R DB-

LOGGED IN 5-25-10

NSL

PTG-W APP NO. 101465 4380

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST 30-015-37-778 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] Location - Spacing Unit - Simultaneous Dedication NSL ☐ NSP ☐ SD Check One Only for [B] or [C] Commingling - Storage - Measurement $\square$ DHC $\square$ CTB $\square$ PLC $\square$ PC $\square$ OLS Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [C] ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR [D] Other: Specify NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply [2] Working, Royalty or Overriding Royalty Interest Owners [A][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.

wmiller@marbob.com

e-mail Address



#### Certified Receipt Return

May 20, 2010

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

Attention: Mr. David Brooks

RE: Unorthodox Location
Administrative Approval Request
Rocket Federal #5H
SHL:180' FSL 1980' FEL
BHL:330' FNL1980' FEL
Section 3, T-26S R-29E
Eddy County, New Mexico

Dear Mr. Brooks:

Marbob Energy Corporation requests approval for the Rocket Federal #5H unorthodox location described above. The well is unorthodox because the Bureau of Land Management moved our original location (330' FSL 1980') to this unorthodox location. The BLM moved the location due to surface issues. This puts the location 150' unorthodox to the south line of the SW/4SE/4.

Marbob is the operator of the affected proration unit(s) in the NW/4NE/4, NE/4NE/4, NE/4NW/4 of Section 10 T26S R29E. No notification will be given to another operator because Marbob is the operator of the affected proration unit(s). Out of caution, Marbob will send Yates Petroleum notice due to the fact they are working interest owners in the affected proration unit(s). Enclosed is a copy of form C-102 showing the location and proposed proration unit. Also, enclosed is a map showing affected spacing unit(s).

Thank you for your help in this matter.

Sincerely,

William Miller Landman

Attachments

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 68240

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005 Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

# DISTRICT II 1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

### OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name		
30-015-37778	96217	WILLOW LAKE, BONE SPRING SE		
Property Code	Proper	y Name Well	Number	
.	ROCKET	FEDERAL	5Н	
OGRID No.	•		ation	
14049	MARBOB ENERG	Y CORPORATION 29	380	

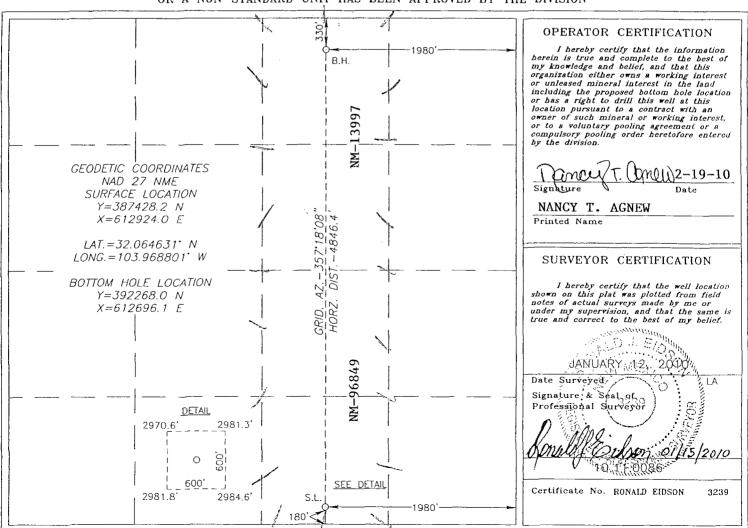
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	3	26-S	29-E		180	SOUTH	1980	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
В	3	26-S	29-E		330	NORTH	1980	EAST	EDDY
Dedicated Acres   Joint or Infill   Consolidation Code		Code Or	der No.	·			· · · · · · · · · · · · · · · · · · ·		
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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



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May 24, 2010

Fax & Certified Mail

Yates Petroleum Corp. 105 South 4<sup>th</sup> Street Artesia, NM 88210

RE: Unorthodox Location
Administrative Approval Request
Rocket Federal #5H
SHL:180' FSL 1980' FEL
BHL:330' FNL1980' FEL
Section 3, T-26S R-29E
Eddy County, New Mexico

To Whom It May Concern:

Yates Petroleum Corp. is a working interest owner of leasehold within the notice area of this proposed location. This letter serves as notice of our application for approval of this project. A copy of the full application is enclosed for your review. If you have any objection to this application please timely file your objection with New Mexico Oil Conservation Division (NMOCD) in Santa Fe within 20 days of this notice. If you have any questions regarding our application please contact me.

Sincerely,

William Miller Land Department

/wm
Attachments

From:

Brooks, David K., EMNRD

Sent:

Thursday, May 27, 2010 11:04 AM

To:

'William Miller'

Subject:

Rocket Federal #3H and Rocket Federal #5H NSL applications

Dear Mr. Mill

I have looked at the referenced applications.

