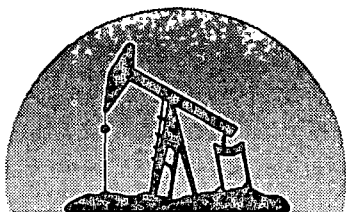


NSL

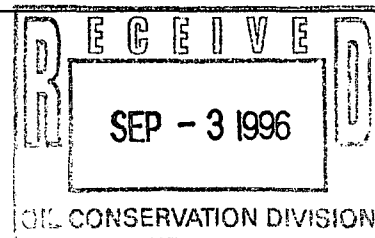
9/23/96



marbob
energy corporation

August 30, 1996

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



Attn: Mr. Michael Stogner

RE: **Unorthodox Location**
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to NMOCD Rule 104.F.(2), Marbob Energy Corporation respectfully requests, without a formal hearing, the approval of an unorthodox location of the Barnsdall Federal No. 3 as referenced above. Marbob originally staked this well at an orthodox location of 990' FNL and 1650' FWL of Section 27-17S-29E. However, the orthodox location impacted a Double Eagle high - pressure water line that crossed the location from east to west. The only solution, outside of moving the high pressure water line at great expense, is to move the location 100' south of the original staking. At 1090' from the north line, the proposed well location will be 140' from the Double Eagle water line.

The offset operators to this location are as follows: Marbob Energy Corporation; Mack Energy Corporation; and ARCO.

The only offset operator who is not a party to this well is Mack Energy Corporation. If the proposed unorthodox location is approved, the well will be no closer to Mack Energy Corporation's lease line than if the orthodox location were drilled. Mack Energy's lease is to the west of this lease and we are proposing to move the location south 100'.

Thank you for considering this request. Please notify me of any questions that you may have concerning this request.

