

DATE IN 9/11/07	SUSPENSE	ENGINEER D. BROOKS	LOGGED IN 9/11/07	TYPE NSL	APP NO. PTDS0725449373
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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



Marbale
Red Ryder St #1
5698

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.

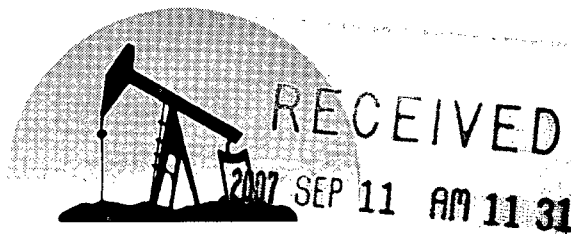
Print or Type Name

Signature

Title

Date

e-mail Address



marbob
energy corporation

September 6, 2007

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

Attention: Mr. Richard Ezeanyim

RE: Unorthodox Location
Administration Approval Request
Red Ryder State #1
1320' FNL 660' FEL
Section 25 T25S - R27E
Eddy County, New Mexico

Dear Mr. Ezeanyim:

Marbob Energy Corp. respectfully requests administrative approval for an unorthodox completion in the Delaware formation for the Red Ryder State well as referenced above. Attached is an OCD Form C-102 showing the well location. Please note that this proration unit is not an exact sized 40 acres and this location is roughly 11 feet north of the south line. This location was drilled as a deep gas well with pipe set through the Morrow and completion attempts made at several deep horizons. The well was originally proposed to be drilled at 660 feet from the north and east line but because of a significant drainage running east and west, the location was moved south to get out of the drainage but still stay orthodox for a deep gas well. We did not anticipate any shallow shows because we had previously drilled in section 16 of T25S R28E and did not encounter any shallow shows. When the Red Ryder was drilled we encountered good mud log shows and the electric logs also look good for a completion in the Delaware formation. Also, enclosed is a map showing the proration unit, the affected proration unit, and the offset proration units.

The N/2 of Section 25 is one State lease VB-1007. The ownership of the entire lease is uniform as to the royalty, burdens and working interest. Marbob Energy Corp. is the operator of all of the offset proration units by Joint Operating Agreements between Marbob and the other working interest owners in those leases. As such, no notice letters are required. Our plans are to perforate between 4292' and 5785' acidize and gel water frac this formation if the unorthodox approval is granted. No work will be done on this horizon until your approval is received. If you have any questions regarding this application, please contact me.

Sincerely,

William Miller
Landman

Enclosures

DISTRICT I
1625 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

MAR 28 2007

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-35150	Pool Code	Pool Name <i>under N Hay Hollow Bone Spring</i>
Property Code	Property Name RED RYDER STATE COM.	Well Number 1
OGRID No.	Operator Name MARBOB ENERGY CORPORATION	Elevation 3015'