For each of these horizontal wells, we need to know the footage location of the "penetration point" of the Bone Spring formation, as that term is defined in Rule 16.7.F.

Also, where the applicant is the operator of an affected spacing unit, Rule 4.12.A(2)(b) requires that notice be given to working interest owners unless working interest ownership in the affected unit is identical to that in the unit where the well will be located. In the #5H application, you have included proof of notice to Yates whom you indicate is a working interest owner in one or more of the affected units, but you have not expressly stated whether Yates is the only such working interest owner. In the #3H application, I find no statement concerning working interest ownership in the affected units.

We will appreciate your supplying the above-requested information.

Sincerely

David K. Brooks Legal Examiner

From:

Brooks, David K., EMNRD

Sent:

Tuesday, June 01, 2010 1:32 PM

To:

'William Miller'

Subject:

RE: Rocket Federal #3H and Rocket Federal #5H NSL applications

Dear Mr. Miller

Thanks for your prompt attention to my request.

When you have sent the notices, please furnish either a copy of the cover letter, or a statement conforming to Rule 15.13.D, that notice was sent.

Sincerely

David K. Brooks Legal Examiner

From: William Miller [mailto:wmiller@marbob.com]

Sent: Tuesday, June 01, 2010 11:44 AM

To: Brooks, David K., EMNRD

Subject: RE: Rocket Federal #3H and Rocket Federal #5H NSL applications

Mr. Brooks,

The penetration point for both wells will be the same as the surface location.

As far as the working interest owners, notice will be sent and a copy furnished to you. The N/2N/2 of sec. 10 is Yates & Marbob. Yates has been notified. The NE/4 of sec. 9 is OXY, Yates, Marbob. Oxy has been notified already and I will send notification to Yates. The E/2SE/4 is all marbob. Thank you.

William Miller

Marbob Energy Corp.

**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Thursday, May 27, 2010 11:04 AM

To: William Miller

Subject: Rocket Federal #3H and Rocket Federal #5H NSL applications

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David K. Brooks Legal Examiner

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From:

Brooks, David K., EMNRD

Sent:

Thursday, June 17, 2010 9:54 AM

To:

'William Miller'

Subject:

Rocket Federal #5H; NSL Application

Dear Mr. Miller

This will serve as a reminder that I have not received the proof of notice to Yates and OXY for this application, as per your email of June 1.

Thanks

David K. Brooks Legal Examiner

From: Sent:

William Miller [wmiller@marbob.com] Thursday, June 17, 2010 10:22 AM

To:

Brooks, David K., EMNRD

Subject:

RE: Rocket Federal #5H; NSL Application

Attachments:

Rocket #5.pdf; rocket #5-1.pdf

Mr. Brooks,

Yates is the only required party in the Rocket Fed #5H notification. Oxy has interest in NE/4 of sec. 9 but they are not in the affected proration units or offset proration units. Attached is the notice given to Yates. Thank you.

William Miller Marbob Energy Corp

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Thursday, June 17, 2010 9:54 AM

To: William Miller

Subject: Rocket Federal #5H; NSL Application

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David K. Brooks Legal Examiner

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	3. Table 1.	44.56			

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.  Article Addressed to:  Attn: Land Department Yates Petroleum Corporation	A. Signature  A. Signature  Addressee  B. Received by Printed Name On C. Date of Delivery  MAY 7 j (Ulu)  D. Is delivery address different from item 1? Yes  If YES, enter delivery address below: No  MAY 2 8 2010		
105 South Fourth Street Artesia, NM 88210 Rocket Fed #5H / NSL	3. Service Type Certified Mail		
2. Article Number (Transfer from service label) 7009 3410	0001 6899 3910		
PS Form 3811, February 2004 Domestic Retu	rn Receipt 102595-02-M-1540		



May 24, 2010

Fax & Certified Mail

Yates Petroleum Corp. 105 South 4<sup>th</sup> Street Artesia, NM 88210

RE: Unorthodox Location
Administrative Approval Request
Rocket Federal #5H
SHL:180' FSL 1980' FEL
BHL:330' FNL1980' FEL
Section 3, T-26S R-29E
Eddy County, New Mexico

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Sincerely,

William Miller Land Department

/wm Attachments

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	GENERAL CONTROL OF ALL		

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.  1. Article Addressed to:  Attn: Land Department Yates Petroleum Corporation	A. Signature  X			
105 South Fourth Street Artesia, NM 88210 Rocket Fed #5H / NSL	3. Service Type  ID Certified Mail			
2. Article Number (Transfer from service label) 7009 3410	0001 6899 3910			
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540				

CENTAL PLANT - MA