



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

April 17, 2000

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

Attention: Dean Chumbley

Re: Administrative application dated April 11, 2000 for an exception to Division Rule 104.B (1), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, to drill the proposed M. Dobb "B" Federal Well No. 68 (API No. 30-015-31041) to test the Yeso formation at an unorthodox oil well location 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.

Dear Mr. Chumbley:

Marbob's intend to drill its proposed M. Dobb "B" Federal Well No. 68 at an unorthodox oil well location to test the Yeso formation is neither based on topography or geology. Under Division Rule 104.F (2) your application is neither justified nor warranted; therefore, this application is hereby denied.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: ~~New Mexico Oil Conservation Division - Artesia~~
U. S. Bureau of Land Management - Carlsbad
U. S. Bureau of Land Management - Roswell
Kathy Valdes, NMOCD - Santa Fe
Mr. Paul Owen, Legal Counsel for Marbob Energy Corporation - Santa Fe
Mr. Steve Salzman - U. S. Bureau of Land Management, Santa Fe
Mr. Raye Miller, Marbob Energy Corporation - Artesia

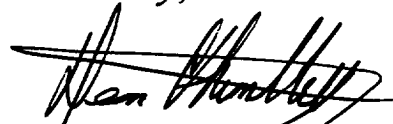
number LC-028731. As are the proration units being encroached upon. Ownership of the Yeso rights in these proration units are identical and are owned by Marbob or one of its entities.

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

- A. Form C-102 for M. Dodd B Federal No. 68
- B. BLM Form 3160-3 for M. Dodd B Federal No. 68
- C. Plat identifying involved proration units.

Please do not hesitate to contact me should you require any additional information. Any assistance given to expedite approval of this application would be greatly appreciated. Thank you for your assistance with this matter.

