

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVER SHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [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 - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [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

[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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

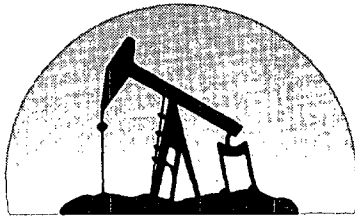
Note: Statement must be completed by an individual with supervisory capacity.

DEAN CHUMBLEY
Print or Type Name

Signature

LANDMAN
Title

2-19-02
Date



marbob
energy corporation

February 19, 2002

Oil Conservation Division
Post Office Box 6429
Santa Fe, New Mexico 87504

RE: Application for Approval of Unorthodox Location
Marbob Energy Corporation
Airport Grace No. 1 - 1980' FSL - 2164' FWL (30-015-20829)
Section 36, Township 22 South, Range 26 East
Eddy County, New Mexico

Gentlemen:

Marbob Energy Corporation respectfully requests approval of the above referenced unorthodox location. Administrative Order NSL-599 granted approval for an unorthodox South Carlsbad Morrow well. The Airport Grace has been recompleted as a Carlsbad Strawn South well. Therefore requiring submittal of this Application. Notice, along with a copy of this Application, has been sent to the offsetting operators. Marbob Energy Corporation is operator in three of the offsetting proration units, including the most directly affected unit. New Mexico State Lease KO-6290 covers all of Section 36. Marbob is operator of both the Airport Grace in the west half and the Carlsbad Grace in the east half. Interest ownership in these wells is identical to each other. To aid in the review of this Application, enclosed are the following:

- A.) Form C-102 for Airport Grace
- B.) Proration Unit Plat
- C.) Copy of Administrative Order NSL-599

Please do not hesitate to contact us should you require additional information.
Thank you for reviewing this Application.

Sincerely,

Dean Chumbley
Land Department

DC/mm
Enclosures

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-138
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

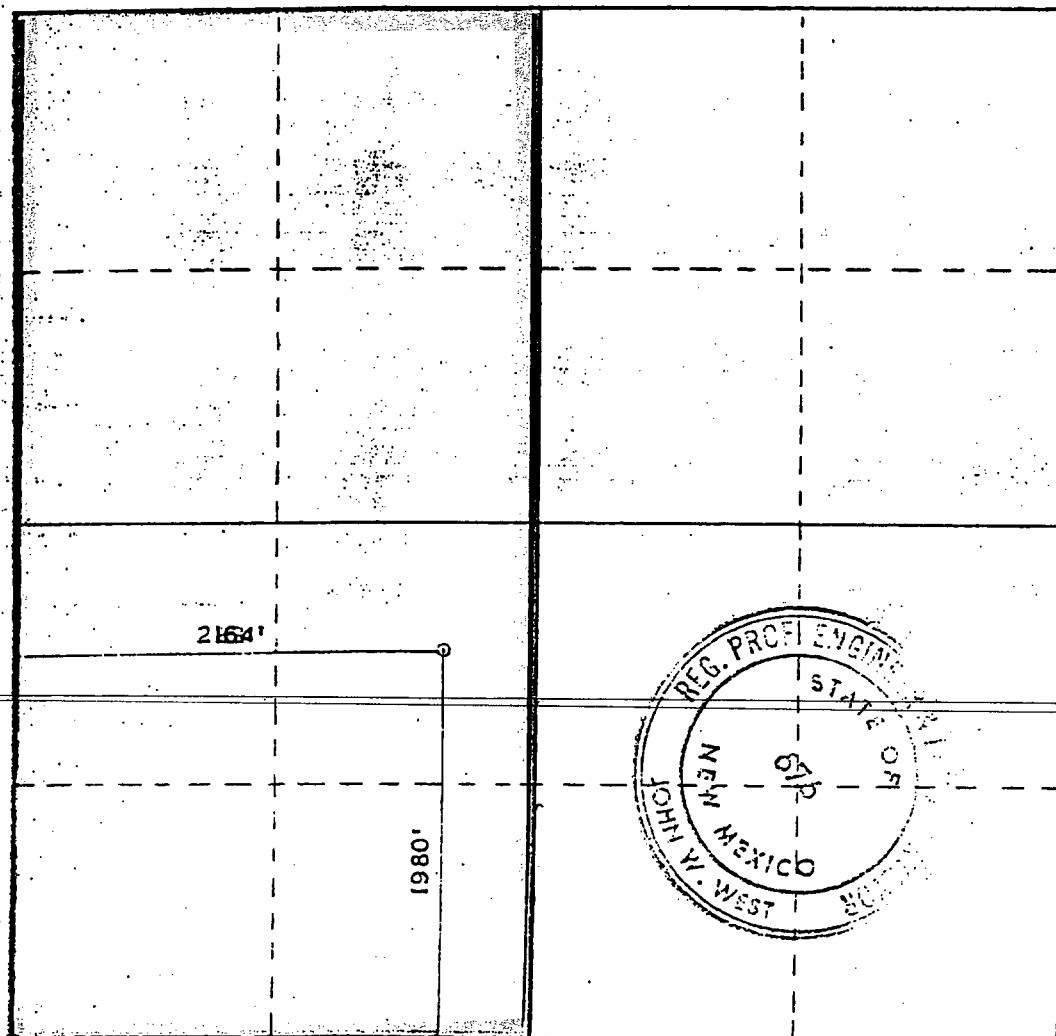
Operator MARBOB ENERGY CORPORATION			Lease AIRPORT GRACE		Well No. 1
Unit Letter K	Section 36	Township 22 SOUTH	Range 26 EAST	County EDDY	
Actual Footage Location of Well: 1980 feet from the SOUTH line and 2164 feet from the WEST line.					
Ground Level Elev. 3221'	Producing Formation STRAWN		Pool SOUTH CARLSBAD	Dedicated Acreage 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes" type of consolidation

