

DATE IN 1/26/07	SUSPENSE	ENGINEER BROOKS	LOGGED IN 1/26/07	TYPE NSL	APP NO. PDS0702648765
--------------------	----------	--------------------	----------------------	-------------	--------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Marb
Burch - Keely U# 97
5564

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
 [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date
		e-mail Address	



January 8, 2007

New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, New Mexico 87504

Attention: Mr. Tim Gumm

Re: Unorthodox Location
Administrative Approval Request
Burch Keely Unit #977
865' FNL & 2595' FEL
Section 23 T-17S R-29E
Eddy County, New Mexico

2007 JAN 26 PM 10

Dear Mr. Gumm:

Marbob Energy Corporation respectfully requests administrative approval for an unorthodox location of the Burch Keely Unit #977 well as referenced above. Attached is an OCD Form C-102 showing the proposed oil well spacing unit along with a map showing the adjoining spacing units. The well is unorthodox to the west boundary of the NW/4NE/4. The affected spacing unit is included in the Burch Keely Federal Unit which covers all of Section 23. Notice has been provided to the operator and working interest owners of that unit.

This location will also increase our secondary/tertiary flood pattern options and give us more flexibility to modify or change flood patterns in the future to maximize oil recovery from this unit. The surface problem encountered was cultural but the fifty foot move was perceived as a reasonable compromise and this was the only acceptable location to the archeologist.

Thank you for your consideration of this. If you need to talk with me further please call me at 800-748-1550.

Sincerely,

Raye Miller
Land Department

RM/nb
Attachments

DISTRICT I
1301 W. GRAND AVENUE, ARTESIA, NM 88210

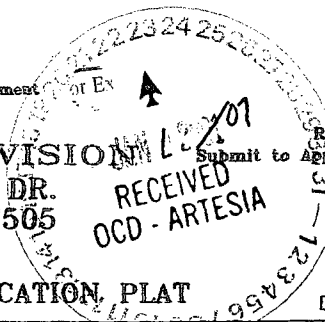
DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505



Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 28509	Pool Name GRBG JACKSON SR Q GRBG SA
Property Code	Property Name BURCH KEELY UNIT	Well Number 977
OGRD No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3596'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	23	17-S	29-E		865	NORTH	2595	EAST	EDDY

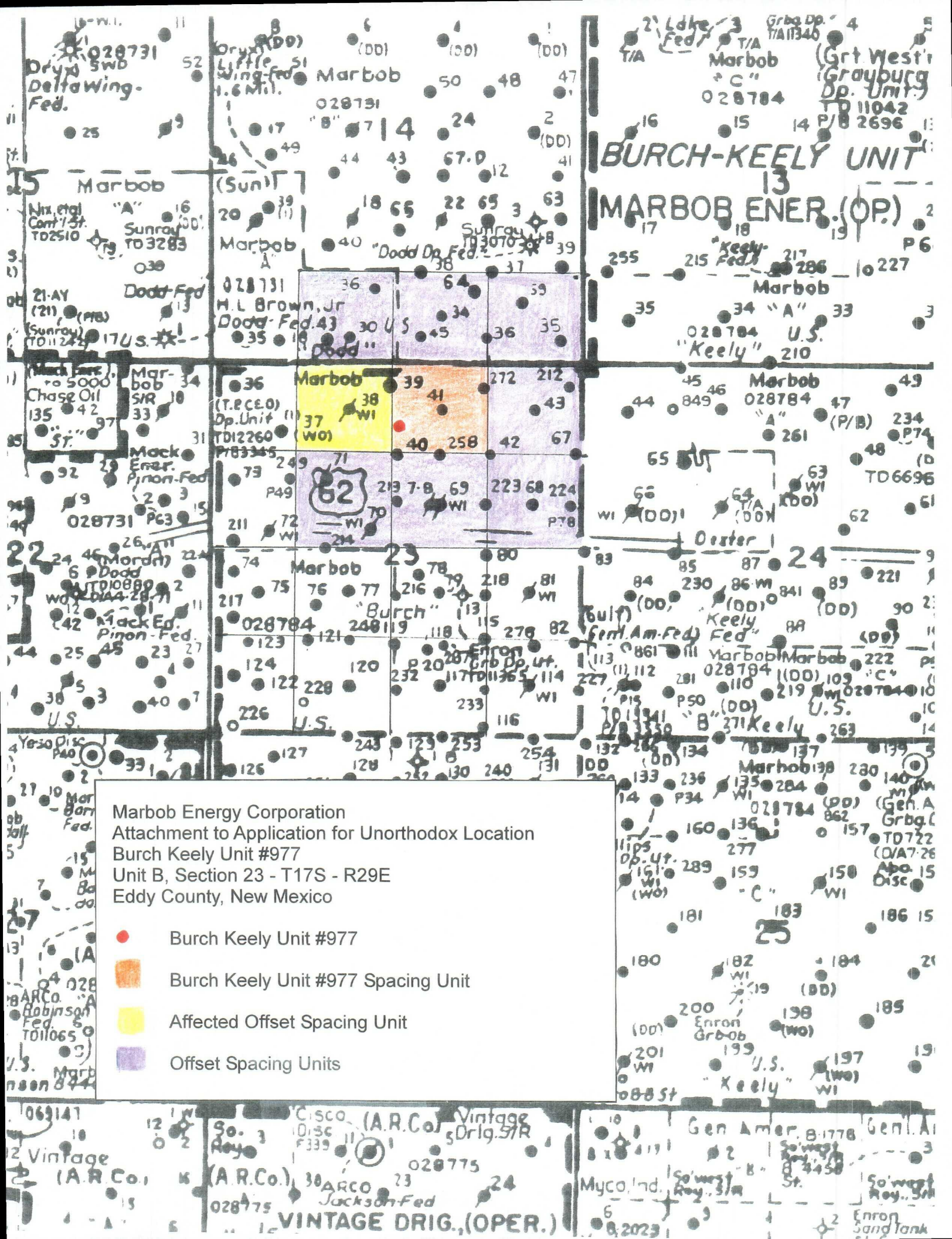
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 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