Surface Location

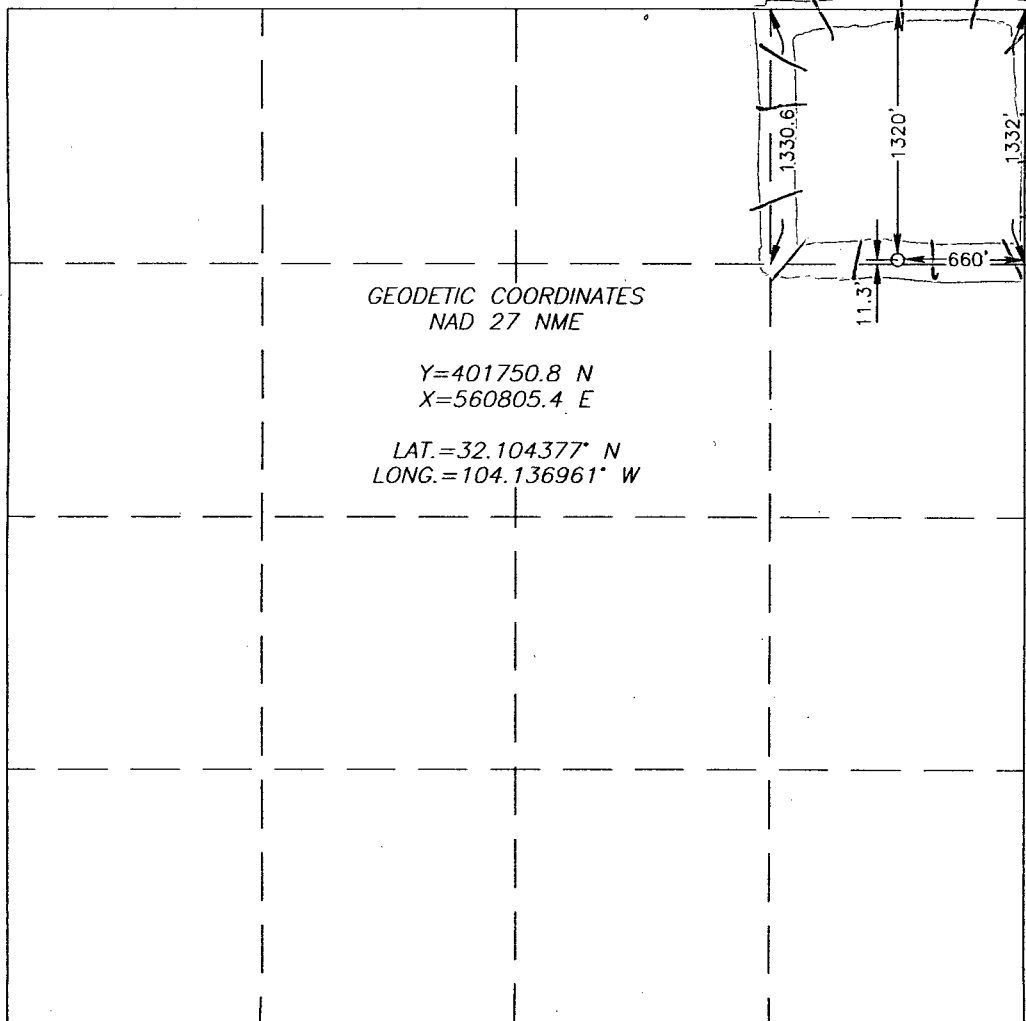
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	25-S	27-E		1320	NORTH	660	EAST	EDDY

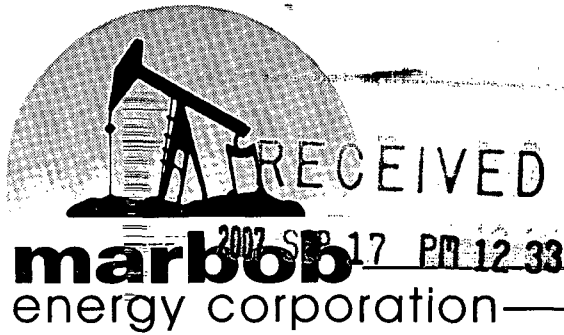
Bottom Hole Location If Different From Surface

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.
80			

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

	OPERATOR CERTIFICATION <i>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.</i> Signature: <i>WJ Miller</i> Date: <i>9/5/07</i> Printed Name: <i>William Miller</i>
	SURVEYOR CERTIFICATION <i>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.</i> AUGUST 25, 2006 Date Surveyed: <i>03/27/07</i> JR Signature & Seal of Professional Surveyor: <i>Ronald J. Eidson</i> 3/27/07 Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239



September 11, 2007

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

Attention: Mr. Richard Ezeanyim

RE: Unorthodox Location
Administration Approval Request
Red Ryder State #1
1320' FNL 660' FEL
Section 25 T25S – R27E
Eddy County, New Mexico

Dear Mr. Ezeanyim:

Marbob Energy Corp. would request to amend our Unorthodox Location request dated September 6, 2007. We would request that the Bone Springs formation be included as well as the Delaware formation. The ownership, offset operators and affected proration unit are identical to the original application. The Bone Springs section to be tested is at 8178' to 8204' feet subsurface. This zone had weak mud log shows but our engineer would like to test it prior to plugging this well. Please advise us if anything else is needed for this request.

Sincerely,

William Miller
Landman

/wm