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Diana J. Cannon
Name

DIANA J. CANNON

Position

PRODUCTION ANALYST

Company

MARBOB ENERGY CORPORATION

Date

JANUARY 18, 2002

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 knowledge and belief.

Date Surveyed

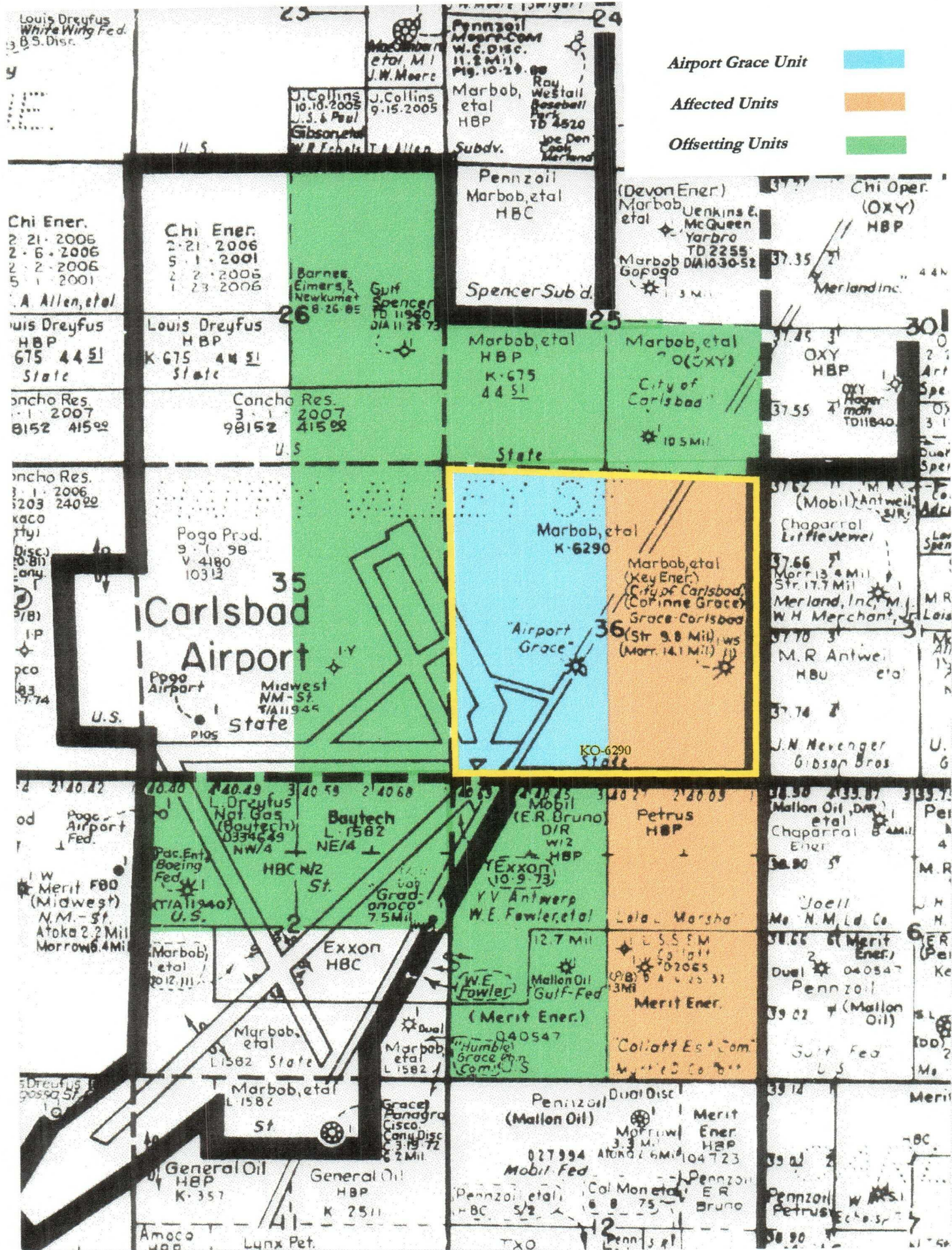
1-6-73

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No.