<p>GEODETIC COORDINATES NAD 27 NME Y=663898.1 N X=588636.3 E LAT.=32.824810° N LONG.=104.044793° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Nancy T. Agnew</i> 11/11/06 Signature Date Nancy T. Agnew Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>NOVEMBER 7, 2006 Date Surveyed LA Signature & Seal of Professional Surveyor <i>Gary E. Edson</i> 11/22/06 06.11.1763 Certificate No. GARY EIDSON 12641</p>
----------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------





marbob
energy corporation

January 11, 2007

Marbob Energy Corp..
P.O. Box 227
Artesia, NM 88221-0227

RE: Unorthodox Surface Location
Administrative Approval Request
Burch Keely #977
865' FNL & 2595' FEL
Section 23, T-17S R-29E
Eddy County, New Mexico

Gentlemen:

This letter will serve as notice of our application for the above described unorthodox location. A copy of the complete application is enclosed for your review. If you object to this application please advise OCD Santa Fe in a timely manner. If you do not object no action is required on your part. If you have any questions regarding this please contact me.

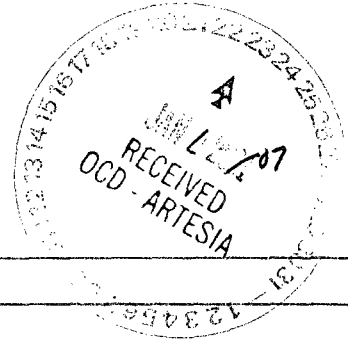
Sincerely,

Raye Miller
Land Department

RM/na
Enclosures



marbob
energy corporation



January 8, 2007

New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, New Mexico 87504

Attention: Mr. Tim Gumm

Re: Unorthodox Location
Administrative Approval Request
Burch Keely Unit #977
865' FNL & 2595' FEL
Section 23 T-17S R-29E
Eddy County, New Mexico

Dear Mr. Gumm:

Marbob Energy Corporation respectfully requests administrative approval for an unorthodox location of the Burch Keely Unit #977 well as referenced above. Attached is an OCD Form C-102 showing the proposed oil well spacing unit along with a map showing the adjoining spacing units. The well is unorthodox to the west boundary of the NW/4NE/4. The affected spacing unit is included in the Burch Keely Federal Unit which covers all of Section 23. Notice has been provided to the operator and working interest owners of that unit.

