

**marbob**  
energy corporation



March 21, 2000

New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

RE: Application for Administrative Approval  
To Drill at an Unorthodox Location

Gentlemen:

Pursuant to NMOCD Rule 104, Marbob Energy Corporation respectfully requests administrative approval to drill Marbob's BR-549 State No. 3 at an unorthodox location of 1600 feet from the north line and 990 feet from the south line of Section 27 in Township 17 South, Range 29 East. This well will test the Yeso formation making it a 40 acre spacing unit. Unit E is being dedicated as the proration unit.

The BR-549 State No. 3 was originally staked at an orthodox location 1650' FNL and 990' FWL. However, existing at this location is a Central Valley Electrical Coop main distribution overhead power line. The power line runs east to west in direction and is approximately twenty feet south of the well bore. Marbob proposes to move fifty feet north and originate the well pad in such a manner as to place the reserve pit underneath the power lines. We have utilized this procedure on locations before to keep from going unorthodox. Unfortunately, the twenty feet did not allow enough distance to safely drill this well. A move to the south would require a larger footage move as well as construction concerns involving the amount of cut and fill in this somewhat sandy soil.

In October 1996, Marbob received approval to drill at an

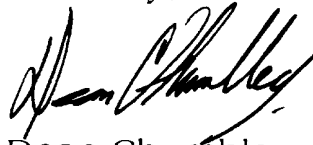
unorthodox location in Unit C of Section 27, Township 17 South, Range 29 East via Administrative Order NSL-3716. Also, Marbob has received a blanket approval of unorthodox locations from Mack Energy Corporation. This letter set certain conditions of approval. The BR-549 State No. 3 is in line with these conditions.

To aid in your review of this application, the following documents are attached:

- A. Form C-102 for BR-549 No. 3
- B. Form C-101 for BR-549 No. 3 (unapproved)
- C. Plat showing proration units, wells in area, and Yeso ownership
- D. Topographical map with BR-549 No. 3 plotted out
- E. Mack Energy Corporation letter of March 2, 2000

Please do not hesitate to contact me should you require any additional information. Thank you for your assistance with this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Dean Chumbley".

Dean Chumbley  
Land Department

DC/mm

cc: Oil Conservation Division - Artesia  
Lee Scarborough / Arco Permian - Midland  
Robert Chase / Mack Energy - Artesia

DISTRICT I  
P.O. Box 1630, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 96610	Pool Name EAST EMPIRE YESO
Property Code	Property Name BR-549 STATE	Well Number 3
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3548

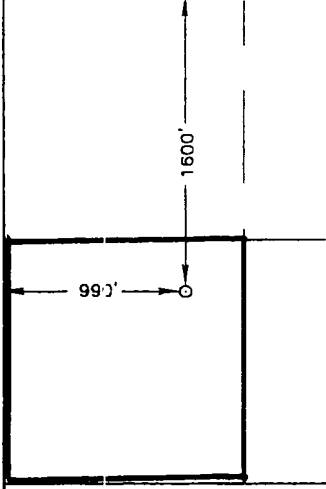
### Surface Location

UL or lot No. E	Section 27	Township 17 S	Range 29 E	Lot Idn	Feet from the 1600	North/South line NORTH	Feet from the 990	East/West line WEST	County EDDY
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### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

### OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Robin Cockrum  
Signature

ROBIN COCKRUM  
Printed Name

PRODUCTION ANALYST  
Title

3/9/00  
Date

### SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

MARCH 6, 2000

Date Surveyed \_\_\_\_\_ DC

Signature & Seal of Professional Surveyor  
Gary Eidson 3/6/2000  
00-11-0387

Certificate No. RONALD EIDSON 3239  
GARY EIDSON 12641  
WAGON McDONALD 12185

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
811 South First, Artesia, NM 88210

District III  
1000 R o Brazos Rd., Aztec, NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address MARBOB ENERGY CORPORATION P.O. BOX 227 ARTESIA, NM 88210		<sup>2</sup> OGRID Number 14049
		<sup>3</sup> API Number 30 - 0
<sup>4</sup> Property Code	<sup>5</sup> Property Name BR-549 STATE	<sup>6</sup> Well No. 3

<sup>7</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
E	27	17S	29E		1600	NORTH	990	WEST	EDDY

<sup>8</sup>Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
<sup>9</sup> Proposed Pool 1 EAST EMPIRE YESO					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3548
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 5000	<sup>18</sup> Formation YESO	<sup>19</sup> Contractor L&M	<sup>20</sup> Spud Date 03-25-00

<sup>21</sup>Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	350'	350 SX	ATTEMPT TO CIRC
7 7/8"	5 1/2"	17#	5000'	1100 SX	SUFFICIENT TO COVER
					200' ABOVE ALL KNOWN
					OIL & GAS HORIZONS

<sup>22</sup>Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

DRILL 12 1/4" HOLE TO 350', RUN & CMT 8 5/8" CSG, REDUCE HOLE & DRILL TO 5000', RUN & CMT 5 1/2" CSG, PUT WELL ON PRODUCTION

<sup>23</sup>I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*Robin Cockrum*

Printed name: ROBIN COCKRUM

Title: PRODUCTION ANALYST

Date: 03-09-00

Phone: 748-3303

OIL CONSERVATION DIVISION

Approved By:

Title:

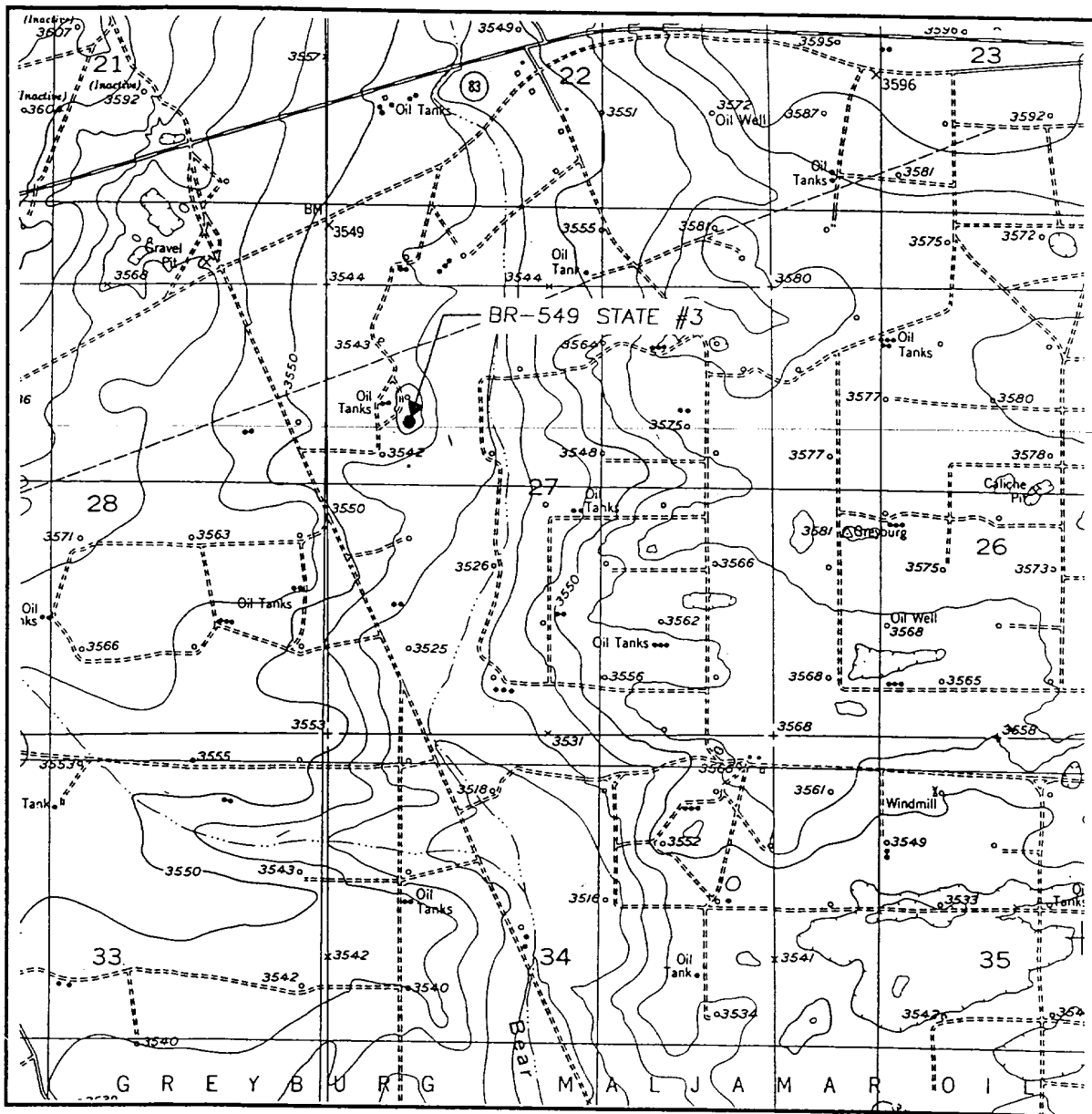
Approval Date:

Expiration Date:

Conditions of Approval:  
Attached: ☐



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
RED LAKE SE - 10'

SEC. 27 TWP. 17-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1600' FNL & 990' FWL

ELEVATION 3548

OPERATOR MARBOB ENERGY CORP.

LEASE BR-549 STATE

U.S.G.S. TOPOGRAPHIC MAP

RED LAKE SE, N.M.

**JOHN WEST SURVEYING**  
**HOBBS, NEW MEXICO**  
**(505 393-3117)**

# MACK ENERGY CORPORATION

Post Office Box 960  
Artesia, New Mexico 88211-0960  
(505) 748-1288 / FAX (505) 746-2362

March 2, 2000

MAR 03 2000

Raye Miller  
Marbob Energy Corporation  
P.O. Box 227  
Artesia, New Mexico 88211

Re: Our Robinson State Lease  
W/2 NW/4 Section 27, T17S, R29E  
Eddy County, New Mexico

Dear Raye:

Marbob Energy Corporation, et al, are the owners of leasehold rights below 3500 feet in the captioned lands ("lands") and desire to drill a well or wells on the lands.

Mack Energy Corporation as Operator, and Chase Oil Corporation, et al, as working interest owners as to those depths above 3500 feet, agree not to object to any well location(s) staked by Marbob Energy Corporation on the lands, so long as said well location(s) are located no closer than 75 feet to any currently producing or disposing well operated by Mack Energy Corporation, nor closer than 330 feet from the west line of Section 27, T17S, R29E.

Sincerely,



Robert C. Chase  
Vice President of Mack Energy Corporation  
President of Chase Oil Corporation

RCC:rw1