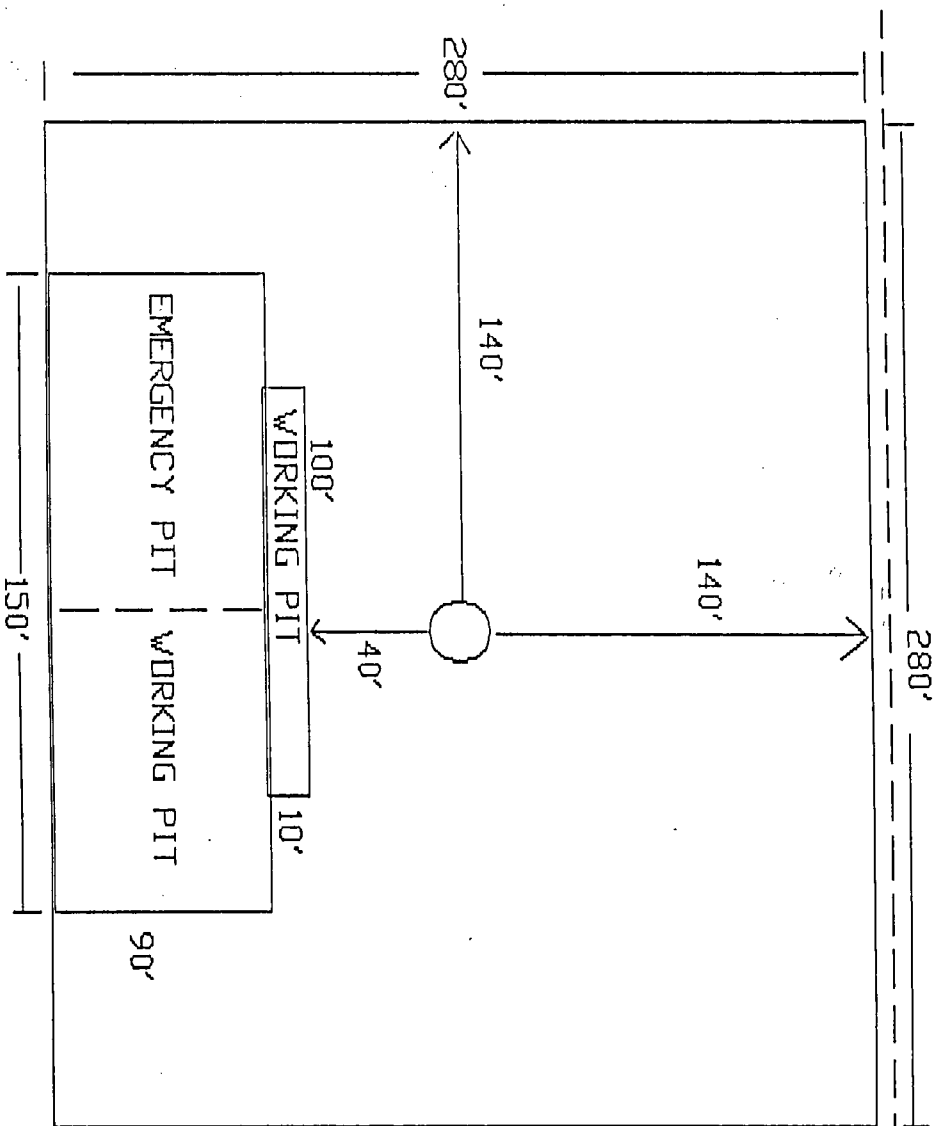
Sincerely,

David Martin
Land Department

EXHIBIT #5

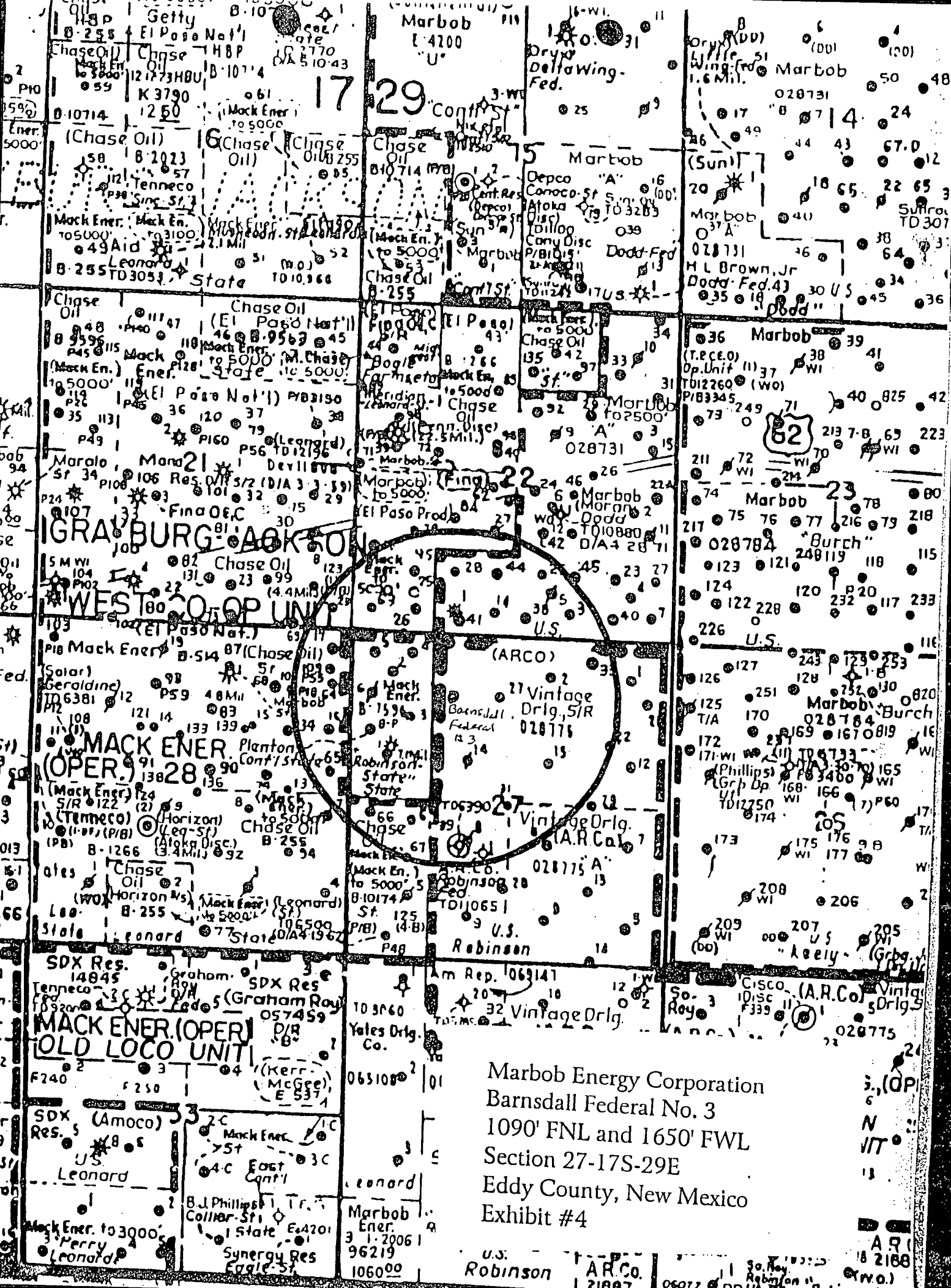
DOUBLE EAGLE WATER
LINE

ACCESS ROAD

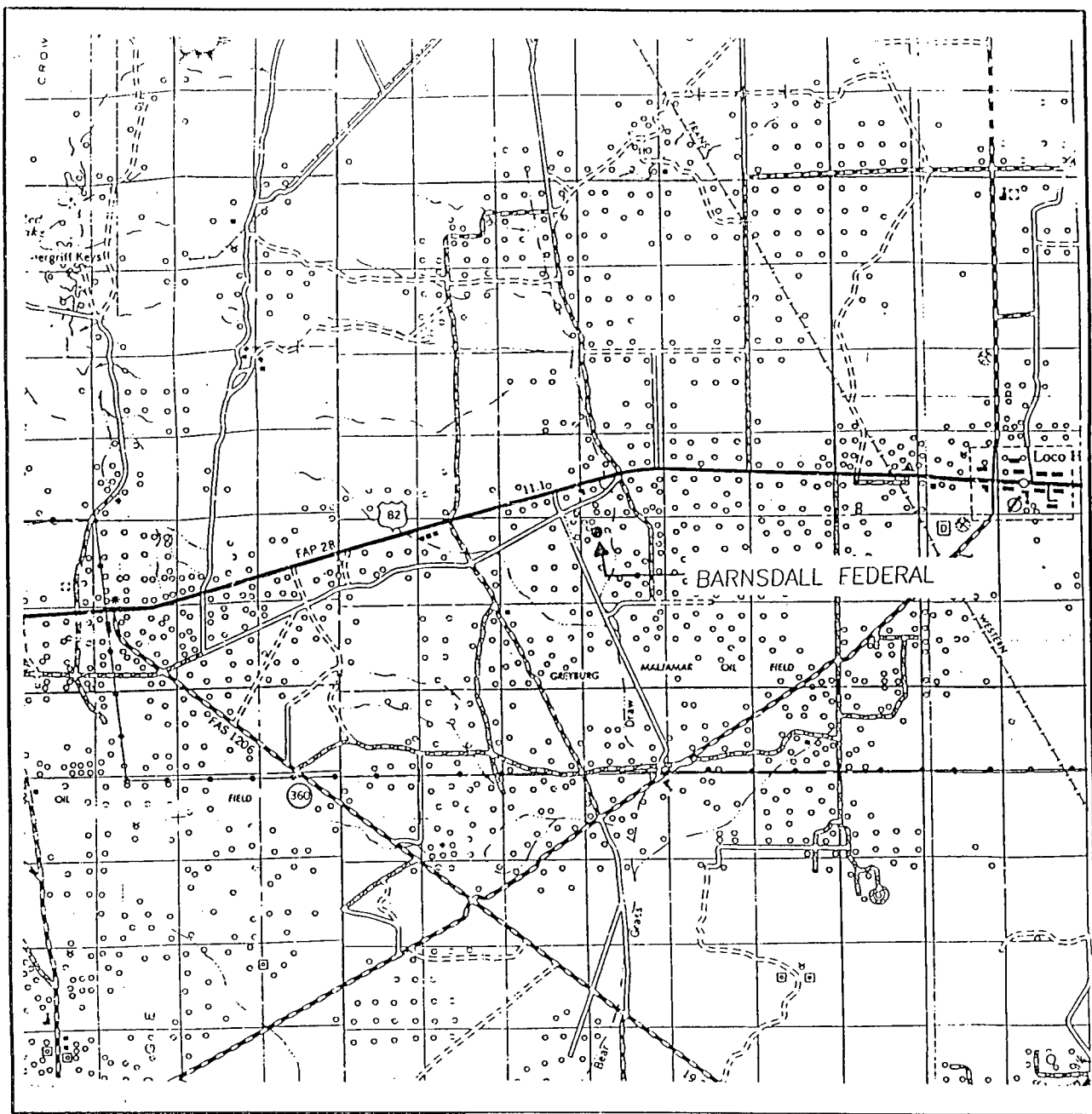


MARBOD ENERGY

BARNSDALL FEDERAL #3
1090' FNL & 1650' FWL
SEC. 27-T17S-R29E
EDDY COUNTY, NEW MEXICO



VICINITY MAP



SCALE: 1" = 2 MILES

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

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1090' FNL & 1650' FWL

ELEVATION 3554

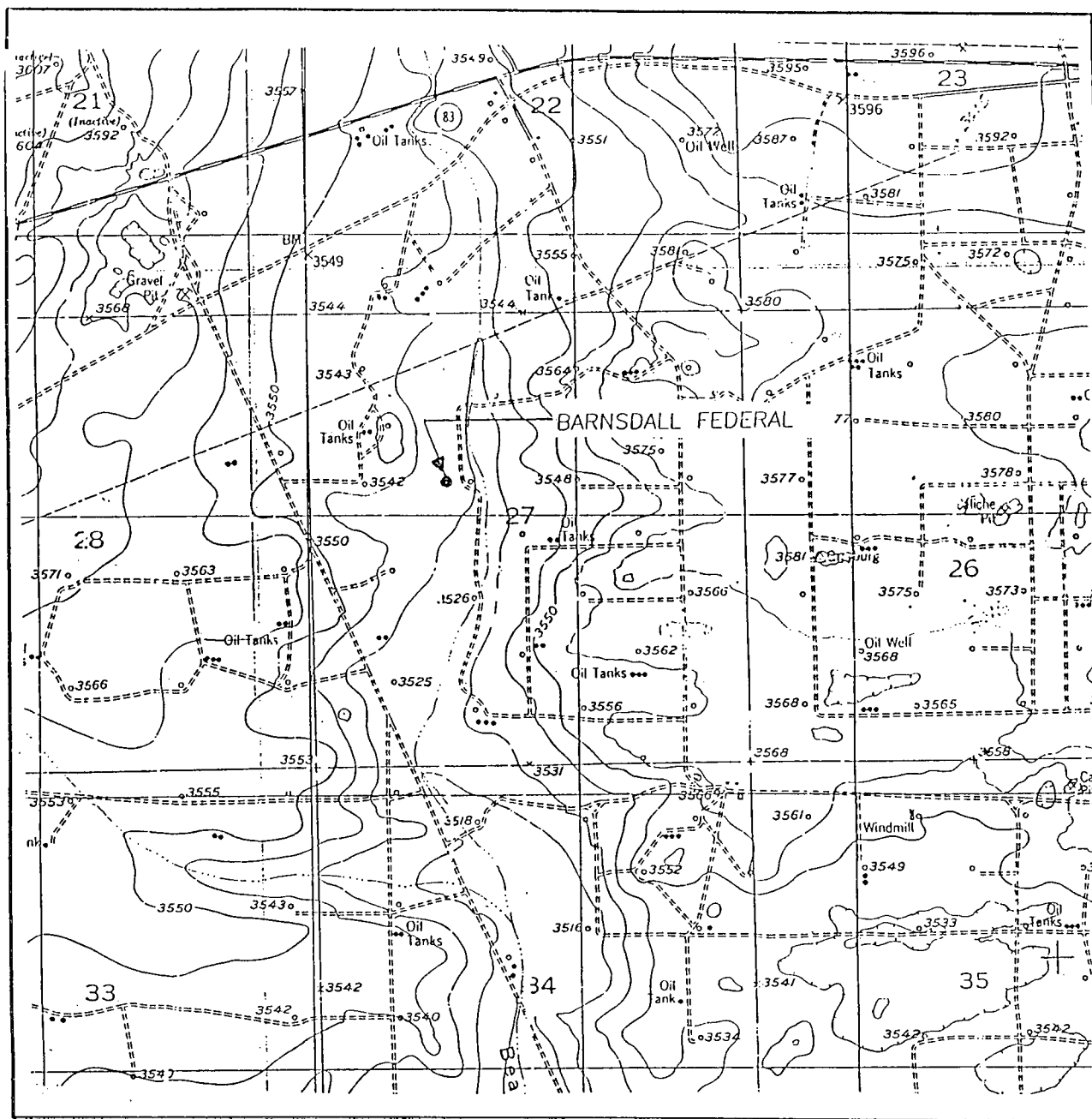
OPERATOR MARBOB ENERGY CORPORATION

LEASE BARNSDALL FEDERAL

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO

(505) 393-3117

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 1090' FNL & 1650' FWL

ELEVATION 3554

OPERATOR MARBOB ENERGY CORPORATION

LEASE BARNSDALL FEDERAL

U.S.G.S. TOPOGRAPHIC MAP

RED LAKE SE, N.M.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO

(505) 393-3117



AUG 19 1996

August 12, 1996

ARCO
Post Office Box 1610
Midland, Texas 79702

RE: Proposed Unorthodox Well
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

David Martin
Land Department

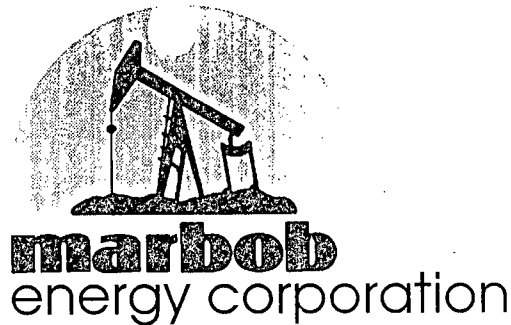
DM/mm
Enclosures

ARCO has no objection to the proposed unorthodox well.

By:

Title: Landman

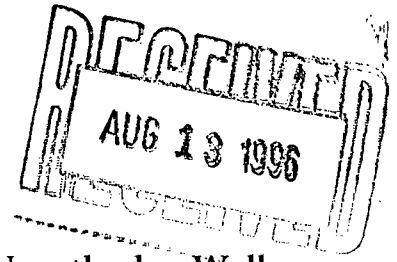
Date: 8/16/96



AUG 20 1996

August 9, 1996

Mack Energy Corporation
Post Office Box 960
Artesia, New Mexico 88211



RE: Proposed Unorthodox Well
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Gentlemen:

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If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

David Martin
Land Department

DM/mm
Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

By: Robert C. Chase

Title: V.P.

Date: 8/19/96



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

September 10, 1996

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

Attention: David Martin
Land Department

*Re: Application for administrative approval to drill
the Barnsdall Federal Well No. 3 at an
unorthodox location 1090 feet from the North
line and 1650 feet from the West line (Unit C)
of Section 27, Township 17 South, Range 29
East, NMPM, Eddy County, New Mexico.*

Dear Mr. Martin:

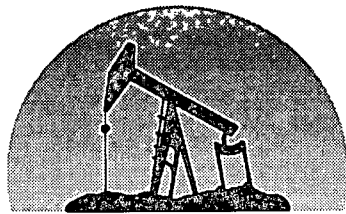
Per your application dated August 30, 1996, please identify the projected depth and target interval for this well, its proposed dedicated acreage, and state in more detail the reason(s) why the "only solution, outside of moving the high pressure water line" was to move south 100 feet - am I to assume all other possible locations within the 330/330 foot square within the Unit "C" was not acceptable for this location (assuming of course this well will be on 40-acre spacing).

Thank you for your cooperation in this matter.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
Raye Miller - Marbob Energy Corporation, Artesia



marbob
energy corporation

NSL 10/15/96

OIL CONSERVATION DIVISION

ALBUQUERQUE, NM

SEP 18 1996

September 19, 1996

*10-2-96 Talked w/ Ray Miller, will provide
additional data on drainage/
pattern/geology. M.S.*

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

Attention: Michael Stogner

RE: Unorthodox Location
Barnsdall Federal No. 3
1090' FNL and 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to NMOCD Rule 104.F.(2), Marbob Energy Corporation respectfully requests, without formal hearing, the approval of an unorthodox location of the Barnsdall Federal No. 3 as referenced above. The well will be drilled to a depth of 6,100' to test the Yeso formation and all other potential oil or gas bearing rock from the surface to the Yeso formation. The proposed acreage to be dedicated to this well is a standard 40-acre spacing unit.

Marbob originally staked this well at an orthodox location of 990' FNL and 1650' FWL of Section 27-17S-29E. However, the orthodox location impacted a Double Eagle high-pressure water line that crossed the location from east to west. Marbob has also staked a location in the northeast corner of unit letter C at 1650' FEL and 330' FNL, Section 27-17S-29E. In order to fully develop this 40 acres and capture the potential reserves, Marbob needs to drill both proposed locations. Therefore, Marbob Energy proposes to move the Barnsdall Federal No. 3 location 100' south of the orthodox staking in order to avoid the Double Eagle water line and still develop the potential reserves that could not be produced by the other proposed location at 1650' FEL and 330' FNL. An exhibit is attached which identifies Marbob's plan to develop the maximum potential reserves from this acreage.

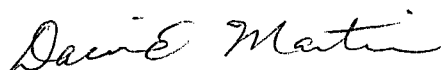
The offset operators to this location are as follows: Marbob Energy Corporation, Mack

Energy Corporation, and ARCO..

The only offset operator who is not a party to this well is Mack Energy Corporation. If the proposed unorthodox location is approved, the well will be no closer to Mack Energy Corporation's lease line than if the orthodox location were drilled. Mack Energy's lease is to the west of this lease and we are proposing to move the location south 100'. Mack Energy Corporation has been notified by certified mail of Marbob's proposed well.

Thank you for considering this request. If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "David E. Martin".

