

August 11, 1997

Marbob Energy Corporation
P. O. Box 227
Artesia, New Mexico 88211-0227

Attention: Mike Hanagan

*Administrative Order NSL-***** 2842

Dear Mr. Hanagan:

Reference is made to your application dated July 2, 1997 for approval of an unorthodox gas well location in the Undesignated Grayburg-Morrow Gas Pool for the proposed Mary Todd "B" Federal Deep Well No. 1 or Mary Todd "B" Federal Deep Well No. 68 (API No. 30-015-29286) to be drilled 1980 feet from the North line and 1295 feet from the East line (Unit H) of Section 14, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico. The E/2 of said Section 14 shall be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool.

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"), revised by Division Order No. R- 10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

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

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad

*Eddy Co
to 1650/S
7/27/E*