

10/30/06 DATE IN	11/20/06 SUSPENSE	D CATTINACH ENGINEER	10/30/06 LOGGED IN	NSL TYPE	APP NO. TDS0630349691
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



5489

**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.**

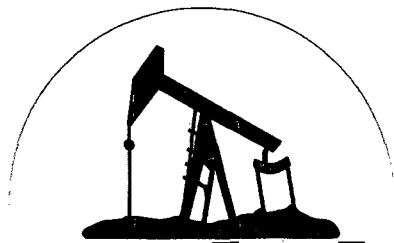
Print or Type Name

Signature

Title

Date

e-mail Address



**marbob**  
energy corporation

October 26, 2006

**Certified Return Receipt**

New Mexico Oil Conservation Division  
1220 St. Francis Drive  
Santa Fe, New Mexico 87504

Attention: Mr. Richard Ezeanyim

RE: Unorthodox Location  
Administrative Approval Request  
Walterscheid 23 #1  
1050' FSL & 660' FWL  
Section 23, T-23S R-27E  
Eddy County, New Mexico

2006 OCT 30 PM 12 29

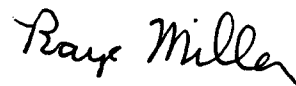
Dear Mr. Ezeanyim:

Marbob Energy Corporation respectfully requests administrative approval for an unorthodox location of the Walterscheid 23 #1 for a shallow recompletion. Enclosed is a copy of the OCD Form C-102 showing the location of the well. The well was spudded on October 12, 2005 with Chesapeake Operating Inc. as operator. The well was proposed as a gas well and drilled to a total depth of 12,550 feet subsurface. 5 ½ inch casing was run to 12,537 feet with a completion done at 10216 to 10238 in the Wolfcamp. The Wolfcamp proration unit was 320 acres and the wellbore was orthodox for the gas well completion. Marbob Energy Corporation is now the operator of the well and the Wolfcamp zone is depleted. Marbob Energy Corporation is in the process of recompleting the well to potential shallow horizons which will be on a 40 acre proration unit. The well bore is 60 feet unorthodox for a standard 40 acre spacing unit. Enclosed is a map showing the well location and new proration unit, the offsetting spacing units and the affected spacing unit. The proposed proration unit, the affected proration unit and the east and northeast offset units are fee minerals with the ownership of the royalty being identical for the entire southwest quarter of Section 23. Likewise all additional burdens and working interest owners are identical for the SW/4 of Section 23. The offset owners and/or operators who have been notified of this application are Yates Petroleum Corporation and Chalfant Properties Inc. A copy of the notice letter send to those parties as well as notice to the Commissioner of Public Lands as an offset royalty owner is enclosed with the application.

We will forward copies of the green cards to your attention when we receive them back.  
We would request your approval of this unorthodox location.

If you need additional information please contact me.

Sincerely,

A handwritten signature in black ink that reads "Raye Miller". The signature is written in a cursive style with a large, stylized "R" and "M".

Raye Miller  
Land Department

RM/na

08/01/2006 14:29 FAX 432 887 442

CHK MIDLAND

003/005

## State of New Mexico

Energy, Minerals and Natural Resources Department

## DISTRICT I

1000 N. FURNACE CO. BLDG., ALBUQUERQUE, NM 87102

## DISTRICT II

1000 N. FURNACE CO. BLDG., ALBUQUERQUE, NM 87102

## DISTRICT III

1000 N. FURNACE CO. BLDG., ALBUQUERQUE, NM 87102

## DISTRICT IV

1000 N. FURNACE CO. BLDG., ALBUQUERQUE, NM 87102

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505Form C-102  
Revised JUNE 10, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-015-34353</b>	Pool Code	Pool Name
Property Code	Property Name <b>WALTERSCHEID 23</b>	Well Number <b>1</b>
OCED No.	Operator Name	Elevation <b>3136'</b>

## 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>M</b>	<b>23</b>	<b>23-S</b>	<b>27-E</b>		<b>1050</b>	<b>SOUTH</b>	<b>660</b>	<b>WEST</b>	<b>EDDY</b>

## 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 Acre <b>160</b>	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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature _____ Printed Name _____ Title _____ Date _____
	<b>SURVEYOR CERTIFICATION</b>  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.  AUGUST 31, 2005 Date Surveyed _____ Signature _____ Printed Name _____ Professional Surveyor NEW MEXICO 85.11.1354 Certified by the STATE OF NEW MEXICO 12061

# Township 23 South Range 27 East

8th Spr. Disc.  
P14

(Muskogee)  
Forehand  
Del Disc.  
P15  
P16  
P17

3.5WD

Chesapeake  
Ogden

"Forehand"

27 Masie Forehand, et al  
Roy M. Forehand, Est.

Chesapeake  
Forehand  
22 St. 1  
V-6957  
1.4 Mil.

H.E. Yates  
Amoco St.  
At Disc.  
3.4 Mil.

H.E. Yates  
Amoco St.  
WC Disc.  
4 Mil.

1/4 (P/B)

22

Proposed  
Proration unit  
(Marhab 42.5%)  
Pitch Ener

Affected proration  
unit  
12.1.2008  
V-6968  
484

Offset proration  
units

State

Yates Pet., et al  
12.1.2006  
V-6475  
50.00

Yates Pet., et al  
1.1.26.2009  
2.1.17.2009

(Chesapeake)  
1.4.23.2007  
1.6.15.2007  
1.1.1.2007

Guevara et al

2

R.G. Parton  
1.15.2007

Yates Pet., et al  
1.23.2009  
9.20.2009

H.L. Perry, et al  
W.H. Sweathagen Est.

Yates Pet., et al

"Kylie AYW"

W. Lovelace Tr.  
M.E. Phillips

Yates  
1.1.

Bruce D  
Parody

Chesapeake  
2.4.2006

Chesapeake  
1.20.2005  
R. Holguin

Mycol Ind.  
West Lov-  
ing Fee

Strata Prod. et al

William Wright, et al  
W. Johnson  
Arancio Lopez 23

Mycol Ind.  
West Lov-  
ing Ut.

U.S.

Chesapeake  
2.4.2006

Chesapeake  
1.20.2005  
R. Holguin

Yates Pet., et al  
1.12.2007

Yates Pet.  
Kimbley  
1.14.2009

Kimble  
7 J

Nadel & Gussman  
7 3.2007

24

Read, et al  
Stevens  
2009

Pedro Onsurez

Strata Prod., et al  
HBP  
86113  
55.00

Chalfont  
1.1.2010  
V-7259  
52693

Onsurez

Nadel &  
9.25  
9.24  
8.27.2007

Yates Pet., et al  
1.29.2009  
3.25.2009



October 26, 2006

**Certified Return Receipt**

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

Attention: Mrs. Kathy Porter

RE: Unorthodox Location  
Administrative Approval Request  
Walterscheid 23 #1  
1050' FSL & 660' FWL  
Section 23, T-23S R-27E  
Eddy County, New Mexico

Dear Kathy:

Enclosed is a copy of our application for an unorthodox gas well location. Your company is an operator or owner of an offset proration unit. Please review the enclosed application and if you have any questions please contact me. If you object to this proposal please timely contact the Santa Fe OCD office as shown on our application. Thank you for your review of this matter.

Sincerely,

A handwritten signature in black ink that reads "Raye Miller". The signature is written in a cursive, flowing style.

Raye Miller  
Land Department

RM/na



October 26, 2006

**Certified Return Receipt**

Chalfant Properties Inc.  
P.O. Box 3123  
Midland, TX 79702

RE: Unorthodox Location  
Administrative Approval Request  
Walterscheid 23 #1  
1050' FSL & 660' FWL  
Section 23, T-23S R-27E  
Eddy County, New Mexico

Dear Gentlemen:

Enclosed is a copy of our application for an unorthodox gas well location. Your company is an operator or owner of an offset proration unit. Please review the enclosed application and if you have any questions please contact me. If you object to this proposal please timely contact the Santa Fe OCD office as shown on our application. Thank you for your review of this matter.

Sincerely,

Raye Miller  
Land Department

RM/na



October 26, 2006

**Certified Return Receipt**

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

Attention: Ms. Jami Bailey

RE: Unorthodox Location  
Administrative Approval Request  
Walterscheid 23 #1  
1050' FSL & 660' FWL  
Section 23, T-23S R-27E  
Eddy County, New Mexico

Dear Ms. Bailey:

Enclosed is a copy of our application for an unorthodox oil well location. You are the royalty owner for some of the offset proration units. Please review the enclosed application and if you have any questions please contact me. If you object to this proposal please timely contact the Santa Fe OCD office as shown on our application. Thank you for your review of this matter.

Sincerely,

Raye Miller  
Land Department

RM/na



RECEIVED

NOV 09 2006

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505



# Memo

**To:** Mr. Richard Ezeanyim, Oil Conservation Division  
**Address:** 1220 St. Francis Drive, Santa Fe, NM 87504  
**From:** Nancy Agnew - Marbob Energy Corporation  
**Date:** 11/7/2006  
**Re:** **Walterscheid 23 #1**  
Section 23, T-23S R-27E  
Eddy County, New Mexico

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Dear Mr. Ezeanyim:

Enclosed is a copy of the green cards that we received back from the contacted parties on the above referenced Administrative Approval Request for Unorthodox Location application.

If you need anything else or have any questions please call me at 505-748-3303.  
Thank you and have a great day!

Sincerely,

Nancy Agnew  
Land Department

The attached is being sent to you without benefit of a formal cover letter in the hope that promptness is more important than formality.

## 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, N.M. 87504-1148  
Attention: Ms. Jami Bailey

Walterscheid 23 #1 NSL

2. Article Number

(Transfer from service label)

7006 0810 0000 8765 1432

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

## 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:

Chalfant Properties Inc.  
P.O. Box 3123  
Midland, TX 79702

Walterscheid 23 #1 NSL

2. Article Number

(Transfer from service label)

7006 0810 0000 8765 1630

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

## 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.

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

1. Article Addressed to:

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210  
Attention: Mrs. Kathy Porter

Walterscheid 23 #1 NSL

2. Article Number

(Transfer from service label)

7006 0810 0000 8765 1647

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

## 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

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

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