David Martin
Land Department

DM/mm
Enclosures

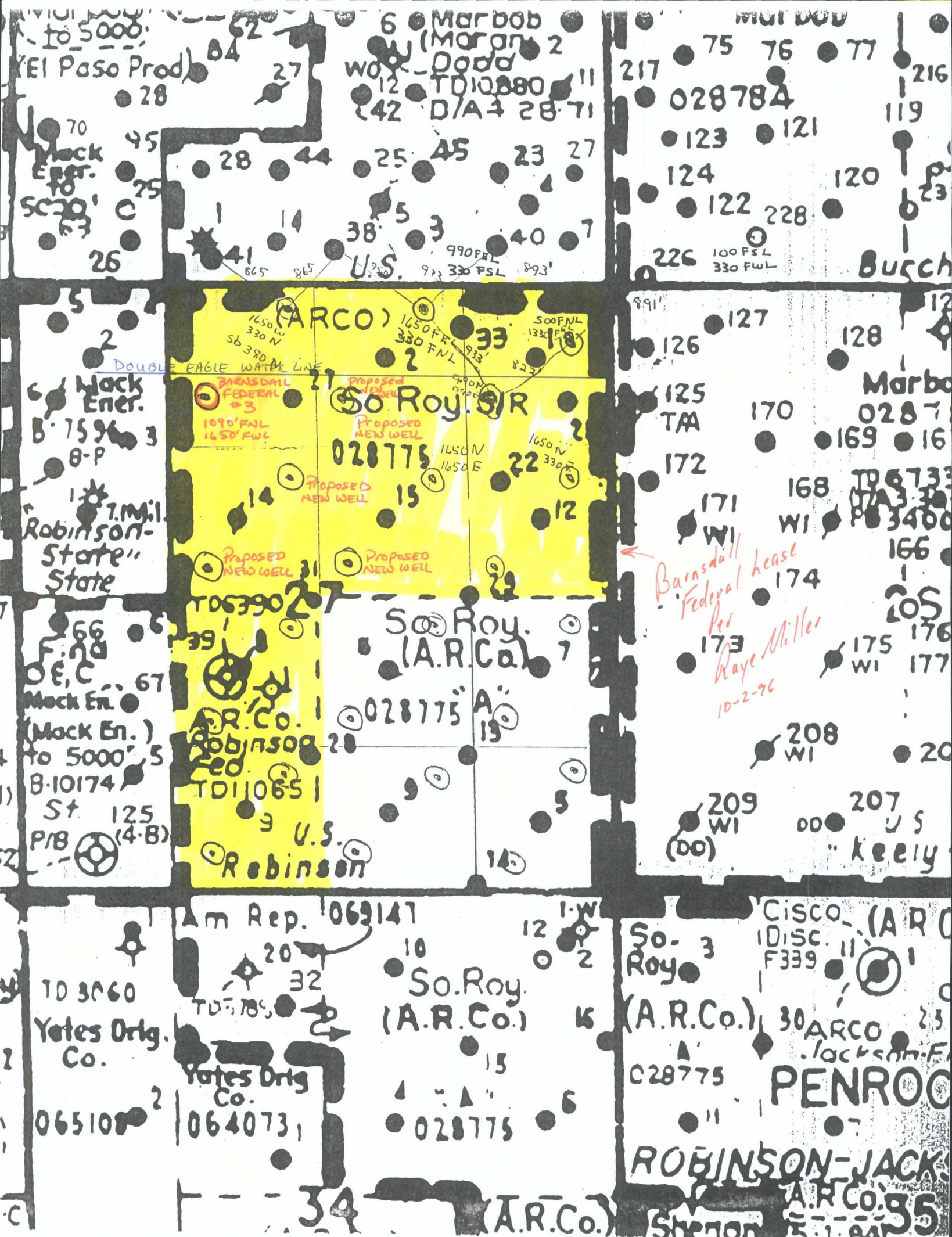
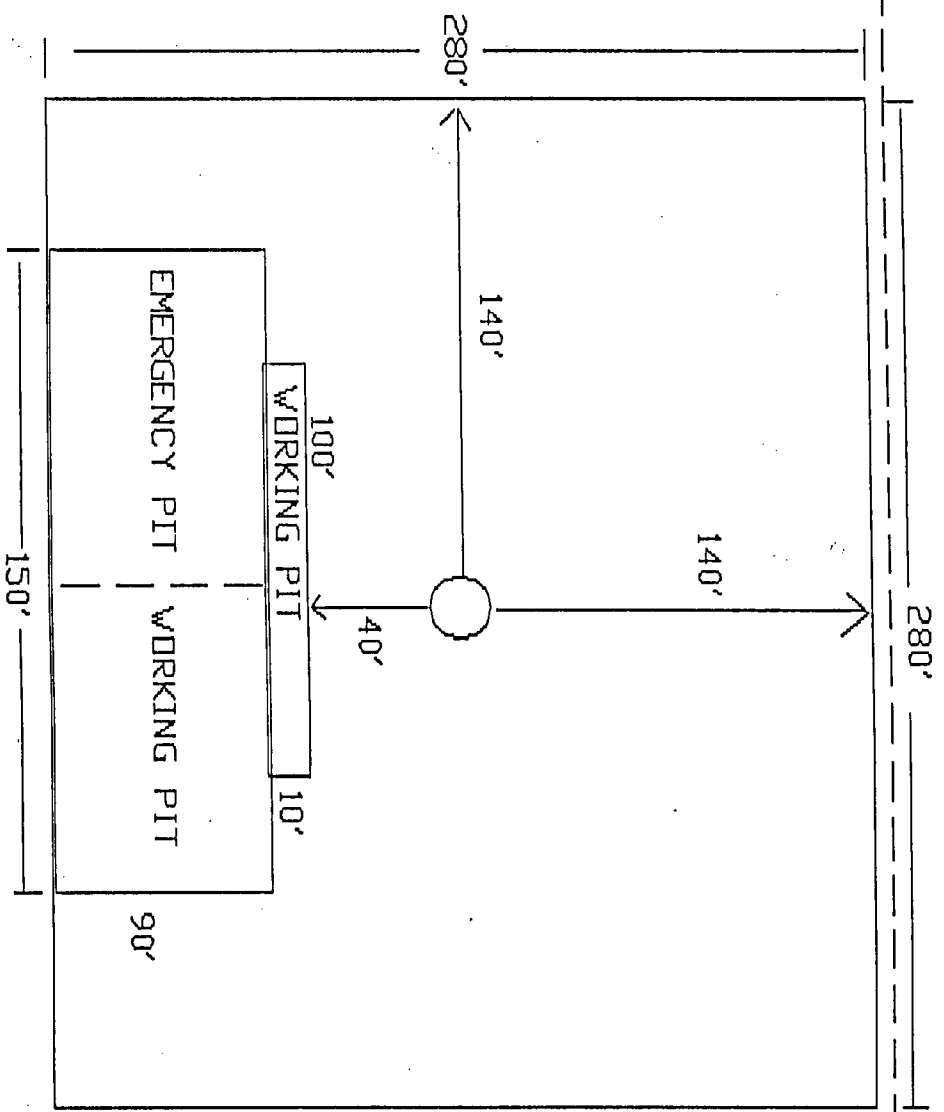