This location will also increase our secondary/tertiary flood pattern options and give us more flexibility to modify or change flood patterns in the future to maximize oil recovery from this unit. The surface problem encountered was cultural but the fifty foot move was perceived as a reasonable compromise and this was the only acceptable location to the archeologist.

Thank you for your consideration of this. If you need to talk with me further please call me at 800-748-1550.

Sincerely,

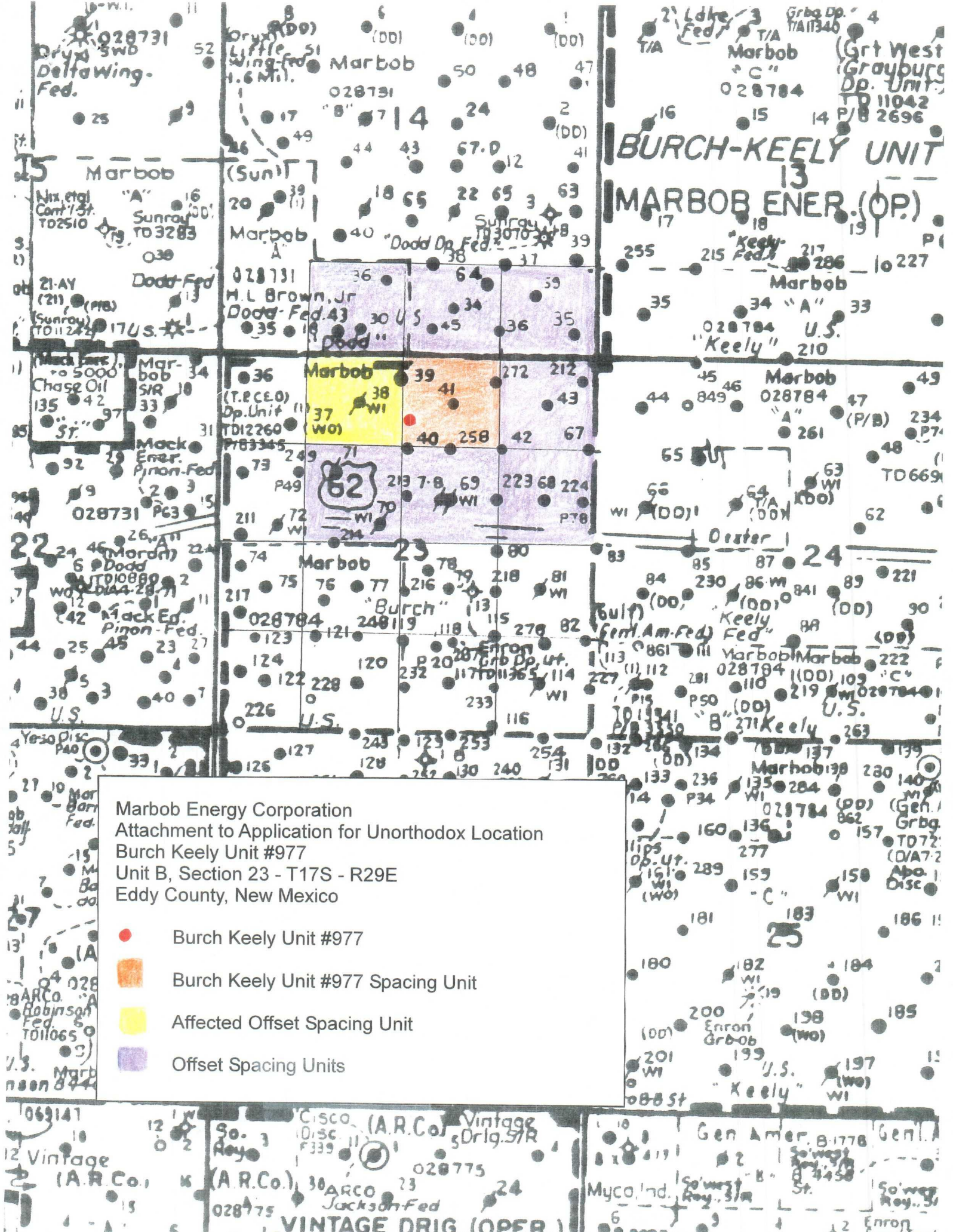
Ray Miller

Raye Miller
Land Department

RM/nb
Attachments

Marbob Energy Corporation
Attachment to Application for Unorthodox Location
Burch Keely Unit #977
Unit B, Section 23 - T17S - R29E
Eddy County, New Mexico