676

0 330 650 970 1290 1610 1930 2250 2570 2890 3210 3530 3850 4170 4490 4810 5130 5450 5770 6090 6410 6730 7050 7370 7690 8010 8330 8650 8970 9290 9610 9930 10250 10570 10890 11210 11530 11850 12170 12490 12810 13130 13450 13770 14090 14410 14730 15050 15370 15690 16010 16330 16650 16970 17290 17610 17930 18250 18570 18890 19210 19530 19850 20170 20490 20810 21130 21450 21770 22090 22410 22730 23050 23370 23690 24010 24330 24650 24970 25290 25610 25930 26250 26570 26890 27210 27530 27850 28170 28490 28810 29130 29450 29770 30090 30410 30730 31050 31370 31690 32010 32330 32650 32970 33290 33610 33930 34250 34570 34890 35210 35530 35850 36170 36490 36810 37130 37450 37770 38090 38410 38730 39050 39370 39690 40010 40330 40650 40970 41290 41610 41930 42250 42570 42890 43210 43530 43850 44170 44490 44810 45130 45450 45770 46090 46410 46730 47050 47370 47690 48010 48330 48650 48970 49290 49610 49930 50250 50570 50890 51210 51530 51850 52170 52490 52810 53130 53450 53770 54090 54410 54730 55050 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382050 382370 382690 383010 383330 383650 383970 384290 384610 384930 385250 385570 385890 386210 386530 386850 387170 387490 387810 388130 388450 388770 389090 389410 389730 390050 390370 390690 391010 391330 391650 391970 392290 392610 392930 393250 393570 393890 394210 394530 394850 395170 395490 395810 396130 396450 396770 397090 397410 397730 398050 398370 398690 399010 399330 399650 399970 400290 400610 400930 401250 401570 401890 402210 402530 402850 403170 403490 403810 404130 404450 404770 405090 405410 405730 406050 406370 406690 407010 407330 407650 407970 408290 408610 408930 409250 409570 409890 410210 410530 410850 411170 411490 411810 412130 412450 412770 413090 413410 413730 414050 414370 414690 415010 415330 415650 415970 416290 416610 416930 417250 417570 417890 418210 418530 418850 419170 419490 419810 420130 420450 420770 421090 421410 421730 422050 422370 422690 423010 423330 423650 423970 424290 424610 424930 425250 425570 425890 426210 426530 426850 427170 427490 427810 428130 428450 428770 429090 429410 429730 430050 430370 430690 431010 431330 431650 431970 432290 432610 432930 433250 433570 433890 434210 434530 434850 435170 435490 435810 436130 436450 436770 437090 437410 437730 438050 438370 438690 439010 439330 439650 439970 440290 440610 440930 441250 441570 441890 442210 442530 442850 443170 443490 443810 444130 444450 444770 445090 445410 445730 446050 446370 446690 447010 447330 447650 447970 448290 448610 448930 449250 449570 449890 450210 450530 450850 451170 451490 451810 452130 452450 452770 453090 453410 453730 454050 454370 454690 455010 455330 455650 455970 456290 456610 456930 457250 457570 457890 458210 458530 458850 459170 459490 459810 460130 460450 460770 461090 461410 461730 462050 462370 462690 463010 463330 463650 463970 464290 464610 464930 465250 465570 465890 466210 466530 466850 467170 467490 467810 468130 468450 468770 469090 469410 