EXHIBIT #5

DOUBLE EAGLE WATER
LINE

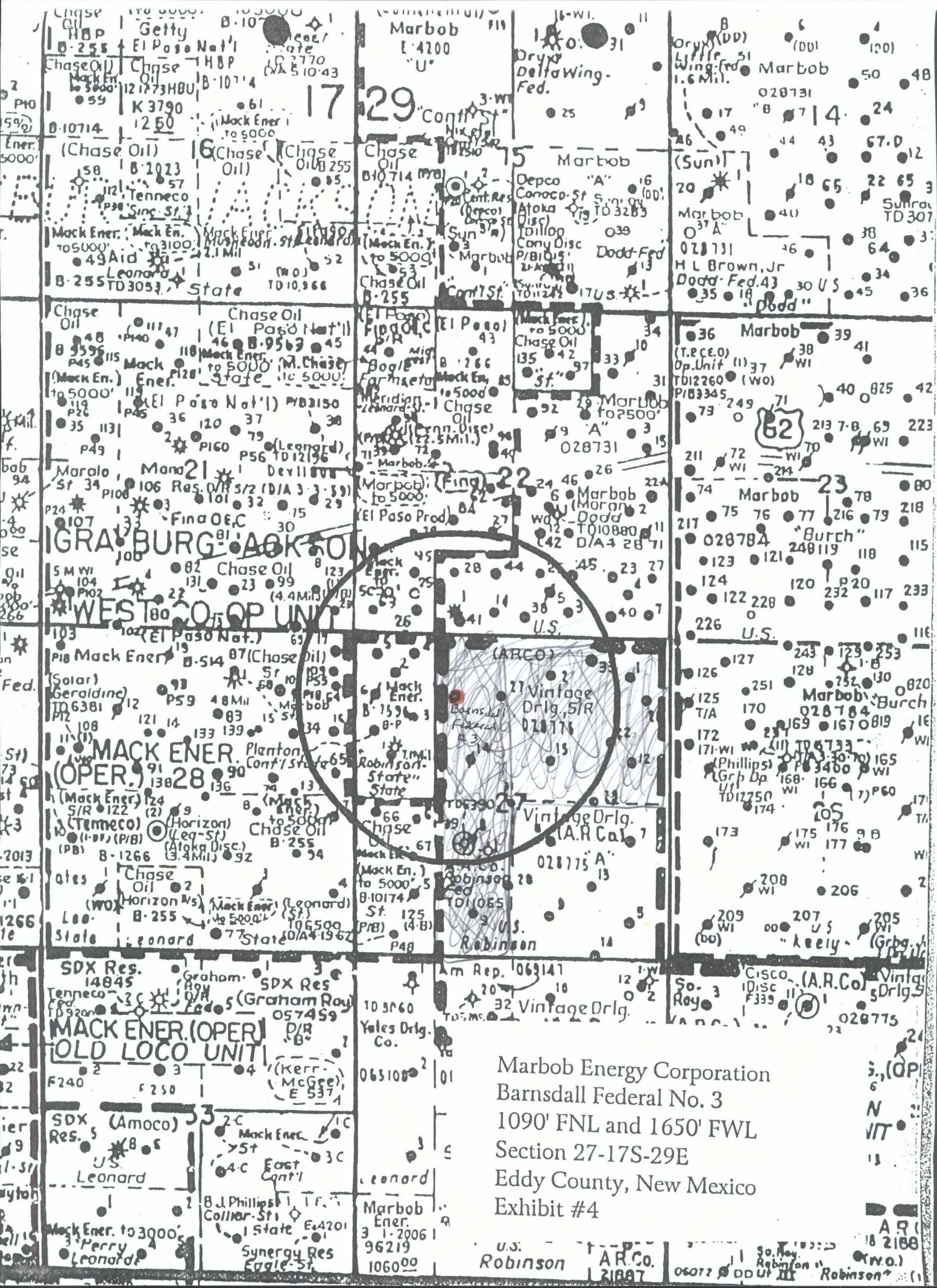


ACCESS ROAD

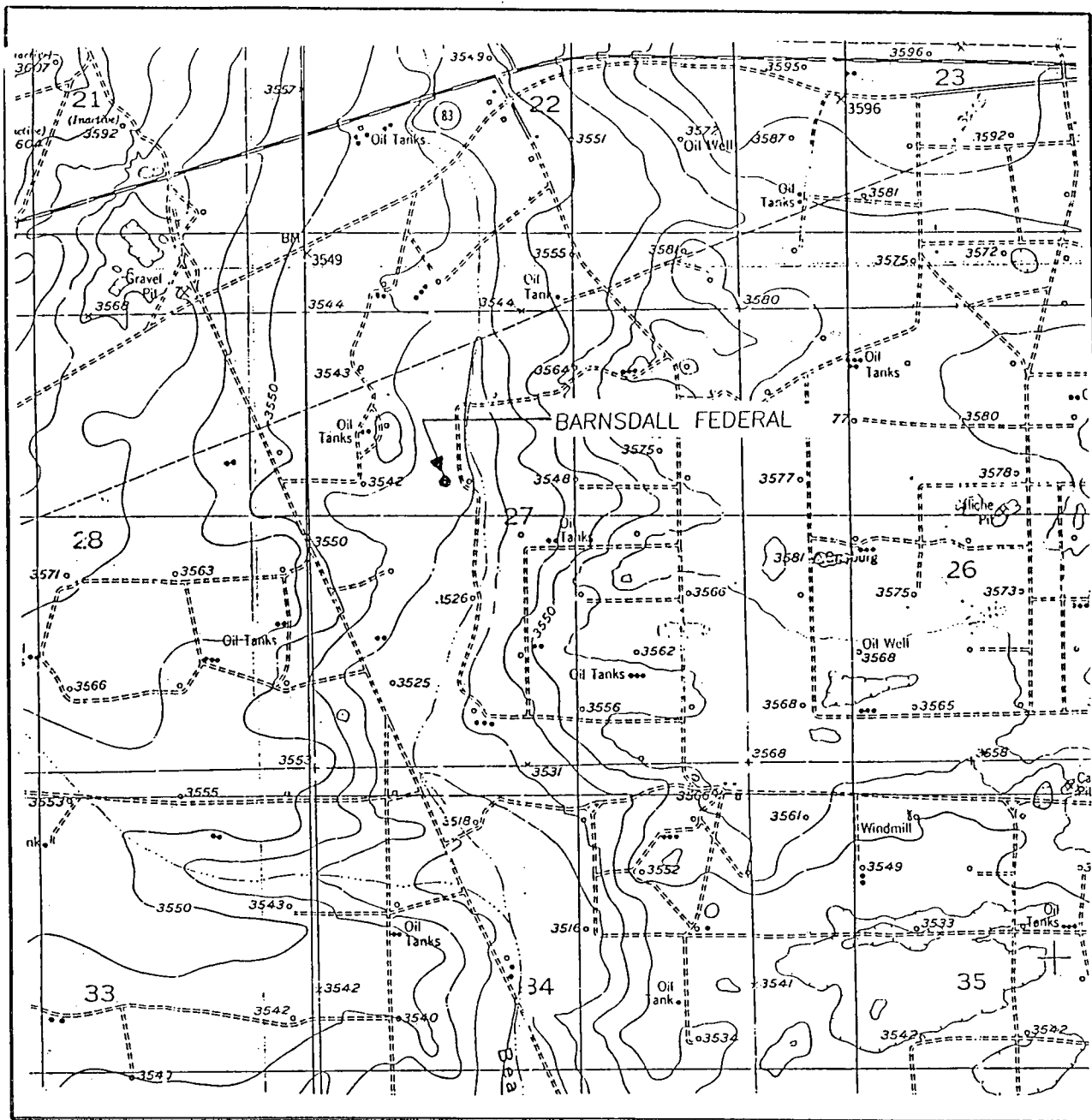


MARBOD ENERGY

BARNSDALL FEDERAL #3
1090' FNL & 1650' FVL
SEC. 27-T17S-R29E
EDDY COUNTY, NEW MEXICO



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 1090' FNL & 1650' FWL

ELEVATION 3554

OPERATOR MARBOB ENERGY CORPORATION

LEASE BARNSDALL FEDERAL

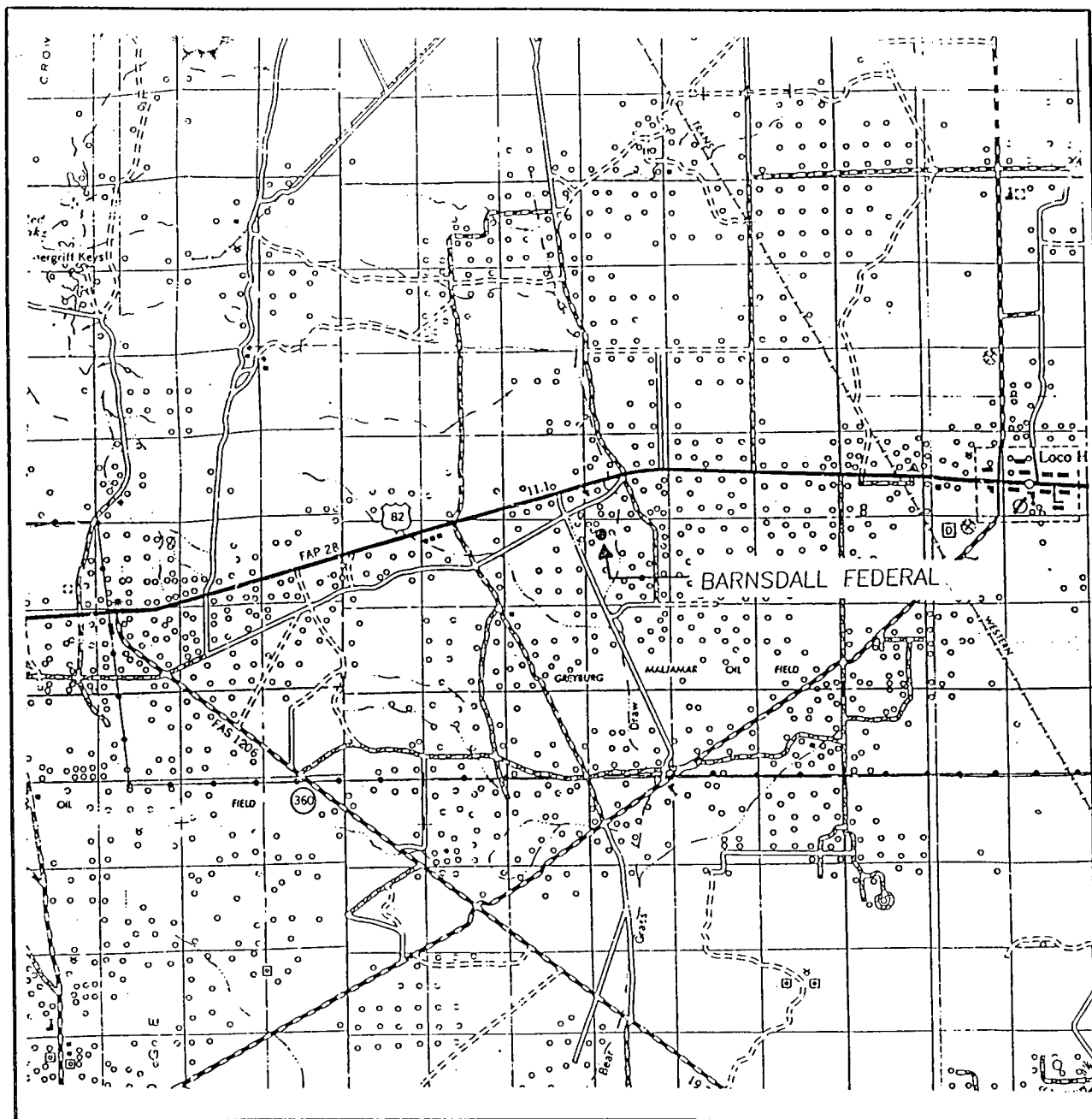
U.S.G.S. TOPOGRAPHIC MAP

RED LAKE SE, N.M.

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

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

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1090' FNL & 1650' FWL

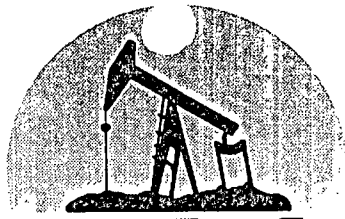
ELEVATION 3554

OPERATOR MARBOB ENERGY CORPORATION

LEASE BARNSDALL FEDERAL

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO

(505) 393-3117



marbob
energy corporation

AUG 19 1996

August 12, 1996

ARCO
Post Office Box 1610
Midland, Texas 79702

RE: Proposed Unorthodox Well
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

David Martin
Land Department

DM/mm
Enclosures

ARCO has no objection to the proposed unorthodox well.

By:

Title: Landman

Date: 8/16/96

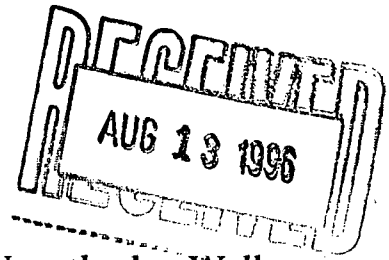


marbob
energy corporation

AUG 20 1996

August 9, 1996

Mack Energy Corporation
Post Office Box 960
Artesia, New Mexico 88211



RE: Proposed Unorthodox Well
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

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Sincerely,

David Martin
Land Department

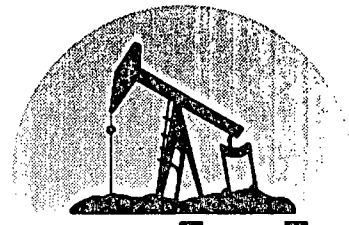
DM/mm
Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

By: Robert C. Chase

Title: V.P.

Date: 8/19/96



marbob
energy corporation

September 19, 1996

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

Attention: Michael Stogner

RE: Unorthodox Location
Barnsdall Federal No. 3
1090' FNL and 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to NMOCD Rule 104.F.(2), Marbob Energy Corporation respectfully requests, without formal hearing, the approval of an unorthodox location of the Barnsdall Federal No. 3 as referenced above. The well will be drilled to a depth of 6,100' to test the Yeso formation and all other potential oil or gas bearing rock from the surface to the Yeso formation. The proposed acreage to be dedicated to this well is a standard 40-acre spacing unit.

Marbob originally staked this well at an orthodox location of 990' FNL and 1650' FWL of Section 27-17S-29E. However, the orthodox location impacted a Double Eagle high-pressure water line that crossed the location from east to west. Marbob has also staked a location in the northeast corner of unit letter C at 1650' FEL and 330' FNL, Section 27-17S-29E. In order to fully develop this 40 acres and capture the potential reserves, Marbob needs to drill both proposed locations. Therefore, Marbob Energy proposes to move the Barnsdall Federal No. 3 location 100' south of the orthodox staking in order to avoid the Double Eagle water line and still develop the potential reserves that could not be produced by the other proposed location at 1650' FEL and 330' FNL. An exhibit is attached which identifies Marbob's plan to develop the maximum potential reserves from this acreage.

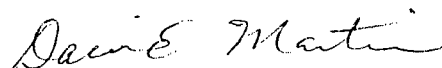
The offset operators to this location are as follows: Marbob Energy Corporation, Mack

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The only offset operator who is not a party to this well is Mack Energy Corporation. If the proposed unorthodox location is approved, the well will be no closer to Mack Energy Corporation's lease line than if the orthodox location were drilled. Mack Energy's lease is to the west of this lease and we are proposing to move the location south 100'. Mack Energy Corporation has been notified by certified mail of Marbob's proposed well.

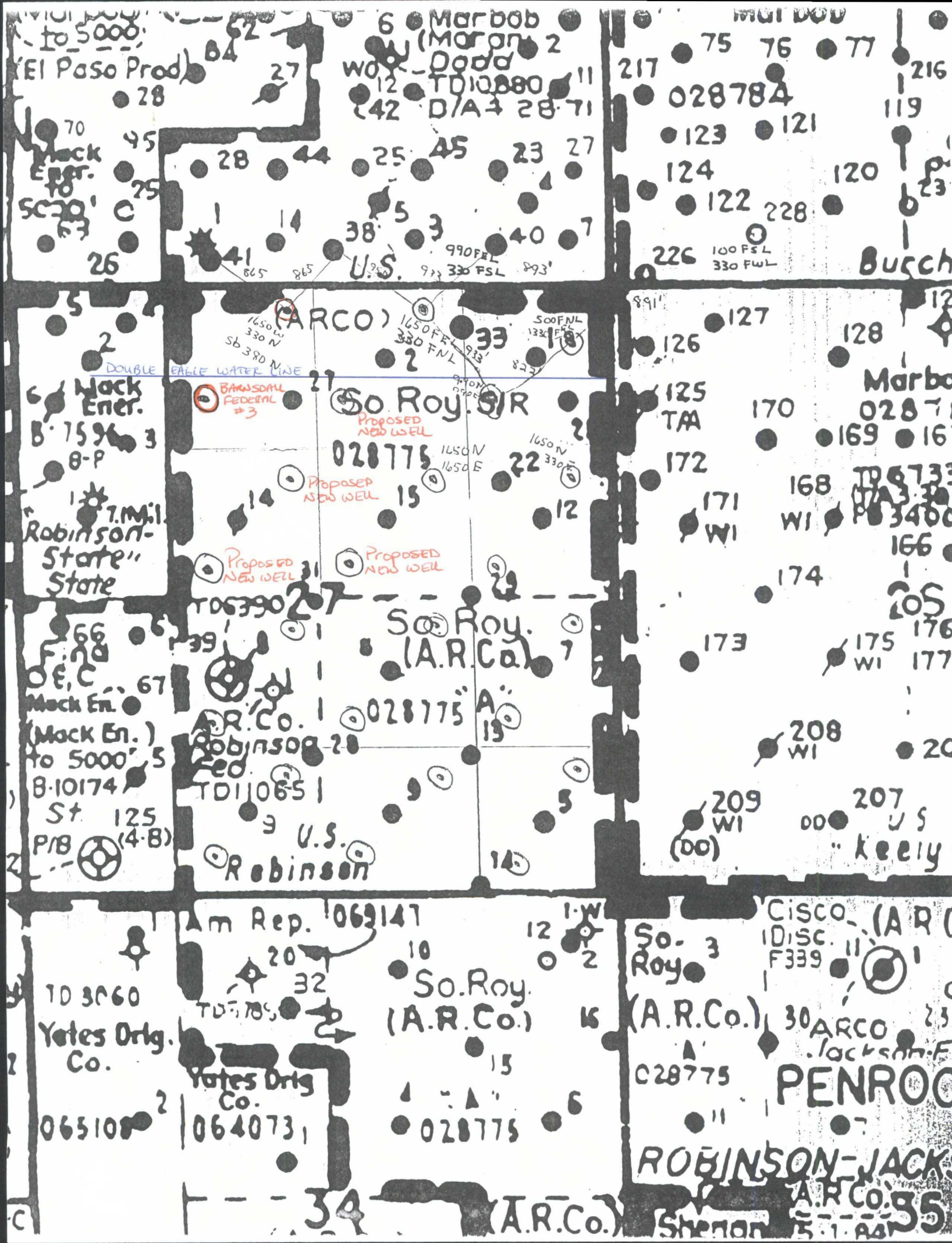
Thank you for considering this request. If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "David E. Martin".

