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

Well number 860 will be 2450 feet from the unit boundary and 25 feet from the interior quarter quarter line, well number 861 will be 4039 from the unit boundary and 25 feet from the interior quarter quarter line, well number 862 will be 3985 feet from the unit boundary and 25 feet from the interior quarter quarter line.

If this unorthodox location meets with your approval, please sign below. Thank you for your help.

Sincerely,

Raye Miller

Bay Miller

Attorney-in-Fact

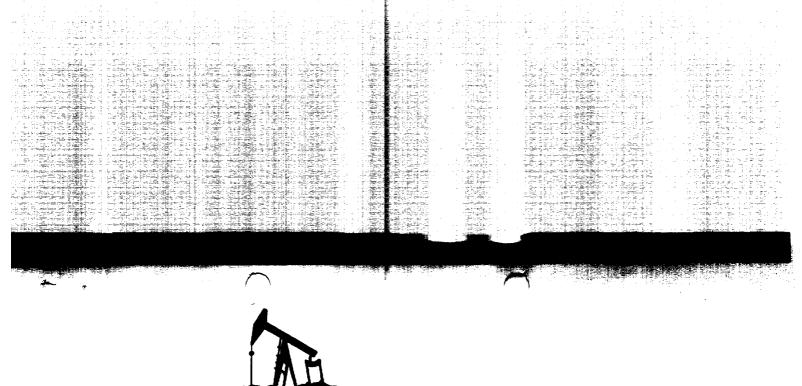
RM/mm Attachments

Approved this 21 day of OCT 1998.

By: Jan W. Gen

Oil Conservation Division

Artesia Office



energy corporation

October 8, 1998

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

Attention: Mr. Tim Gum

Unorthodox Well Location RE:

Dear Mr. Gum:

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

Burch Keely Unit #860 25 feet from the North line 2450 feet from the East line Section 30, Township 17 South, Range 30 East Eddy County, New Mexico

Burch Keely Unit #862 / 1295 feet from the North line 1980 feet from the East line Section 25, Township 17 South, Range 29 East Eddy County, New Mexico

Burch Keely Unit #861 1295 feet from the South line 660 feet from the West line Section 24, 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:

