Prukop  
Cabinet Secretary  
Reese Fullerton  
Deputy Cabinet Secretary

Mark Fesmire  
Division Director  
Oil Conservation Division



April 8, 2009

Mr. Brad A. May  
Marbob Energy Corporation  
P.O. Box 227  
Artesia, NM 88211-0227

## Administrative Order NSL-3718-A

**Re: Foster-Eddy Federal Well No. 13  
API No. 30-015-29058  
1295 feet FNL and 1650 feet FWL  
Unit C, Section 17-17S-31E  
Eddy County, New Mexico**

Dear Mr. May:

Reference is made to the following:

(a) your application (**administrative application reference No. pKAA09-07234261**) re-submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on March 12, 2009, and

(b) the Division's records pertinent to this request, including records pertaining to original Administrative Order NSL-3718.

Marbob Energy Corporation (Marbob) has requested to re-complete the above-referenced well at an unorthodox oil well location, described above in the caption of this letter. The NE/4 NW/4 of Section 17 will be dedicated to this well in order to form a standard 40-acre spacing unit in the undesignated Fren Glorieta Yeso Pool (26770). This pool is governed by statewide Rule 15.9.A, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from the southern unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

It is our understanding that you are seeking this location for engineering reasons, in order to achieve maximum drainage of reserves in the Yeso formation underlying this unit.



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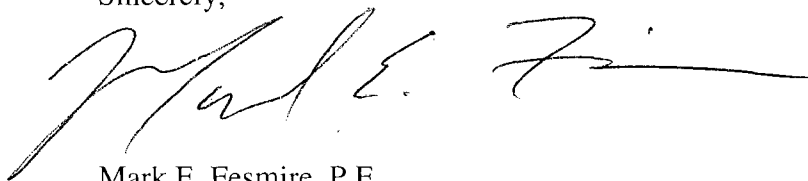
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia  
United States Bureau of Land Management - Carlsbad