David Martin
Land Department

DM/mm
Enclosures



to 5000'
El Paso Prod
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Ener.
to
5000'
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6 Marbob
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226 100 FSL
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(ARCO)
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Keely

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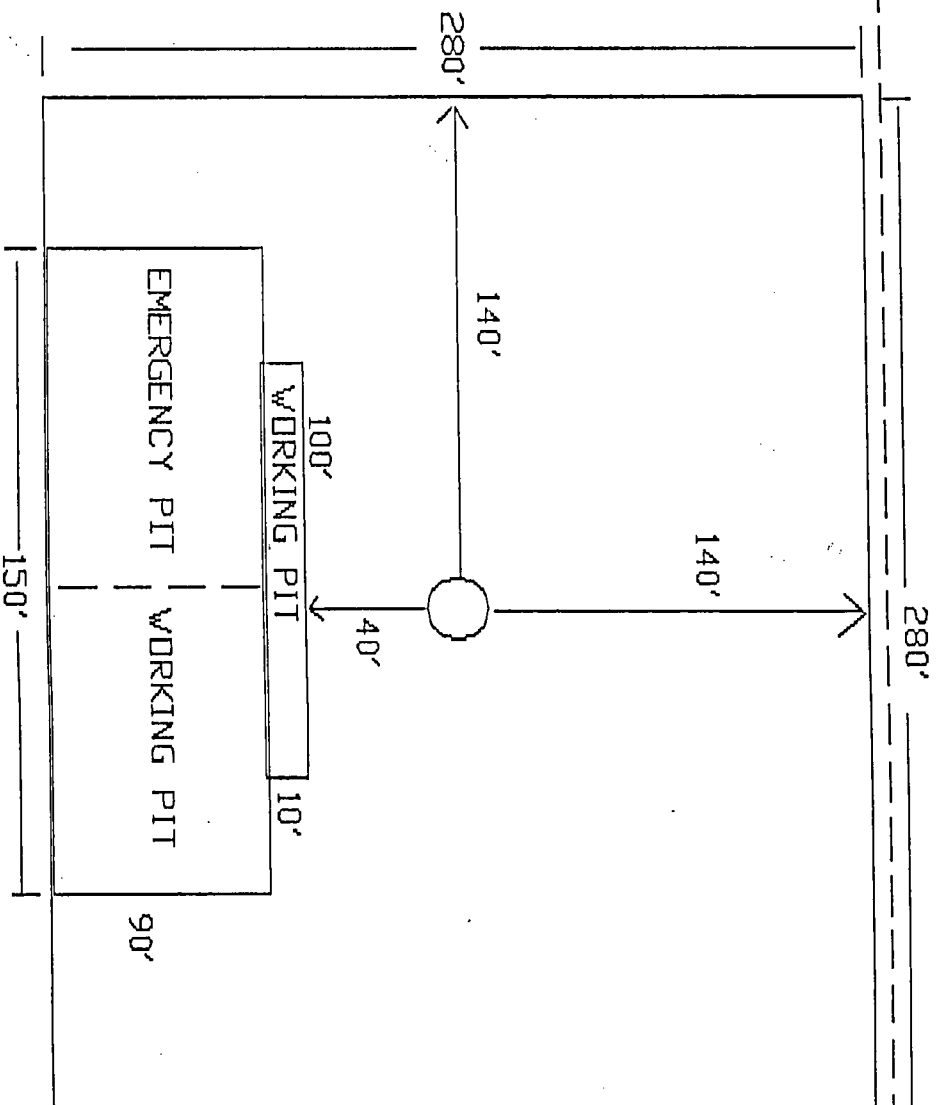
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(A.R.Co.)
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028775
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(A.R.Co.)

