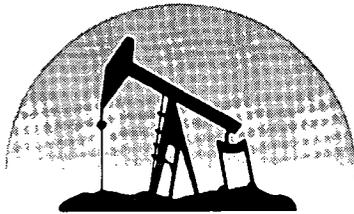


214830501

CTB
PLC

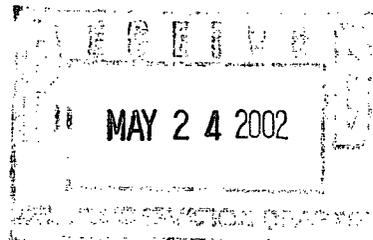
6/13/02



marbob
energy corporation

NE RED LAKE - FLORIDA YESD

May 22, 2002



New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504

RE: Application for Surface Commingling

28986
29518
~~29515~~
29515

Gentlemen:

Marbob Energy Corporation respectfully requests approval to surface commingling production from our SB State Lease (B-7244) and our TDF State Lease (B-7244) with production from our MJ State Lease (E-5461). The production would be commingled at the MJ State Tank Battery. Each lease would have separate production equipment equipped with meter to measure production prior to combining crude in a common storage tank. Gas production would not be commingled, because we propose to set separate sales meters for each lease. We also propose to construct a test facility so that the wells could be tested individually. A diagram of the proposed tank battery is enclosed for your review.

Wells completed?

continuous?

As you may have noticed, the SB State and the TDF State have the same lease number. A difference in overriding royalty ownership exists between the two leases. All interest owners have been notified of this Application via certified mail.

Enquiries @ MARBOB.COM

Marbob Energy requests approval due to the marginal production from these wells, as well as attempting to minimize further surface disturbance. No loss value will occur if production is commingled. Please do not hesitate to contact us should you need further information or have any questions regarding this Application. Thank you for reviewing this Application.

Sincerely,

A handwritten signature in black ink, appearing to read "Dean Chumbley". The signature is fluid and cursive, with a prominent initial "D" and a long, sweeping underline.

Dean Chumbley
Land Department

DC/mm
Enclosures

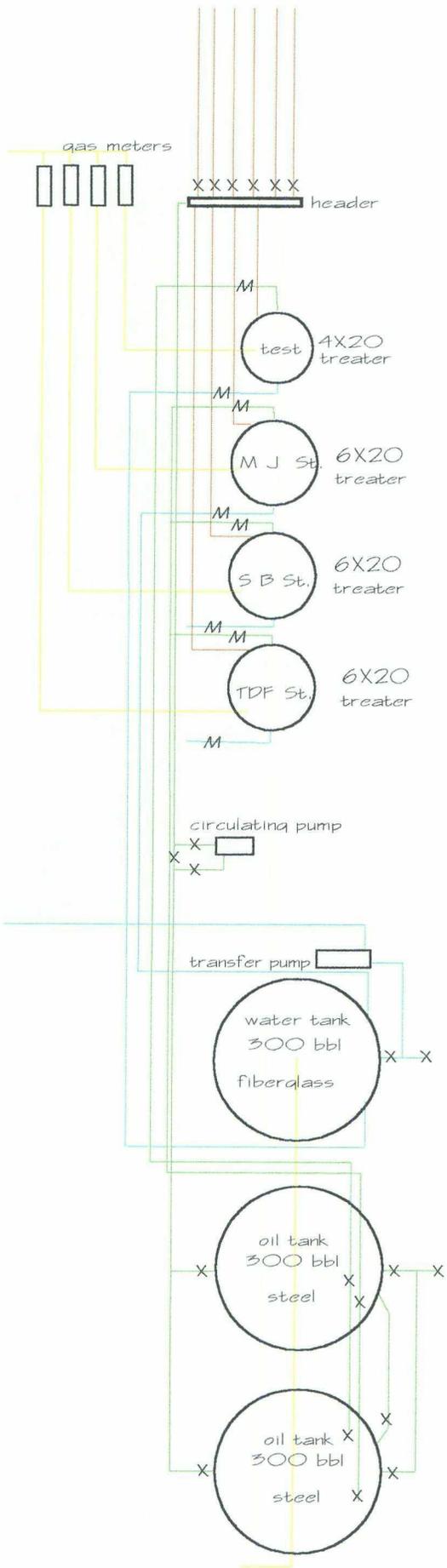
API	WELL NAME	Port Operd	NS	EW	U/L	Sec	Tsp	Rge	TVD	Orig Form (or NOTES)	STATUS	Latest Pool	GAS2002	OIL2002	WAT2002	GAS2003	OIL2001	WAT2001	Pool Prod	PROP
30-015-31967	BPO.SI.COM.#001	Marbob	990N	990W	4	2	188	ZTE	1017Z	SCOGGIN.DRAW.MORROW	ACTIVE	SCOGGIN.DRAW.MORROW	31276	141	176	28420	138	283	65000	28535
30-015-32070	BPO.SI.COM.#002	Marbob	1690S	990W	L	2	188	ZTE	0	SCOGGIN.DRAW.MORROW	NO COMPL	SCOGGIN.DRAW.MORROW	0	0	0	0	0	0	0	28535
30-015-32071	MJ.SI.#001	Marbob	330N	330W	4	2	188	ZTE	387.5	NE RED LAKE GLO.IA.YES0	ACTIVE	RED LAKE GLO.IA.YES0	7564	4090	933	235	188	0	96346	28988
30-015-32179	MJ.SI.#002	Marbob	330N	915W	D	2	188	ZTE	0	NE RED LAKE GLO.IA.YES0	NO COMPL	NE RED LAKE GLO.IA.YES0	0	0	0	0	0	0	0	28988
30-015-32218	SB.SI.#001	Marbob	1650N	330W	E	2	188	ZTE	0	NE RED LAKE GLO.IA.YES0	NO COMPL	NE RED LAKE GLO.IA.YES0	0	0	0	0	0	0	0	28918
30-015-32234	TDF.SI.#001	Marbob	1650W	1650W	F	2	188	ZTE	0	NE RED LAKE GLO.IA.YES0	NO COMPL	NE RED LAKE GLO.IA.YES0	0	0	0	0	0	0	0	29595

#2 will be Red Lake (SA)

use already at

Other Zone = ∇
 Red Lake - Queen - Grayling Sandstone

M J State Tank Battery
 Section 2: 118s - R27e
 Eddy County, New Mexico



- crude oil
- produced water
- natural gas
- combined fluids
- x valve
- M meter

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Commissioner of Public Lands
 P. O. Box 1148
 Santa Fe, NM 87504-1148

Surface Commingling MJ,SB,TDF

2. 7001 1940 0006 6419 2756

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

-
- Agent
-
-
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

-
- Certified Mail
-
- Express Mail
-
-
- Registered
-
- Return Receipt for Merchandise
-
-
- Insured Mail
-
- C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Joan Hudson Moore
 11 Ocean Ridge
 Laguna Niguel, CA 92677

Surf Commingling MJ,SB,TDF

2. 7001 1940 0006 6419 2763

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

-
- Agent
-
-
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

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- Express Mail
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-
- Registered
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- Return Receipt for Merchandise
-
-
- Insured Mail
-
- C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Jonel Susan Grasso
 11 Ocean Ridge
 Laguna Niguel, CA 92677

Surf Commingling MJ,SB,TDF

2. 7001 1940 0006 6419 2770

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

-
- Agent
-
-
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

-
- Certified Mail
-
- Express Mail
-
-
- Registered
-
- Return Receipt for Merchandise
-
-
- Insured Mail
-
- C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Jane Ann Hudson Davis
6770 Wolf Creek Court
Rio Rancho, NM 87124

Surf Commingling MJ,SB,TDF

2.

7001 1940 0006 6419 2787

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

BP America Production Co.
Atlantic Richfield Co.
P O Box 3092
Houston TX 77253-3092

Surf Commingling MJ,SB,TDF

2.

7001 1940 0006 6419 2794

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Dawn N. Stead, Trustee of the
N. Stead Survivor's Trust
2613 Lone Jack Rd.
Encinitas, CA 92024

Surf Commingling MJ,SB,TDF

2.

7001 1940 0006 6419 2800

PS Form 3811 August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes

SENDER COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

A. Signature Agent
 Addressee
X

B. Received by (Printed Name) C. Date of Delivery

1. Article Addressed to:

Successor Trustee to Harlan Stead,
Trustee of the Spurck Family Trust
22712 Erwin St.
Woodland Hills, CA 91367

Surf Commingling MJ,SB,TDF

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. 7001 1940 0006 6419 2817

PLC-207

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700
Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713
Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245
Fax (505) 827-5766



**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

COMMERCIAL RESOURCES

Phone (505) 827-5724
Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744
Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772
Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793
Fax (505) 827-5711

June 11, 2002

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

Attention: Mr. Dean Chumbley

Re: Commingling Application
SB State Lease (B-7244-30) SW/4NW/4 Sec. 2-18S-27E
TDF State Lease (B-7244-30) SE/4NW/4 Sec. 2-18S-27E
MJ State Lease (E-5461-3) NW/4NW/4 Sec. 2-18S-27E
Red Lake; Glorieta Yeso, Northeast Pool
Eddy County, New Mexico

Dear Mr. Chumbley:

We are in receipt of your letter of May 22, 2002 requesting our approval to surface commingle the production from your SB State Lease (B-7244) and your TDF State lease (B-7244) with production at the MJ State Tank Battery (E-5461).

It is our understanding that each lease will have separate production equipment to meter and measure production prior to commingling crude in a common storage tank.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Your \$30.00 filing fee has been received..

Please contact Ms. Debbie Padilla at 505/827-5729 regarding a possible right-of-way through the NW/4NW/4 of Section 2-18S-27E.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744
RP/JB/pm

pc: Reader File,
OCD-Attention: David Catanach,
Debbie Padilla

"WE WORK FOR EDUCATION"

310 Old Santa Fe Trail, P. O. Box 1148 Santa Fe, New Mexico 87504-1148