Sincerely,

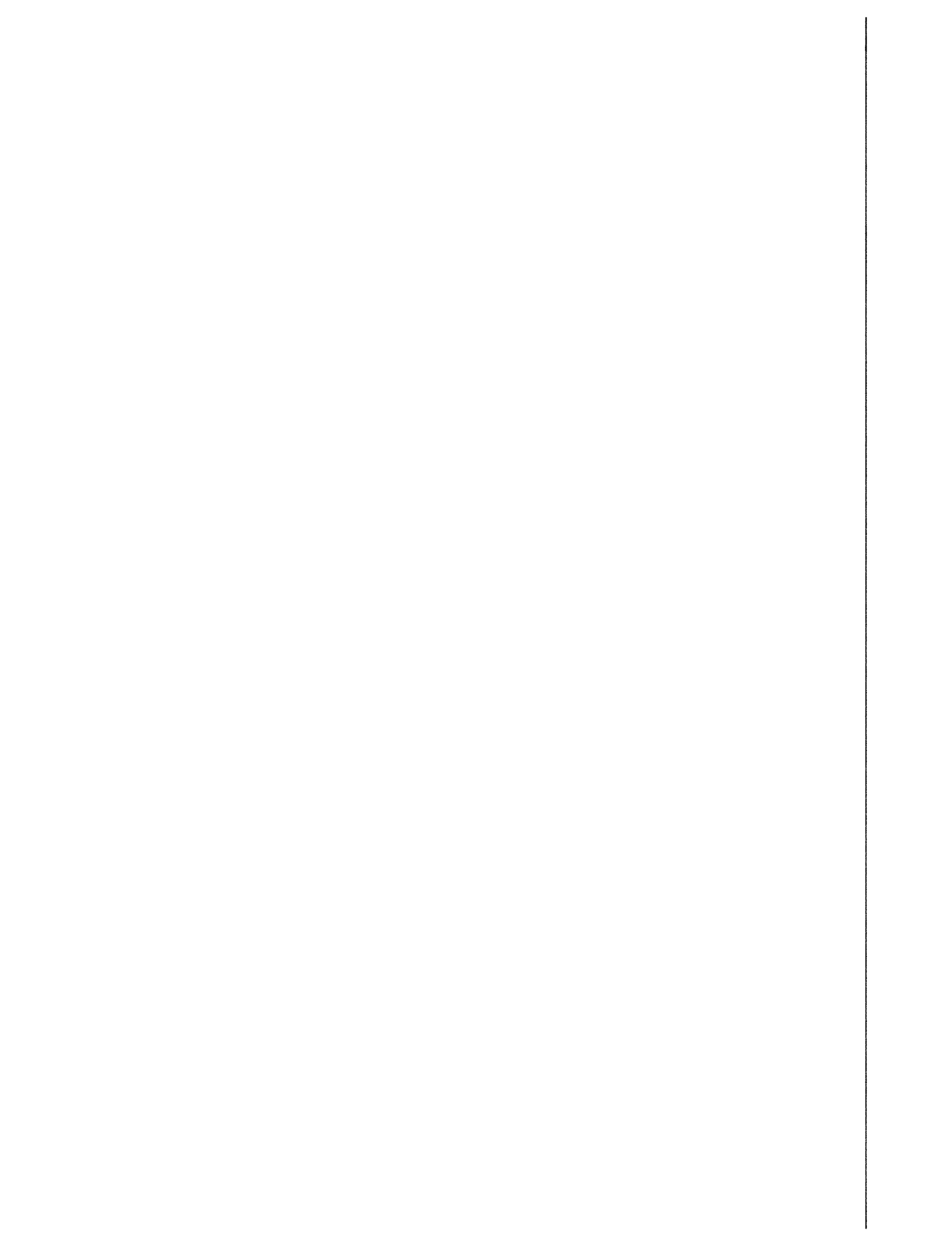


Dean Chumbley
Land Department

DC/mm

Cc: Bureau of Land Management, Roswell Field Office
Roswell, NM

Oil Conservation Division, Artesia, NM



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

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

JUN 21 1996

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		28509	GRBG JACKSON SR Q GRBG SA
Property Code	Property Name		Well Number
6505	M. DODD B FEDERAL		68
OGRID No.	Operator Name		Elevation
14049	MARBOB ENERGY CORPORATION		3625