-  Burch Keely Unit #977
-  Burch Keely Unit #977 Spacing Unit
-  Affected Offset Spacing Unit
-  Offset Spacing Units





marbob
energy corporation

January 11, 2007

Marbob Energy Corp..
P.O. Box 227
Artesia, NM 88221-0227

RE: Unorthodox Surface Location
Administrative Approval Request
Burch Keely #977
865' FNL & 2595' FEL
Section 23, T-17S R-29E
Eddy County, New Mexico

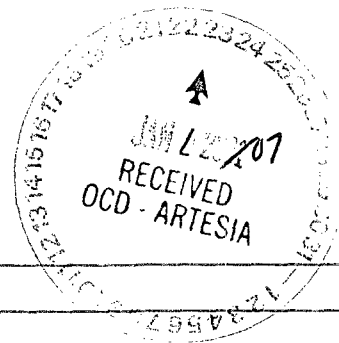
Gentlemen:

This letter will serve as notice of our application for the above described unorthodox location. A copy of the complete application is enclosed for your review. If you object to this application please advise OCD Santa Fe in a timely manner. If you do not object no action is required on your part. If you have any questions regarding this please contact me.

Sincerely,

Raye Miller
Land Department

RM/na
Enclosures



January 8, 2007

New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, New Mexico 87504

Attention: Mr. Tim Gumm

Re: Unorthodox Location
Administrative Approval Request
Burch Keely Unit #977
865' FNL & 2595' FEL
Section 23 T-17S R-29E
Eddy County, New Mexico

Dear Mr. Gumm:

Marbob Energy Corporation respectfully requests administrative approval for an unorthodox location of the Burch Keely Unit #977 well as referenced above. Attached is an OCD Form C-102 showing the proposed oil well spacing unit along with a map showing the adjoining spacing units. The well is unorthodox to the west boundary of the NW/4NE/4. The affected spacing unit is included in the Burch Keely Federal Unit which covers all of Section 23. Notice has been provided to the operator and working interest owners of that unit.

This location will also increase our secondary/tertiary flood pattern options and give us more flexibility to modify or change flood patterns in the future to maximize oil recovery from this unit. The surface problem encountered was cultural but the fifty foot move was perceived as a reasonable compromise and this was the only acceptable location to the archeologist.

Thank you for your consideration of this. If you need to talk with me further please call me at 800-748-1550.

Sincerely,

Raye Miller
Land Department

RM/nb
Attachments

DISTRICT I

4 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

SIN

State of New Mexico

Energy, Minerals and Natural Resources Department

OF EX

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 28509	Pool Name GRBG JACKSON SR Q GRBG SA
Property Code	Property Name BURCH KEELY UNIT	Well Number 977
GRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3596'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	23	17-S	29-E		865	NORTH	2595	EAST	EDDY