So Roy.
(A.R.Co.)
028775
PENROCK
ROBINSON-JACK
A.R.Co.
35
Shannon

EXHIBIT #5

DOUBLE EAGLE WATER
LINE

ACCESS ROAD



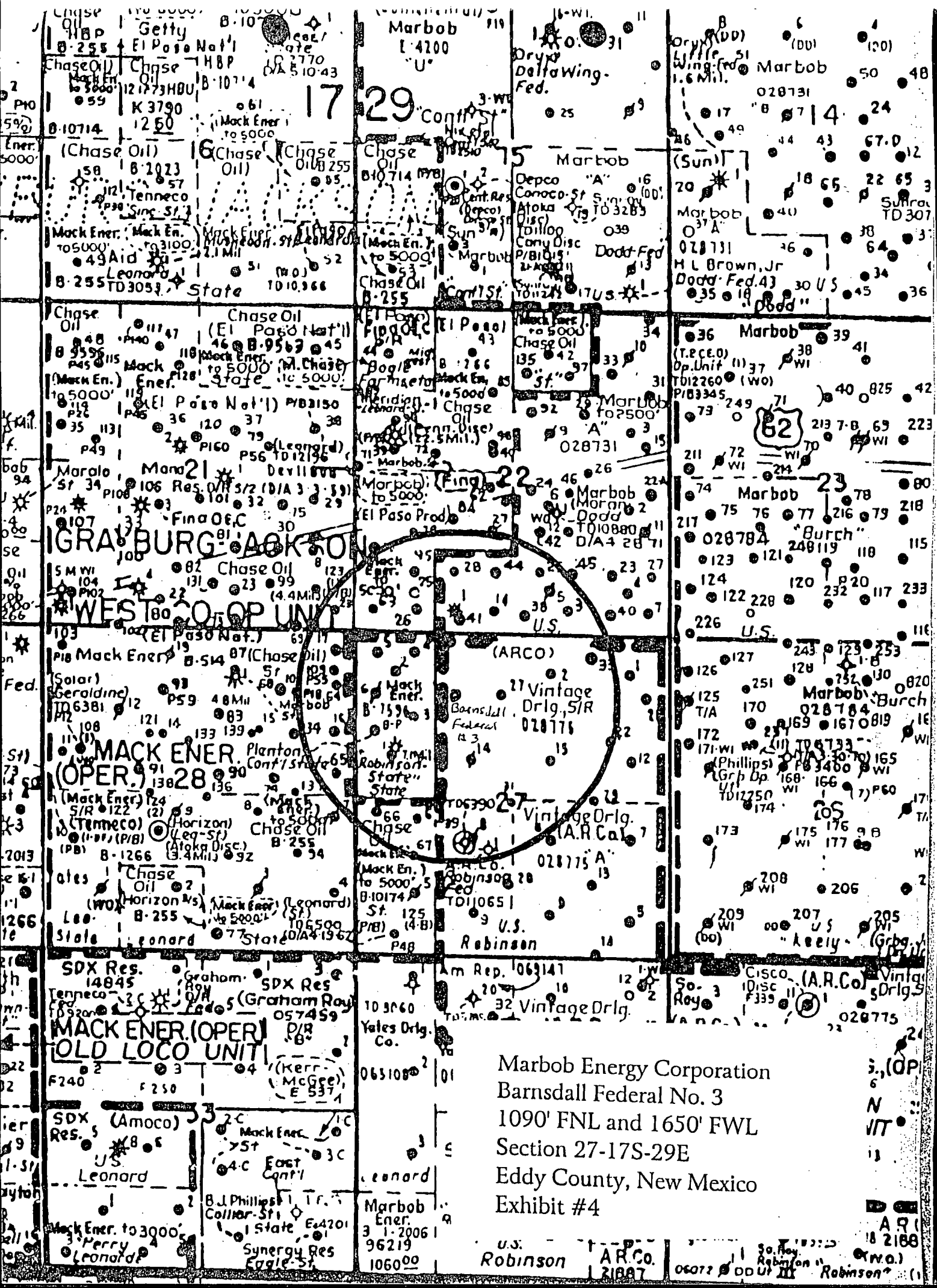
MARBOD ENERGY

BARNSDALL FEDERAL #3

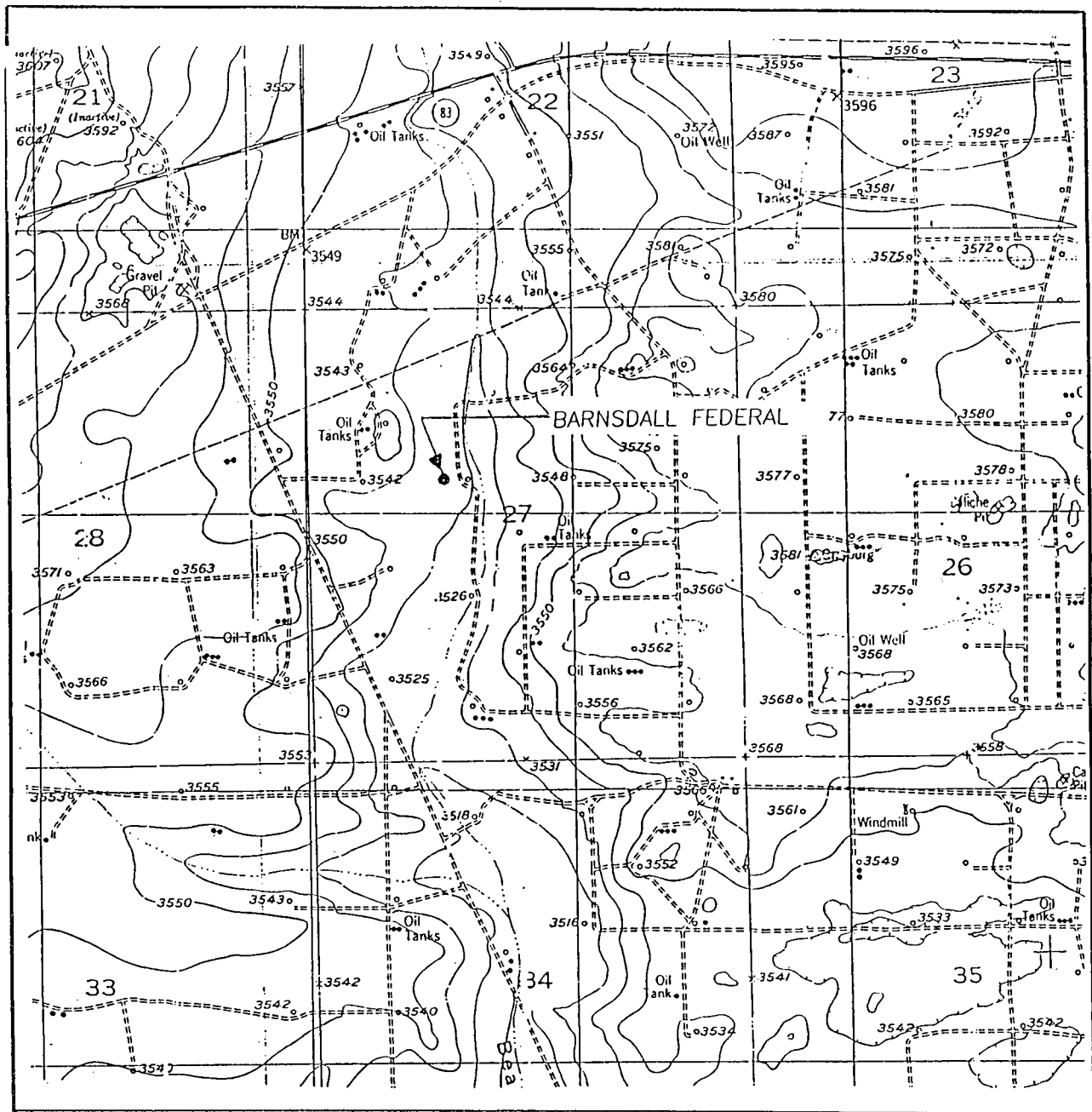
1090' FNL & 1650' FWL

SEC. 27-T17S-R29E

EDDY COUNTY, NEW MEXICO



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 1090' FNL & 1650' FWL

ELEVATION 3554

OPERATOR MARBOB ENERGY CORPORATION

LEASE BARNSDALL FEDERAL

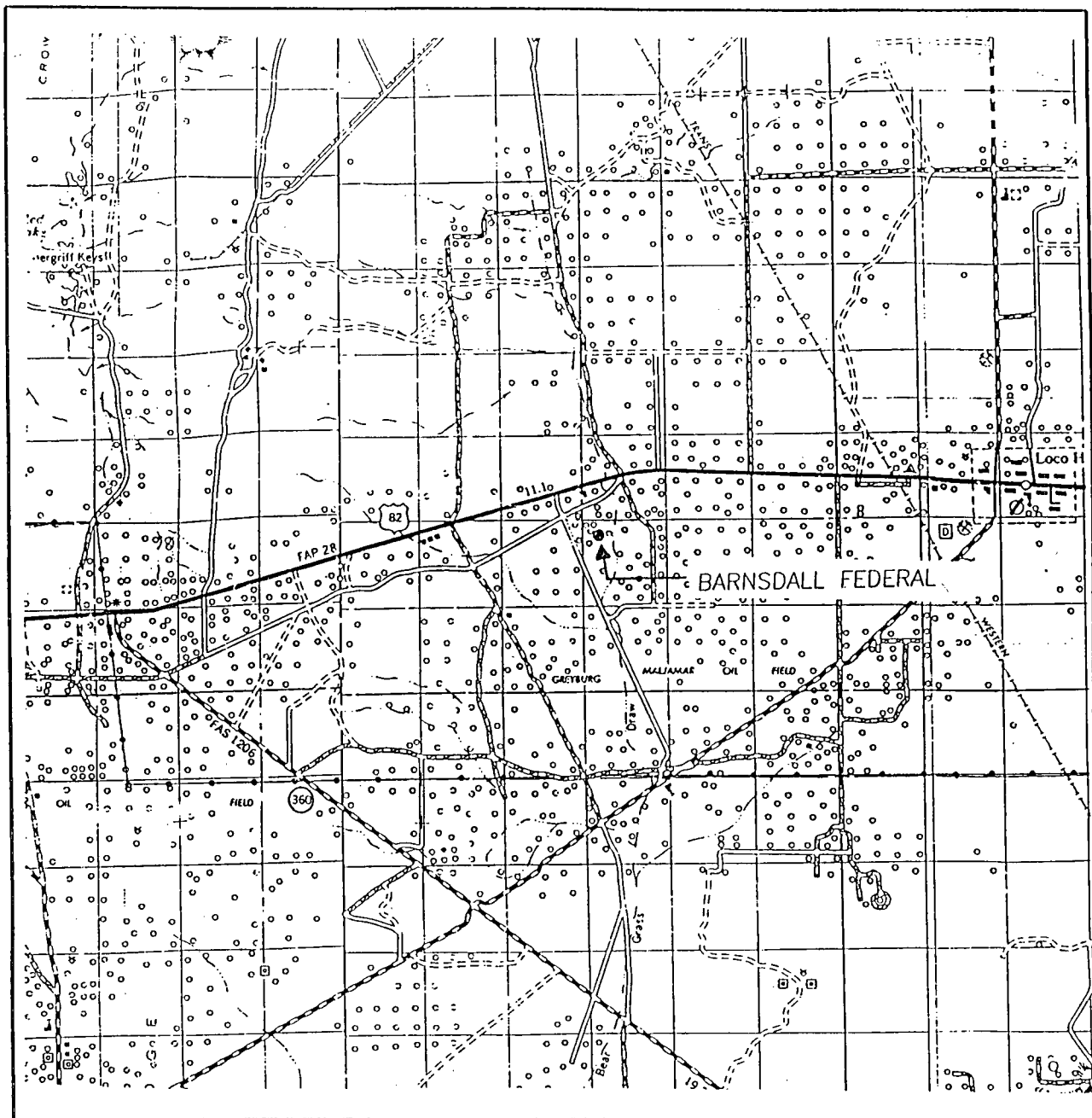
U.S.G.S. TOPOGRAPHIC MAP

RED LAKE SE, N.M.

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

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

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1090' FNL & 1650' FWL

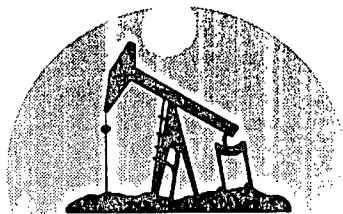
ELEVATION 3554

OPERATOR MARBOB ENERGY CORPORATION

LEASE BARNSDALL FEDERAL

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO

(505) 393-3117



marbob
energy corporation

AUG 19 1996

August 12, 1996

ARCO
Post Office Box 1610
Midland, Texas 79702

RE: Proposed Unorthodox Well
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

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Sincerely,

David Martin
Land Department

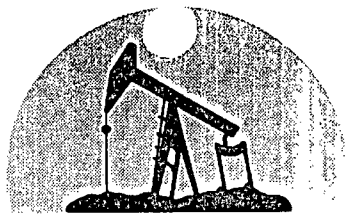
DM/mm
Enclosures

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By:

Title: Landman

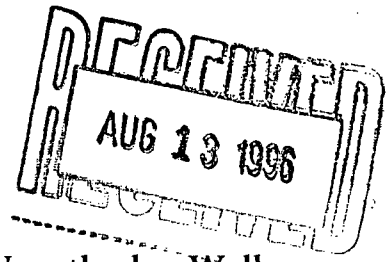
Date: 8/16/96



marbob
energy corporation

AUG 20 1996

August 9, 1996



Mack Energy Corporation
Post Office Box 960
Artesia, New Mexico 88211

RE: Proposed Unorthodox Well
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Section 27-17S-29E
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Land Department

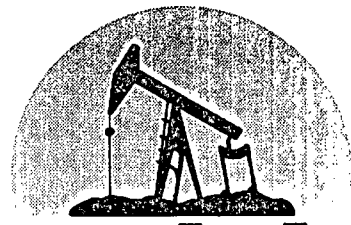
DM/mm
Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

By: Robert C. Chase

Title: V.P.

Date: 8/19/96



marbob
energy corporation

September 19, 1996

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

Attention: Michael Stogner

RE: Unorthodox Location
Barnsdall Federal No. 3
1090' FNL and 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

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Marbob originally staked this well at an orthodox location of 990' FNL and 1650' FWL of Section 27-17S-29E. However, the orthodox location impacted a Double Eagle high-pressure water line that crossed the location from east to west. Marbob has also staked a location in the northeast corner of unit letter C at 1650' FEL and 330' FNL, Section 27-17S-29E. In order to fully develop this 40 acres and capture the potential reserves, Marbob needs to drill both proposed locations. Therefore, Marbob Energy proposes to move the Barnsdall Federal No. 3 location 100' south of the orthodox staking in order to avoid the Double Eagle water line and still develop the potential reserves that could not be produced by the other proposed location at 1650' FEL and 330' FNL. An exhibit is attached which identifies Marbob's plan to develop the maximum potential reserves from this acreage.

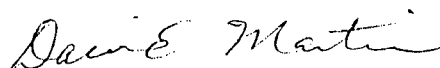
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Thank you for considering this request. If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "David E. Martin".

David Martin
Land Department

DM/mm
Enclosures

to 5000' (El Paso Prod)

70 Mock Ener. 5000' C

26

6 Marbob (Morgan) 2

Wor - Dodd

12 TD10880

42 D/A 4 28 71

27

28

25

45

23

27

1

14

38

5

3

40

7

990 FSL

330 FSL

893'

75 76 77

217

028784

123 121

124

120

122 228

226

100 FSL

330 FSL

Burch

2

DOUBLE CABLE WATER LINE

6 Mock Ener. B-7596 3

8-P

7.Mil Robinson State

14

PROPOSED NEW WELL

15

PROPOSED NEW WELL

22

1650 N

1650 E

12

170

172

171 WI

168 WI

174

173

175 WI

177

205

208 WI

209 WI

207

U.S.

Robinson

Am Rep. 069147

10

So. Roy. (A.R.Co.)

15

13

4

028775

10 3060 Yates Orig. Co.

065108

064073

028775

So. Roy. (A.R.Co.)

028775

11

028775

30 ARCO

Jackson-F

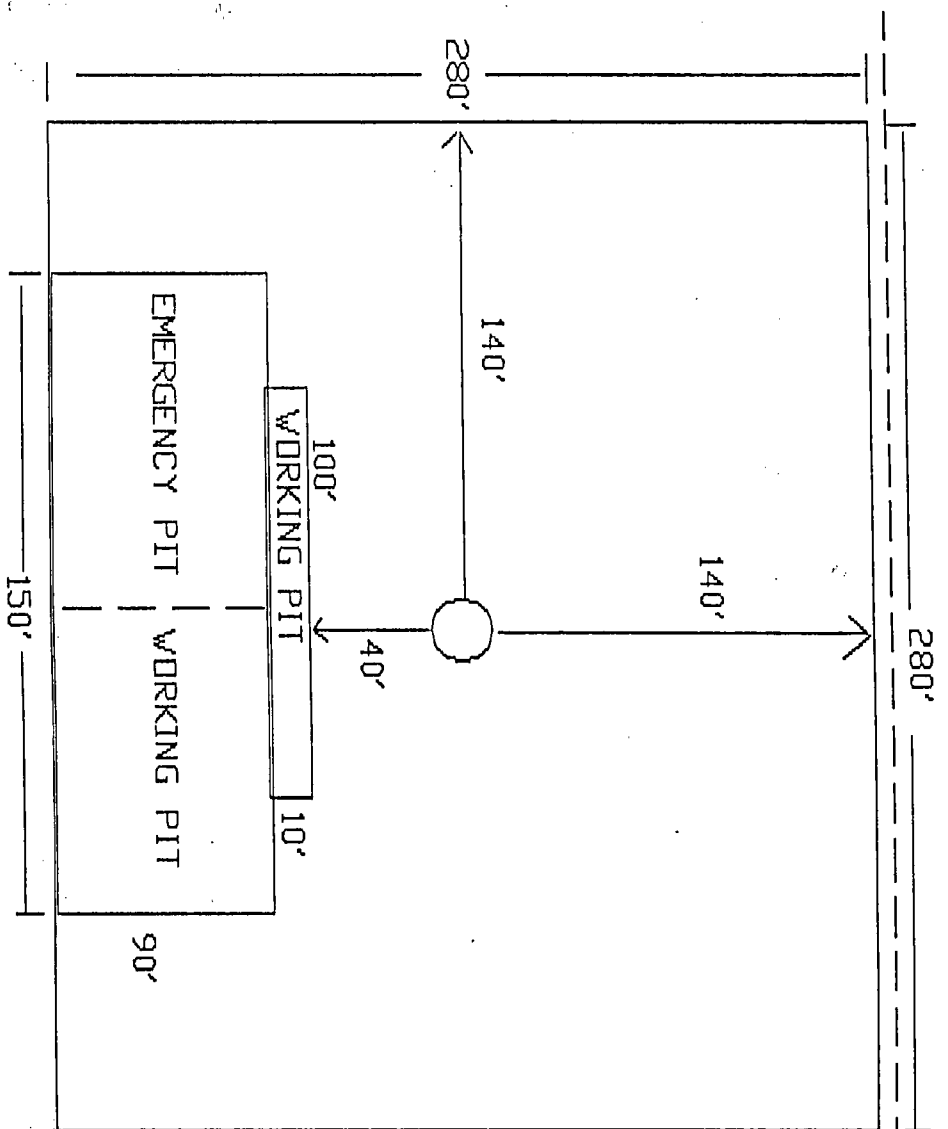
PENROCK

ROBINSON-JACK

A.R.Co.