Surface Location

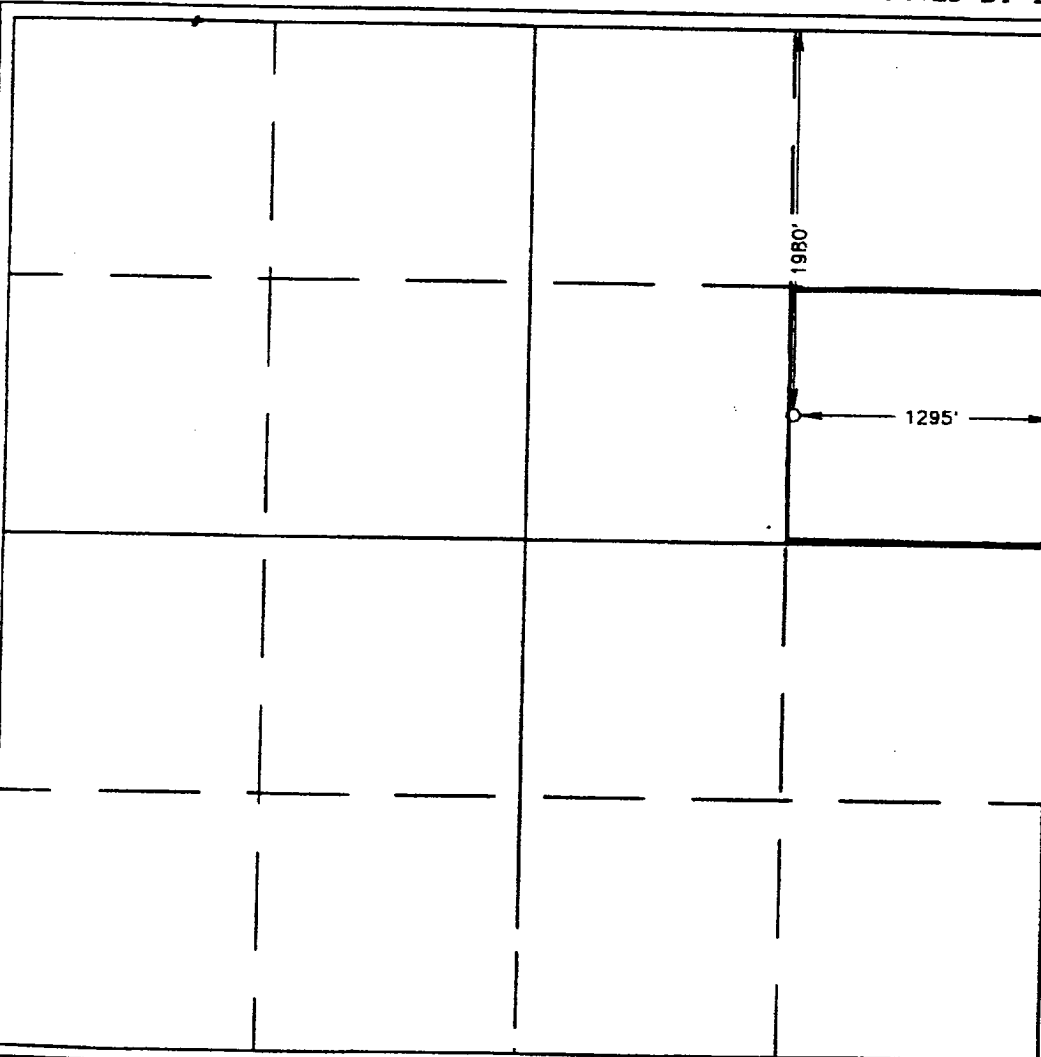
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	14	17 S	29 E		1980	NORTH	1295	EAST	EDDY

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	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 that the information contained herein is true and complete to the best of my knowledge and belief.

Rhonda Nelson
 Signature

RHONDA NELSON
 Printed Name

PRODUCTION CLERK
 Title

11/1/96
 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.