Bottom Hole Location If Different From Surface

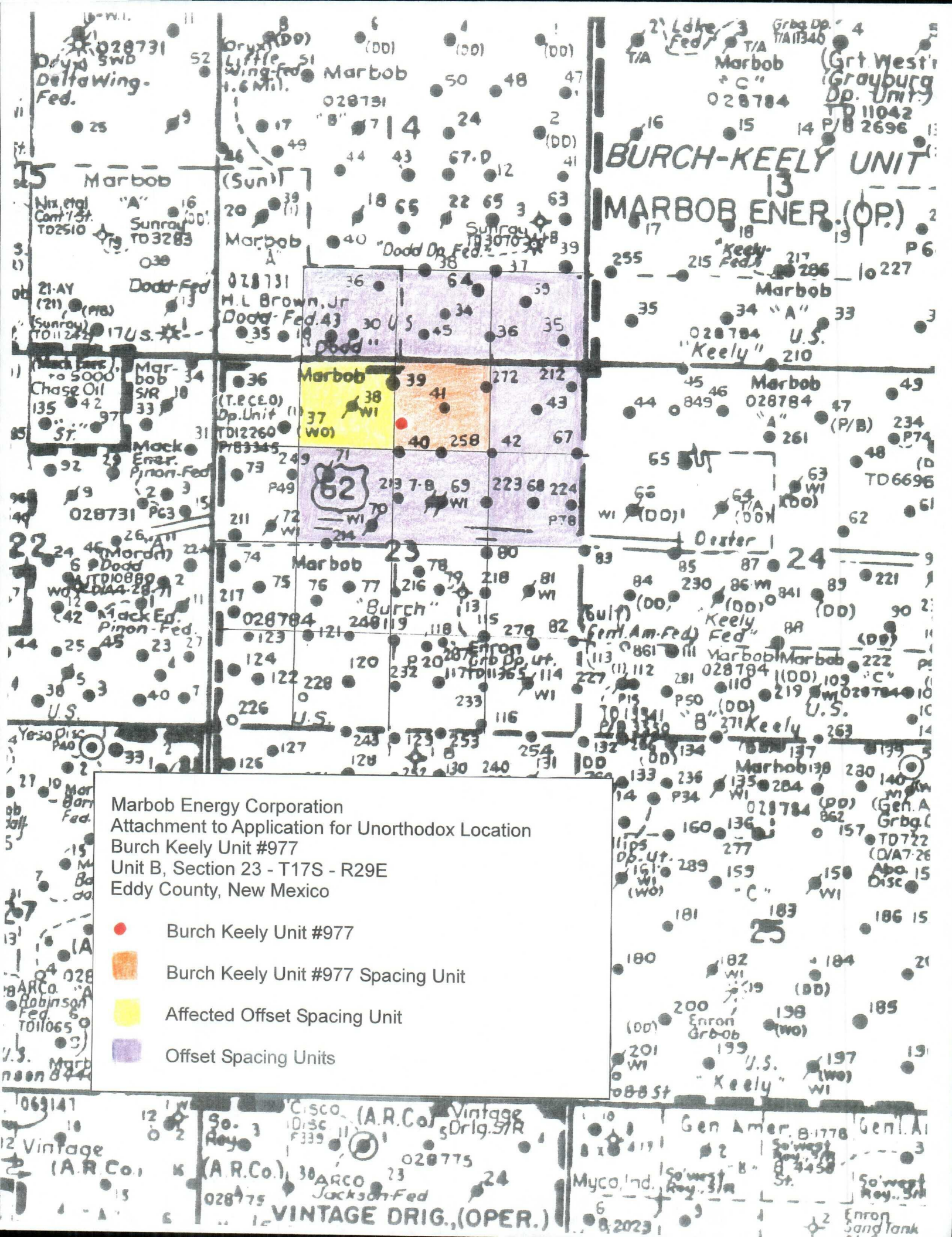
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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

<p>GEODETTIC COORDINATES NAD 27 NME</p> <p>Y=663898.1 N X=588636.3 E</p> <p>LAT.=32.824810° N LONG.=104.044793° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Nancy T. Agnew</i> /11/06 Signature Date</p> <p>Nancy T. Agnew Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>NOVEMBER 7, 2006</p> <p>Date Surveyed LA</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Gary E. Eidson</i> 11/22/06 06.11.1763</p> <p>Certificate No. GARY EIDSON 12641</p>
-----------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Marbob Energy Corporation
Attachment to Application for Unorthodox Location
Burch Keely Unit #977
Unit B, Section 23 - T17S - R29E
Eddy County, New Mexico

-  Burch Keely Unit #977
-  Burch Keely Unit #977 Spacing Unit
-  Affected Offset Spacing Unit
-  Offset Spacing Units





marbob
energy corporation

January 11, 2007

Marbob Energy Corp..
P.O. Box 227
Artesia, NM 88221-0227

RE: Unorthodox Surface Location
Administrative Approval Request
Burch Keely #977
865' FNL & 2595' FEL
Section 23, T-17S R-29E
Eddy County, New Mexico

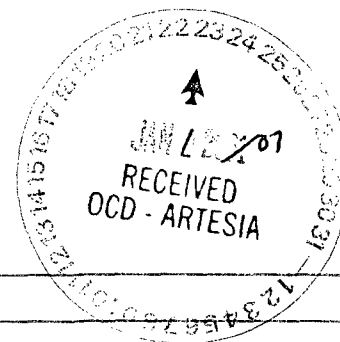
Gentlemen:

This letter will serve as notice of our application for the above described unorthodox location. A copy of the complete application is enclosed for your review. If you object to this application please advise OCD Santa Fe in a timely manner. If you do not object no action is required on your part. If you have any questions regarding this please contact me.