35

EXHIBIT #5

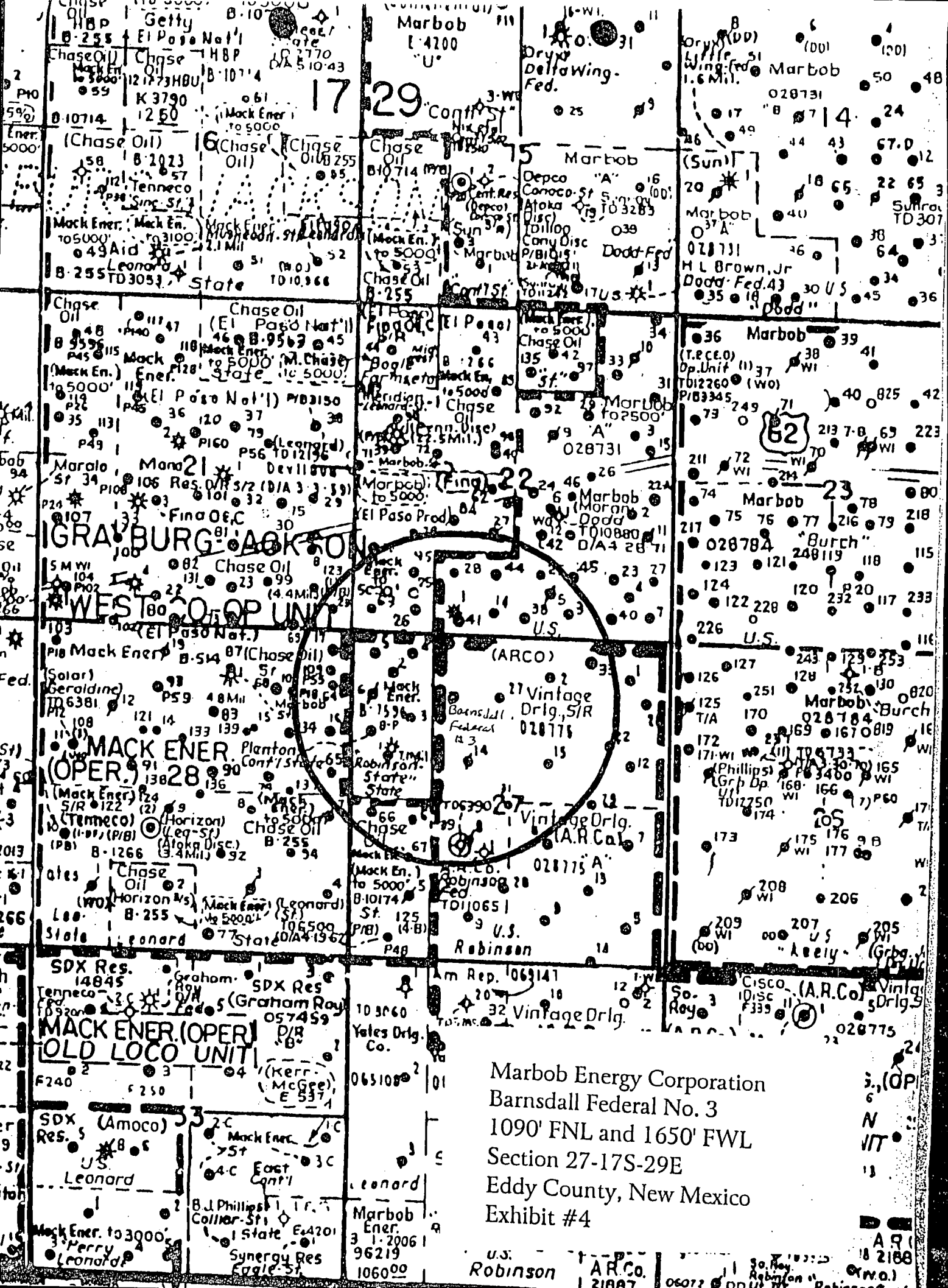


N
DOUBLE EAGLE WATER
LINE

ACCESS ROAD

MARBOD ENERGY

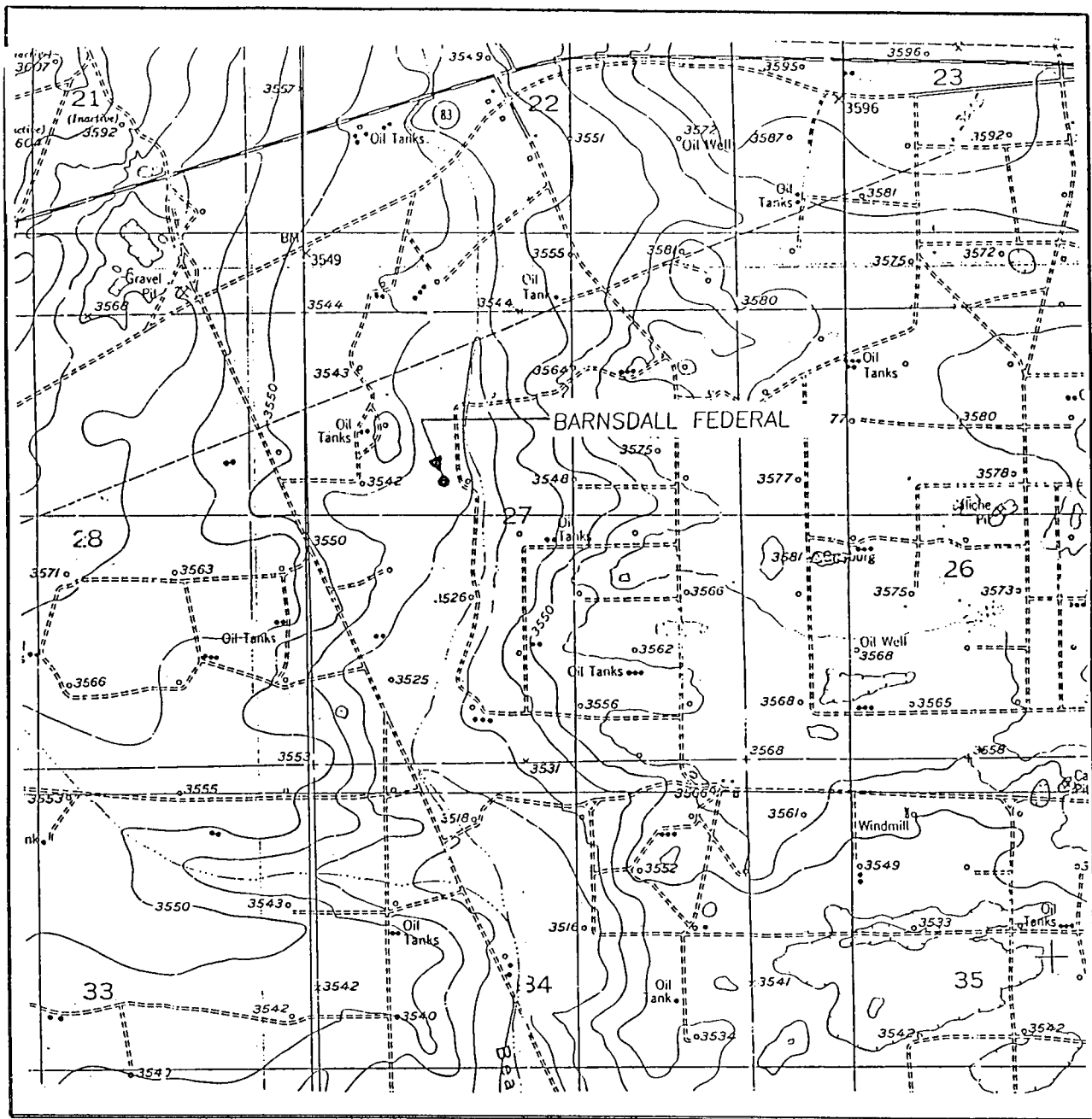
BARNSDALL FEDERAL #3
1090' FNL & 1650' FVL
SEC. 27-T17S-R29E
EDDY COUNTY, NEW MEXICO



Marbob Energy Corporation
Barnsdall Federal No. 3
1090' FNL and 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico
Exhibit #4

u.s. Robinson ARCO 21007

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 1090' FNL & 1650' FWL

ELEVATION 3554

OPERATOR MARBOB ENERGY CORPORATION

LEASE BARNSDALL FEDERAL

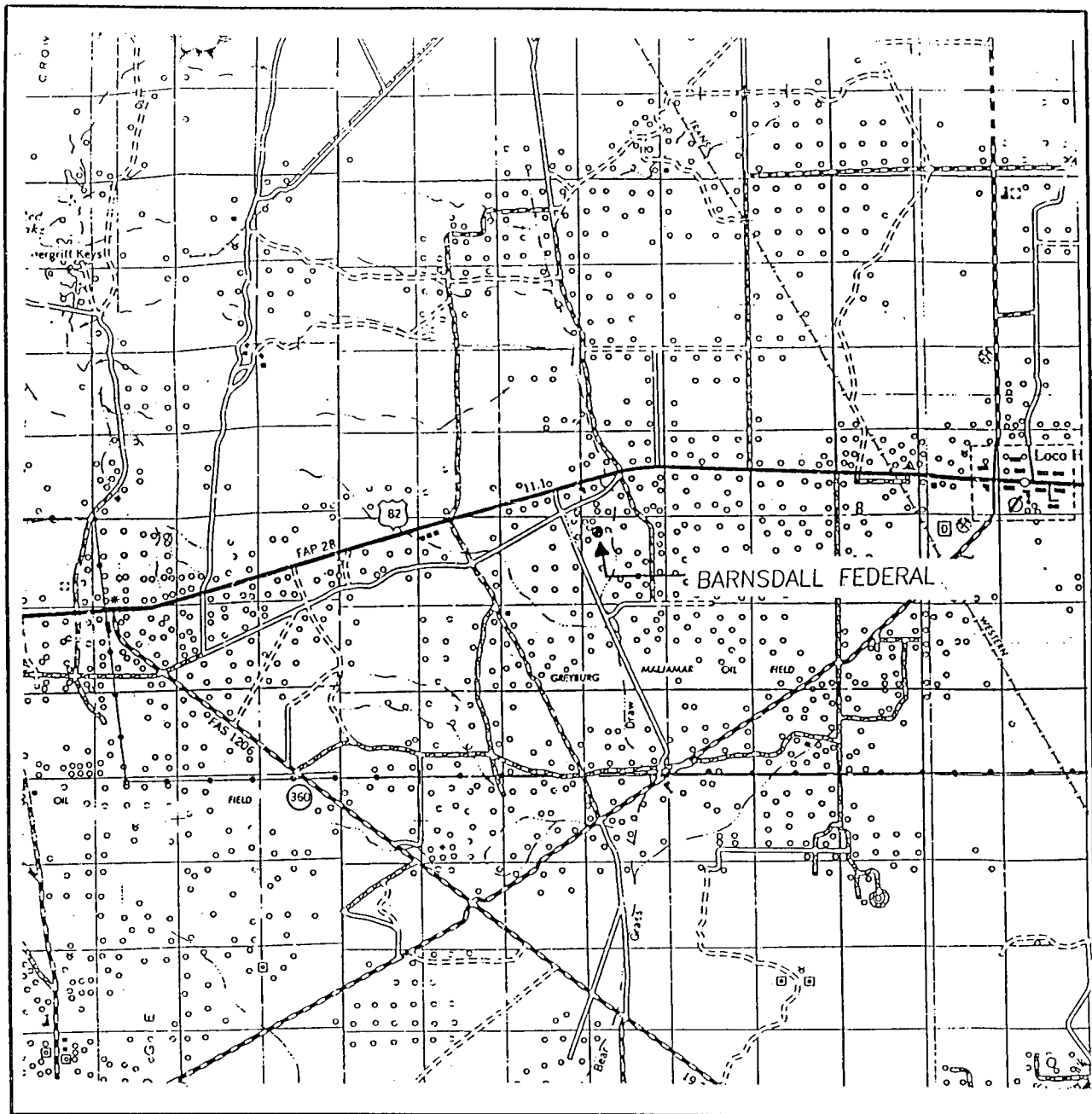
U.S.G.S. TOPOGRAPHIC MAP

RED LAKE SE, N.M.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO

(505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

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

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1090' FNL & 1650' FWL

ELEVATION 3554

OPERATOR MARBOB ENERGY CORPORATION

LEASE BARNSDALL FEDERAL

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO

(505) 393-3117



marbob
energy corporation

AUG 19 1996

August 12, 1996

ARCO
Post Office Box 1610
Midland, Texas 79702

RE: Proposed Unorthodox Well
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

David Martin
Land Department

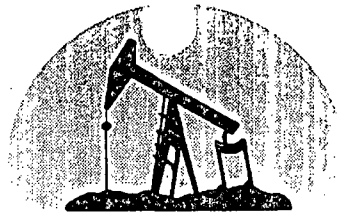
DM/mm
Enclosures

ARCO has no objection to the proposed unorthodox well.

By:

Title:

Date: 8/16/96

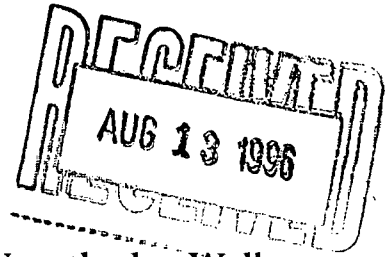


marbob

energy corporation

AUG 20 1996

August 9, 1996



Mack Energy Corporation
Post Office Box 960
Artesia, New Mexico 88211

RE: Proposed Unorthodox Well
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Gentlemen:

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Sincerely,

David Martin
Land Department

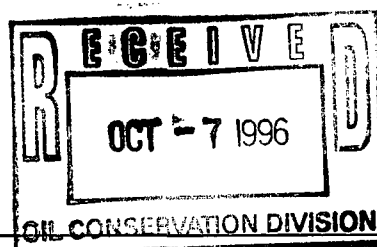
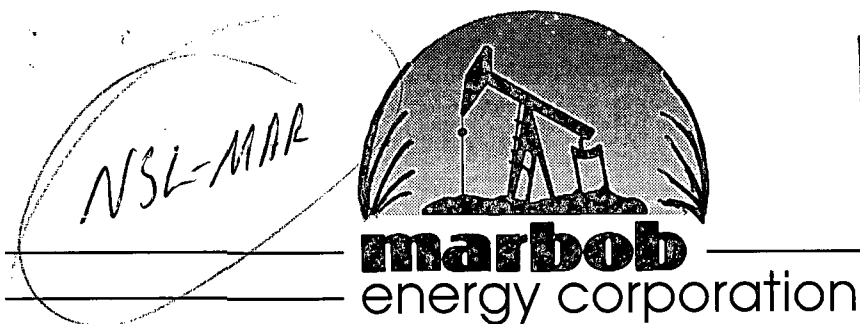
DM/mm
Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

By: Robert C. Chase

Title: V.P.