JUNE 18, 1996
 Date Surveyed

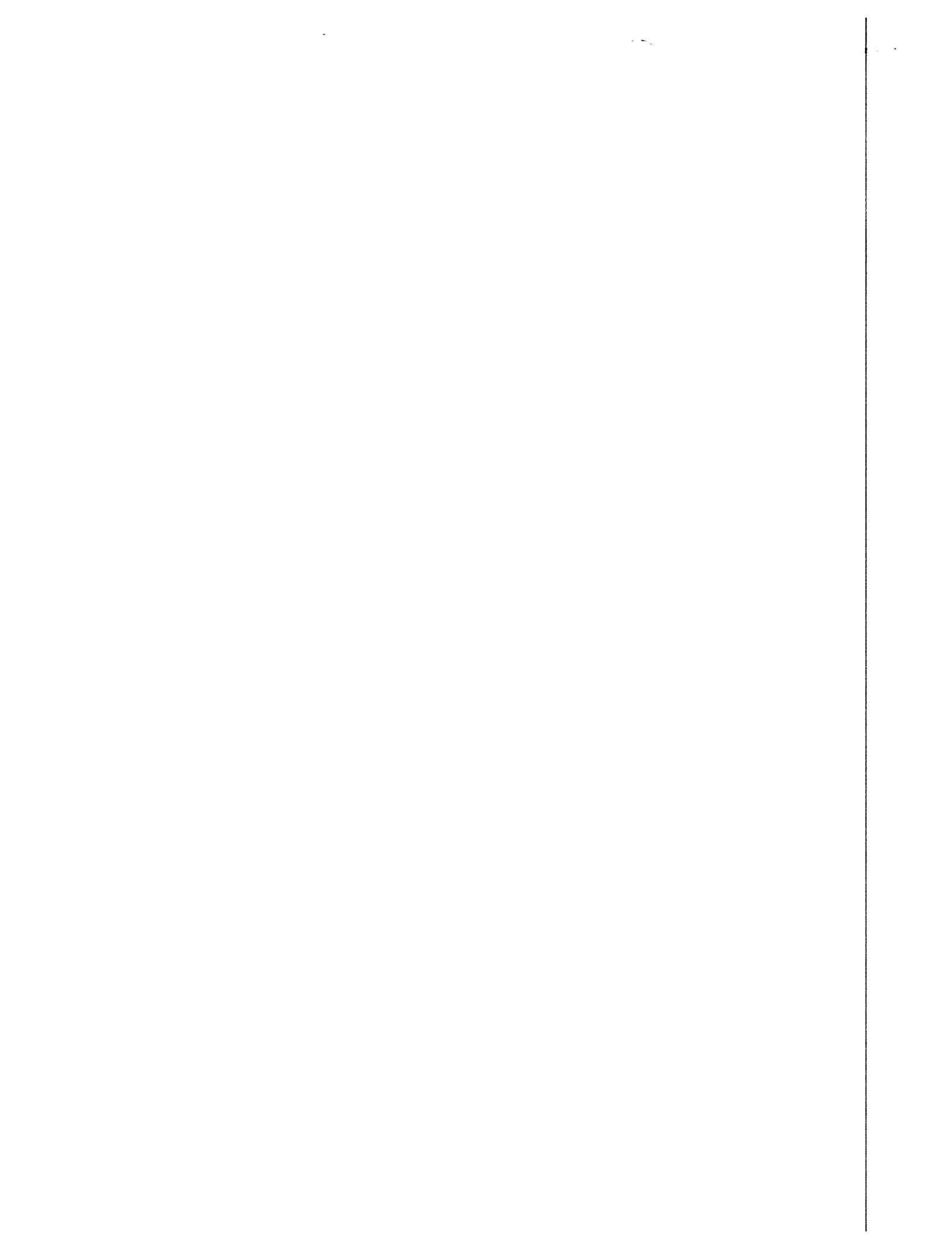
CDG
 Signature & Seal of Professional Surveyor

Ronald J. Edson
 Signature

6/20/96
 Date

96-11-0203
 Certificate No.

JOHN W. WEST 676
RONALD J. EIDSON 3239
GARY EIDSON 12641
 State of New Mexico



OPERATIONS COPY

Form 3160-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

MAR 21 2000

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.
LC-028731B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
M DODD B FEDERAL #68

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRBG JACKSON SR Q GRBG SA

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
SEC. 14-T17S-R29E

12. COUNTY OR PARISH
EDDY

13. STATE
NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
EAST OF ARTESIA ON HWY 82 APPX 21.6 MILES

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)
1295'

16. NO. OF ACRES IN LEASE
1480

17. NO. OF ACRES ASSIGNED
TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.
5000'

19. PROPOSED DEPTH
5000'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3625' GR

22. APPROX. DATE WORK WILL START*
03/16/00

ROSWELL CONTROLLED WATER BASIN

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J-55, 8 5/8"	24#	350'	300 SX, CIRC
7 7/8"	J-55, 5 1/2"	17#	5000'	SUFFICIENT TO COVER 200' ABOVE ALL KNOWN O&G HORIZONS

WITNESS

PAY ZONE WILL BE SELECTIVELY PERFORATED AND STIMULATED AS NEEDED FOR OPTIMUM PRODUCTION

- ATTACHED ARE: 1. ACREAGE DEDICATION PLAT
2. SUPPLEMENTAL DRILLING DATA
3. SURFACE USE PLAN

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Robin Cockburn TITLE PRODUCTION ANALYST DATE 02/15/00