469730 470050 470370 470690 471010 471330 471650 471970 472290 472610 472930 473250 473570 473890 474210 474530 474850 475170 475490 475810 476130 476450 476770 477090 477410 477730 478050 478370 478690 479010 479330 479650 479970 480290 480610 480930 481250 481570 481890 482210 482530 482850 483170 483490 483810 484130 484450 484770 485090 485410 485730 486050 486370 486690 487010 487330 487650 487970 488290 488610 488930 489250 489570 489890 490210 490530 490850 491170 491490 491810 492130 492450 492770 493090 493410 493730 494050 494370 494690 495010 495330 495650 495970 496290 496610 496930 497250 497570 497890 498210 498530 498850 499170 499490 499810 500130 500450 500770 501090 501410 501730 502050 502370 50269



OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 15, 1973

RECEIVED

MAR 16 1973

O. C. C.

ARTESIA, OFFICE

Michael P. Grace II and
Corinna Grace
P. O. Box 1413
Carlsbad, New Mexico 88220

Administrative Order NSL-599

Gentlemen:

Reference is made to your application for approval of an unorthodox gas well location for your Airport Grace No. 1, to be located 1980 feet from the South line and 2164 feet from the West line of Section 36, Township 22 South, Range 26 East, NMPM, South Carlsbad Morrow Gas Pool, Eddy County, New Mexico.

Waivers of objection from offsetting operators accompany the application, therefore, the waiting period prescribed by Rule 104 F of the Commission Rules and Regulations may be dispensed with in this instance. By authority granted me by said Rule 104 F the above-described unorthodox location is hereby approved.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/dr

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

C
O
P
Y

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:

Pogo Producing Company
P O Box 10340
Midland, TX 79702

Airport Grace #1
Unorthodox Location

2. 7001 1940 0006 6419 3685

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? ☐ 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**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:

Merit Energy Company
12222 Merit Dr., Ste. 1500
Dallas, TX 75251

Airport Grace #1
Unorthodox Location

2. 7001 1940 0006 6419 3678

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? ☐ 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**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:

Gruy Petroleum Management Co
P O Box 140907
Irving, TX 75014-0907

Airport Grace #1
Unorthodox Location

2. 7001 1940 0006 6419 3661

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? ☐ 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

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:

Devon Energy Corporation
20 N. Broadway, Ste. 1500
Oklahoma City, OK 73102

Airport Grace #1
Unorthodox Location

2.

7001 1940 0006 6419 3708**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X☐ Agent
☐ AddresseeB. Received by (*Printed Name*)

C. Date of Delivery

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