Date: 8/19/96



October 4, 1996

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

Attention: Mr. Michael Stogner

RE: Supplemental Information
Unorthodox Location
Barnsdall Federal No. 3
Eddy County, New Mexico

Dear Mike:

I apologize for our failure to clearly present our request for the unorthodox location on the Barnsdall Federal No. 3. Mike Hanagan has been buried with projects on our current drilling program, and I failed to carefully oversee the information provided to you. Hopefully, the following will provide you the additional information you need to approve the request.

The request for the unorthodox location for the Barnsdall No. 3 is based on reservoir considerations. Marbob proposed to drill the Barnsdall Federal No. 3 at an unorthodox location 1090 feet from the North line and 1650 feet from the West line of Section 27, Township 17 South, Range 29 East, N.M.P.M., Eddy County, New Mexico with the intent of testing the Yeso Formation. The proposed location is orthodox from the west line but is unorthodox from the north line by a distance of 100 feet.

Marbob proposes to dedicate, to the Barnsdall Federal No. 3 well, a standard spacing/proration unit comprised of the NE/4NW/4 of said Section 27.

Marbob is the operator of both, the NE/4NW/4 and SE/4NW/4 as to rights from 3,480 feet subsurface to 6,100 feet subsurface which would include the Yeso formation. As such, we are encroaching on ourselves. These tracts are part of Federal Lease LC-028775-B which covers the following acreage:

Section 27: NE/4, E/2W/2
Section 35: NE/4, E/2NW/2, NE/4SW/4, N/2SE/4

Mack Energy Corporation is the operator of the W/2NW/4 of Section 27 and the SW/4SW/4 of Section 22. The unorthodox location does not encroach upon Mack Energy and a waiver of objection signed by them is enclosed as Exhibit A.

Exhibit B is a plat showing the proposed unorthodox well location, the spacing unit for the Barnsdall Federal No. 3, the diagonal and adjoining spacing units, and lease ownership in the affected area. The spacing unit for the proposed well is outlined in red and the affected adjoining spacing unit is outlined in blue.

As there is common ownership, both from working interest ownership and royalty interest ownership standpoints, across the lands affected by the proposed unorthodox location, there would be no encroachment on correlative rights.

Exhibit C shows the spacing pattern which Marbob Energy Corporation has employed on recently drilled wells in the Burch Keely Unit adjacent to these leases. Well numbers 228, 232, 233, 227, 243, 253, 254, 240, 251, and 252 have been drilled with approximately 900 to 933 feet being between adjacent wells. These wells have been drilled to the Yeso formation which is included in the unit depths and been completed there. No apparent offsetting depletion has been observed by drilling in this tight spacing pattern. Currently, we do not know if economic reserves will extend into Section 27 in this formation, but we have attempted to begin development to maximize the potential if it does exist. The Barnsdall Federal No. 1 well is currently being drilled at a location 330 feet from the north line and 1650 feet from the east line as shown on Exhibit C. Approval has also been obtained from the BLM for drilling the #2 location. As you will note, there are several additional locations shown in Section 27. The locations which fall 990 feet from the north and east and 990 feet from the north and 2310 feet from the east fall in areas of surface archaeology problems. As such, we staked the #3 location to test whether there are sufficient economic reserves to mitigate the offsetting locations. Unfortunately, the orthodox location fell near a waterline. The alternate location 100 feet south of the orthodox location should not severely impact the spacing of the other locations and yet would allow us to test whether the problem locations have sufficient reserves to justify drilling. The other alternative which would have kept the #3 orthodox would have required us to move the location to 810 feet from the north and 1650 feet from the east. This would have reduced the distance to the other possible location in the proration unit to 816 feet. At this proposed unorthodox location, we would have a distance of 865 feet to the nearest possible location in the SE/4NW/4. Additionally, we can slide that location a few feet south and increase our distance to an acceptable level while the location 2310 feet from the west and 330 feet from the north cannot slide north without encroaching on a different federal lease with different overriding royalty owners.

Based on the information contained herein, Marbob requests that the exception be granted without notice and hearing.

I hope this supplemental information will provide you with the additional material which was absent from our initial request.

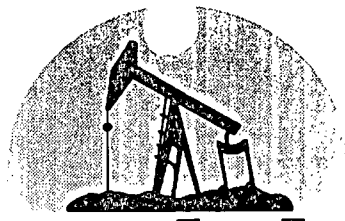
Sincerely,

Raye Miller

Raye Miller
Attorney-in-Fact

RM/mm
Enclosures

cc: Mr. Tim Gum
Oil Conservation Division
Artesia, NM 88210



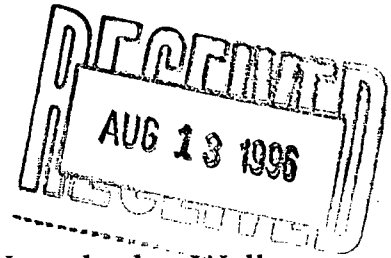
marbob

energy corporation

AUG 20 1996

August 9, 1996

Mack Energy Corporation
Post Office Box 960
Artesia, New Mexico 88211



RE: Proposed Unorthodox Well
Barnsdall Federal No. 3
1090' FNL & 1650' FWL
Section 27-17S-29E
Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

David Martin
Land Department

DM/mm
Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

By: Robert C. Chase

Title: V.P.

Date: 8/19/96

Exhibit A

21

22

28

27

33

34

Mack
EnergyBarnsdall
Fid 43

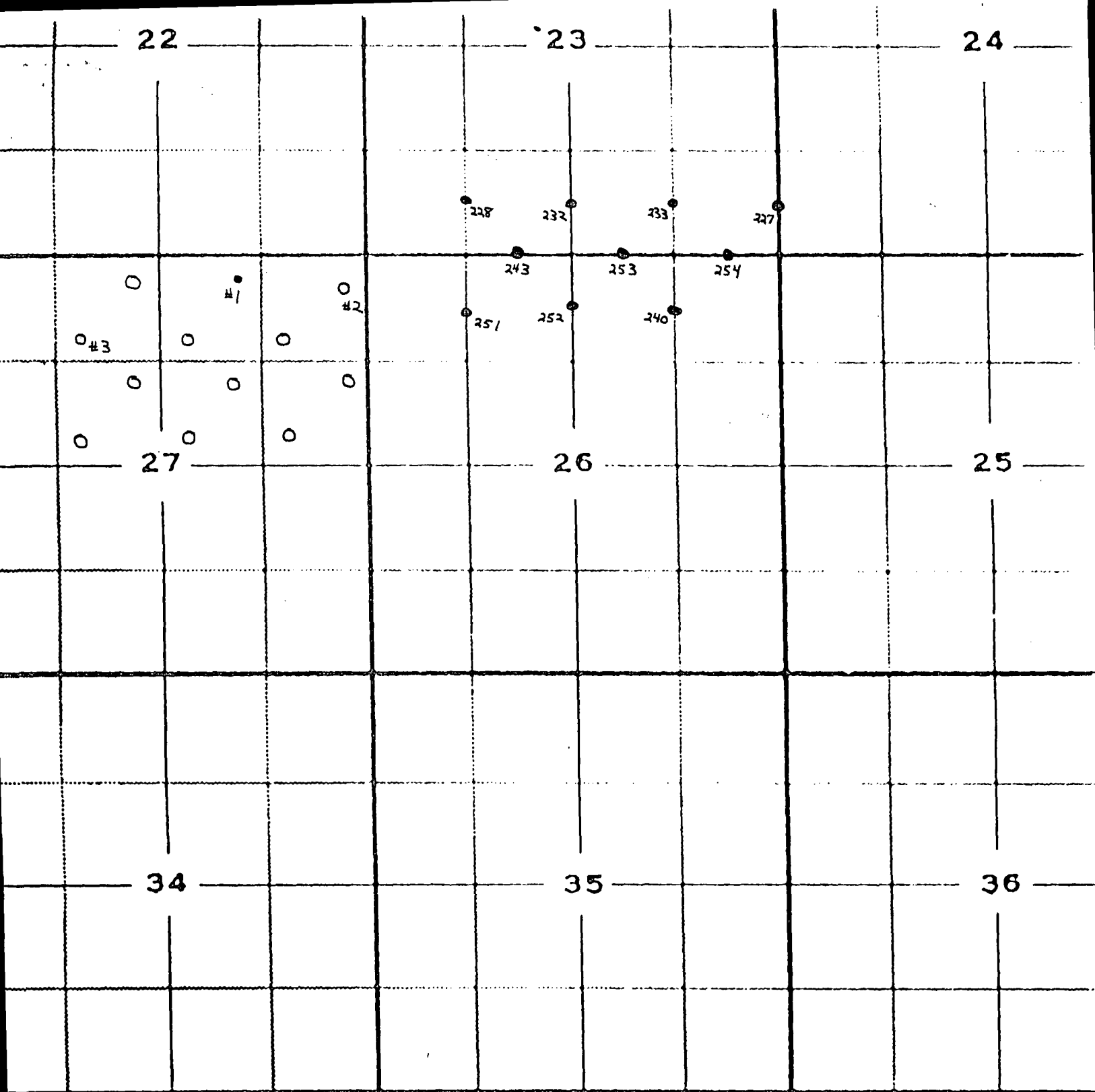
Marbob operator



Proposed Spacing Unit

Adjacent Affected
Spacing Unit

Exhibit B



T-17S R-29E

Exhibit C

OGRID Identifier : 14049 MARBOB ENERGY CORP

Prop Identifier : 19485 BARNSDALL FEDERAL

API Well Identifier : 30 15 29148

Surface Locn - UL : C Sec : 27 Twp : 17S Range : 29E Lot Idn :

Multiple comp (S/M/C): N TVD Depth (Feet) : MVD Depth (Feet):

Spud Date : P/A Date :

Casing/Linear Record:

S Size

Grade Weight

Depth(ft)

Depth(ft)

Hole Size

Cement

TOC

(inches)

(lb/ft)

Top-Liner

Bot-Liner

(inches)

(Sacks)

(feet)

Code

E0004: No matching record found. Enter data to create.

PF01 HELP

PF02

PF03 EXIT

PF04 GoTo

PF05

PF06 CONFIRM

PF07

PF08

PF09 COMMENT

PF10 TLOG

PF11

PF12

OGRID Idn : 14049 API Well No: 30 15 29148 APD Status(A/C/P): A

Opr Name, Addr: MARBOB ENERGY CORP Aprvl/Cncl Date : 09-04-1996

PO BOX 227

ARTESIA,NM 88211-0227

Prop Idn: 19485 BARNSDALL FEDERAL

Well No: 3

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn :	C	27	17S	29E			FTG 1090 F N	FTG 1650 F W
OCD U/L :	C		API County :	15				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : R

Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3554

State Lease No: Multiple Comp (Y/N) : N

Prpsd Depth : 6100 Prpsd Frmtn : YESO

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

API Well No

:

30

15

29148

Well No :

Eff Date :

Pool Idn

:

Prop Idn

:

OGRID Idn

:

GL Elevation

:

U/L Sec

Township

Range

North/South

East/West

Prop/Act (P/A)

B.H. Locn

:

FTG

F

FTG

F

OCD U/L

:

Lot Identifier:

API County

:

If more than 1 lease of different ownership is dedicated to the

well, have the interest of all owners been consolidated? (Y/N)

:

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O)

:

E9100: This field is mandatory

PF01 HELP

PF02

PF03 EXIT

PF04 GoTo

PF05

PF06 CONFIRM

PF07

PF08

PF09 PRINT

PF10 NEXT-WC

PF11 HISTORY

PF12 ACRE