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

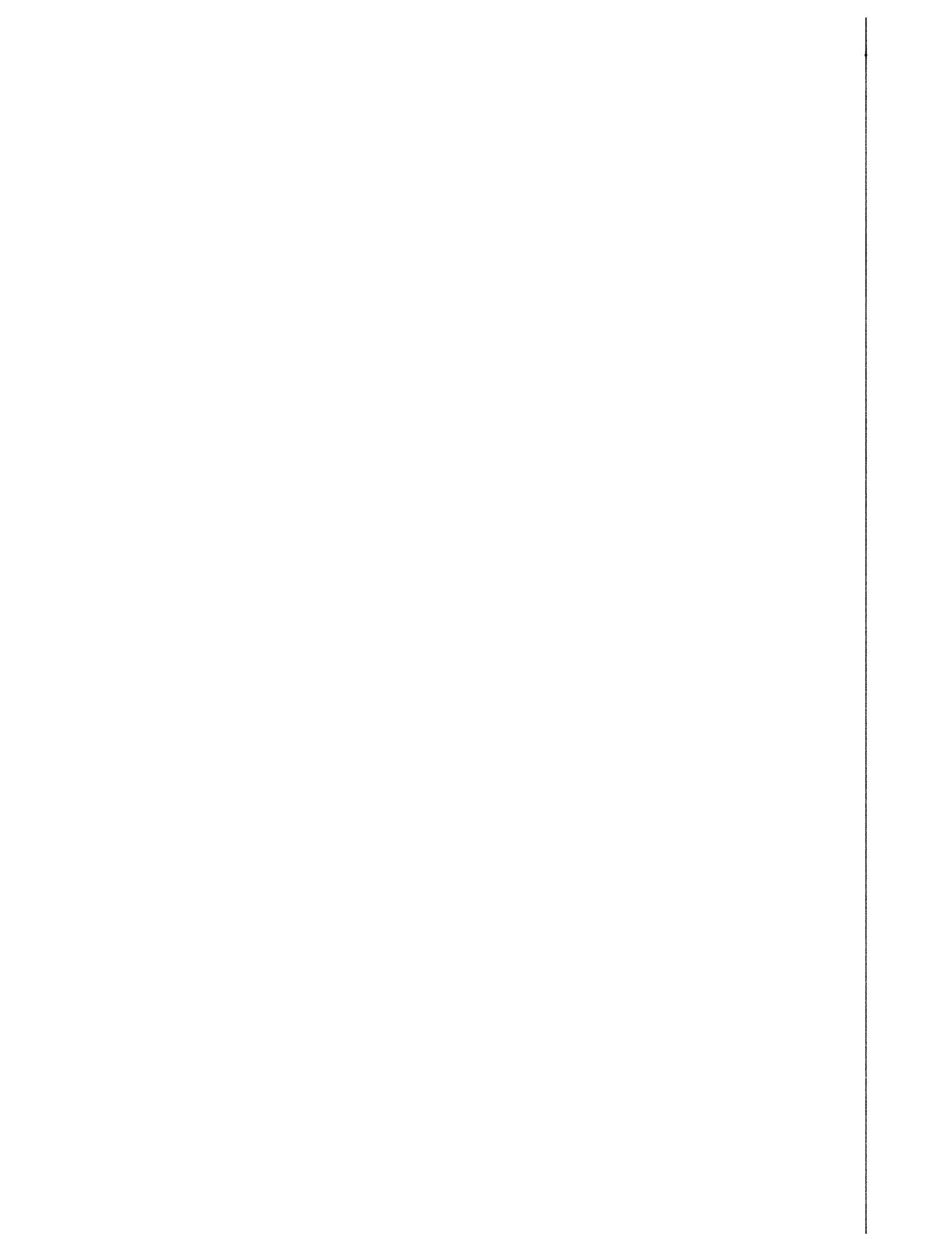
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