Sincerely,

Raye Miller
Land Department

RM/na
Enclosures



January 8, 2007

New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, New Mexico 87504

Attention: Mr. Tim Gumm

Re: Unorthodox Location
Administrative Approval Request
Burch Keely Unit #977
865' FNL & 2595' FEL
Section 23 T-17S R-29E
Eddy County, New Mexico

Dear Mr. Gumm:

Marbob Energy Corporation respectfully requests administrative approval for an unorthodox location of the Burch Keely Unit #977 well as referenced above. Attached is an OCD Form C-102 showing the proposed oil well spacing unit along with a map showing the adjoining spacing units. The well is unorthodox to the west boundary of the NW/4NE/4. The affected spacing unit is included in the Burch Keely Federal Unit which covers all of Section 23. Notice has been provided to the operator and working interest owners of that unit.

This location will also increase our secondary/tertiary flood pattern options and give us more flexibility to modify or change flood patterns in the future to maximize oil recovery from this unit. The surface problem encountered was cultural but the fifty foot move was perceived as a reasonable compromise and this was the only acceptable location to the archeologist.

Thank you for your consideration of this. If you need to talk with me further please call me at 800-748-1550.

Sincerely,

Raye Miller
Land Department

RM/nb
Attachments

DISTRICT I
4 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 28509	Pool Name GRBG JACKSON SR Q GRBG SA
Property Code	Property Name BURCH KEELY UNIT	Well Number 977
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3596'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	23	17-S	29-E		865	NORTH	2595	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.
40			

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

<p>GEODETIC COORDINATES NAD 27 NME Y=663898.1 N X=588636.3 E LAT.=32.824810° N LONG.=104.044793° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Nancy T. Agnew</i> 11/11/06 Signature Date Nancy T. Agnew Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>NOVEMBER 7, 2006</p> <p>Date Surveyed LA Signature & Seal of Professional Surveyor <i>Gary E. Eidson</i> 11/22/06 06.11.1763 Certificate No. GARY EIDSON 12641</p>
----------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



January 11, 2007

Marbob Energy Corp..
P.O. Box 227
Artesia, NM 88221-0227

RE: Unorthodox Surface Location
Administrative Approval Request
Burch Keely #977
865' FNL & 2595' FEL
Section 23, T-17S R-29E
Eddy County, New Mexico

Gentlemen:

This letter will serve as notice of our application for the above described unorthodox location. A copy of the complete application is enclosed for your review. If you object to this application please advise OCD Santa Fe in a timely manner. If you do not object no action is required on your part. If you have any questions regarding this please contact me.

Sincerely,

Raye Miller
Land Department

RM/na
Enclosures



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

January 29, 2007

Mr. Ray Miller
Marbob Energy Corporation
FAX No. 505-746-2523

**Re: Burch Keely Unit #977
B-23-17S-29E
Eddy County, New Mexico**

Dear Mr. Miller:

I have before me your request for approval for a non-standard location for this well.

Your application states that "the affected spacing unit is included in the Burch Keely Federal Unit which covers all of Section 23." To document compliance with applicable notice requirements for this application, please specifically confirm that Marbob is the operator of the Burch Keely Unit, and that under the applicable terms of the Unit Agreement and Unit Operating Agreement, production is shared in the same proportions in the NE/4 NW/4 as in the NW/4 NE/4 of Section 23.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brooks,
Assistant General Counsel



2007 FEB 5 PM 12 13

marbob
energy corporation

January 29, 2007

Faxed and Mailed

Bureau of Land Management
1220 South St. Francis Drive
Santa Fe, NM 87505

Attention: David K. Brooks

Re: Burch Keely Unit #977
B-23-17S-29E
Eddy County, New Mexico

Dear Mr. Brooks:

Marbob Energy Corp. is the operator of the Burch Keely Unit in section 23 and is also the operator of the Dodd Federal Unit in Section 14. The production in the NE/4NW/4 and the NW/4NE/4 is allocated under Burch Keely Unit agreement whereby either proration unit is neither increased or decreased by this unorthodox location since all of the production is allocated under the approved formula.

Please do not hesitate to contact us should you have any questions or need further information. Thank you for your consideration.

Sincerely,

William Miller
Landman

/wm