



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

June 26, 2003

Lori Wrotenbery
Director
Oil Conservation Division

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

Attention: Dean Chumbley
land@marbob.com

Administrative Order NSL-4904

Dear Mr. Chumbley:

Reference is made to the following: (i) your application dated May 19, 2003 (*administrative application reference No. pKRV0-314336291*); and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe and Artesia: all concerning Marbob Energy Corporation's ("Marbob") request for an unorthodox Morrow gas well location for its proposed Darthrow "19" State Well No. 1 to be drilled 330 feet from the North and West lines (Lot 1/Unit D) of Section 19, Township 20 South, Range 30 East, NMPM, Undesignated Getty-Morrow Gas Pool (77400), Eddy County, New Mexico.

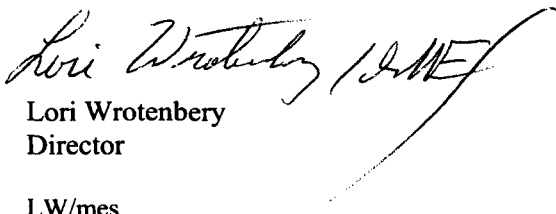
The subject application has been duly filed under the applicable provisions of the rules governing this pool and the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

In accordance with Division Rule 104.C (2), as revised, Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) of Section 19 is to be dedicated to this well in order to form a standard 317.84-acre stand-up gas spacing unit for deep gas production in southeast New Mexico.

Even though the proposed Darthrow "19" State Well No. 1 is outside the Oil/Potash "R-111-P" area, the proposed spacing unit includes and is within one-half mile of mine workings, or life of mine reserves ("LMR"); furthermore, this location is mutually acceptable by the potash lessee, Mississippi Potash, Inc. and Marbob (see "*The Rules and Regulations Governing the Exploration and Development of Oil and Gas in Certain Areas Herein Defined, Which are Known to Contain Potash Reserves*," as promulgated by Division Order No. R-111-P, issued in Case No. 9316 on April 21, 1988).

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox gas well location within the Undesignated Getty-Morrow Gas Pool is hereby approved.

Sincerely,



Lori Wrotenbery
Director

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cc: New Mexico Oil Conservation Division – Artesia
New Mexico State Land Office - Santa Fe