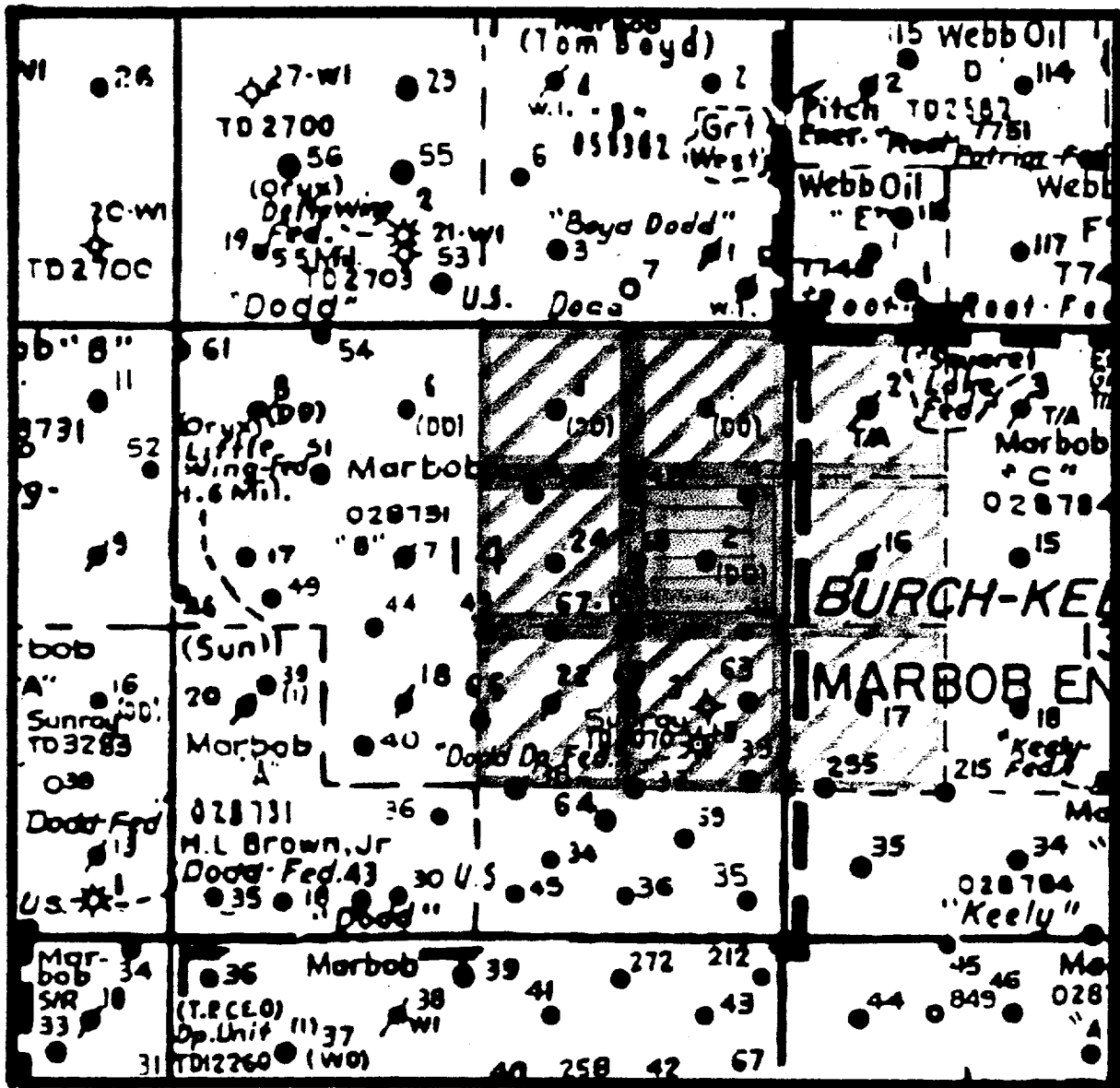
APPROVED BY Amante A. Lopez TITLE Acting Assistant Field Manager, Lands And Minerals DATE 3/20/2000

*See Instructions On Reverse Side

APPROVED FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.





Plat Identifying Involved Proration Units



M. Dodd B Federal 68 proration unit



Offset proration units under Lease LC-028731



Offset proration units under Lease LC-028784

