

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE PURSUANT TO SECTION 271.305(b) OF THE
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION
ORDER NO. R-6013

I.
Operator MARBOB ENERGY CORP. Well Name and No. NG Phillips State Well #35
Location: Unit G Sec. 27 Twp. 17S Rng. 28E Cty. Eddy

II.
THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.
- (2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is to be completed in the Artesia Queen Grayburg San Andres Pool, and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the SW/4 NE/4 of Sec. 27, Twp. 17S, Rng. 28E, is currently dedicated to the NG Phillips State Well No. 10 located in Unit G of said section.
- (5) That this proration unit is (X) standard () nonstandard; if nonstandard, said unit was previously approved by Order No. NA.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 13,182 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED:

- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Done at Santa Fe, New Mexico, on this 13 day of September, 1984.


DIRECTOR

Rec. 7/30/84

OIL CONSERVATION DIVISION
P. O. Box 2088
SANTA FE, NEW MEXICO
87501

ADMINISTRATIVE ORDER
NFL 94

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

INFILL DRILLING FINDINGS PURSUANT TO
SECTION 271.305(b) OF THE FEDERAL ENERGY REGULATORY
COMMISSION REGULATIONS, NATURAL GAS POLICY ACT OF 1978
AND OIL CONSERVATION DIVISION ORDER NO. R-6013-A

I.
Operator Marbob Energy Corporation Well Name and No. N6 Phillips State Well No. 35
Location: Unit G Sec. 27 Twp. 17 South Rng. 28 East Cty. Eddy

II.
THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find that the infill well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit.
- (2) That by Order No. R-6013-A, dated February 8, 1980, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is completed in the Artesia Queen Grayburg San Andres Pool, and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the SW 1/4 NE 1/4 of Sec. 27, Twp. 17 South, Rng. 28 East, is currently dedicated to the N6 Phillips State Well No. 10 located in Unit G of said section.
- (5) That this proration unit is () standard () nonstandard; if nonstandard, said unit was previously approved by Order No. NR.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 13,182 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013-A have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved.

IT IS THEREFORE ORDERED:

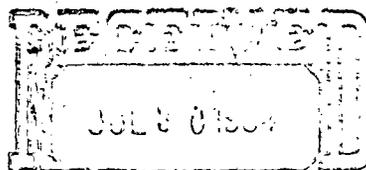
- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on this _____ day of _____, 19 _____.

cc - OLD Artesia
Well File

DIVISION DIRECTOR _____ EXAMINER ✓

Request for Infill Finding on
NG Phillips St. #35
in accordance with Administrative
Procedures amended February 8, 1980



C.I. CONSERVATION DIVISION
SANTA FE

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
P. O. BOX 208
SANTA FE, NEW MEXICO 87501
RECEIVED BY
OCT 06 1983
O. C. D.
ARTESIA, OFFICE

Form C-101
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE FEE
5. State Oil & Gas Lease No.
B-2071

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work
Type of Well DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

7. Unit Agreement Name

Name of Operator
Marbob Energy Corporation

8. Name of Lease Name
NG Phillips St.

Address of Operator
P.O. Drawer 217, Artesia, N.M. 88210

9. Well No.
35

Location of Well
UNIT LETTER **G** LOCATED **2271** FEET FROM THE **North** LINE

10. Field and Pool, or Wildcat
Artesia On Grbg SA

2200 FEET FROM THE **East** LINE OF SEC. **27** TWP. **17S** RGE. **28E** SHIPM

12. County
Eddy

19. Proposed Depth 3000'		19A. Formation San Andres	20. Rotary or C.T. Rotary
------------------------------------	--	-------------------------------------	-------------------------------------

Elevations (Show whether DF, RT, etc.) 3651.3' GR	21A. Kind & Status Plug. Bond Statewide active	21B. Drilling Contractor Salazar Bros. Drlg. Co.	22. Approx. Date Work will start 10/12/83
---	--	--	---

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	300	Circulate
7 7/8"	5 1/2"	15.50#	3000'	600	Attempt to circ

We propose to drill to 500', run 8 5/8" casing and cement, reduce hole and drill on to 3000' to test the San Andres formation, run 5 1/2" and cement.

RECEIVED
JUL 3 0 1984
OIL CONSERVATION DIVISION
SANTA FE

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 4-7-84
UNLESS DRILLING UNDERWAY.

BELOW SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUS BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
by Carolyn Curis Title Production Clerk Date 10/4/83

(This space for State Use)

APPROVED BY Mike Walker TITLE OIL AND GAS INSPECTOR DATE OCT 7 1983

REASONS FOR APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-85

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

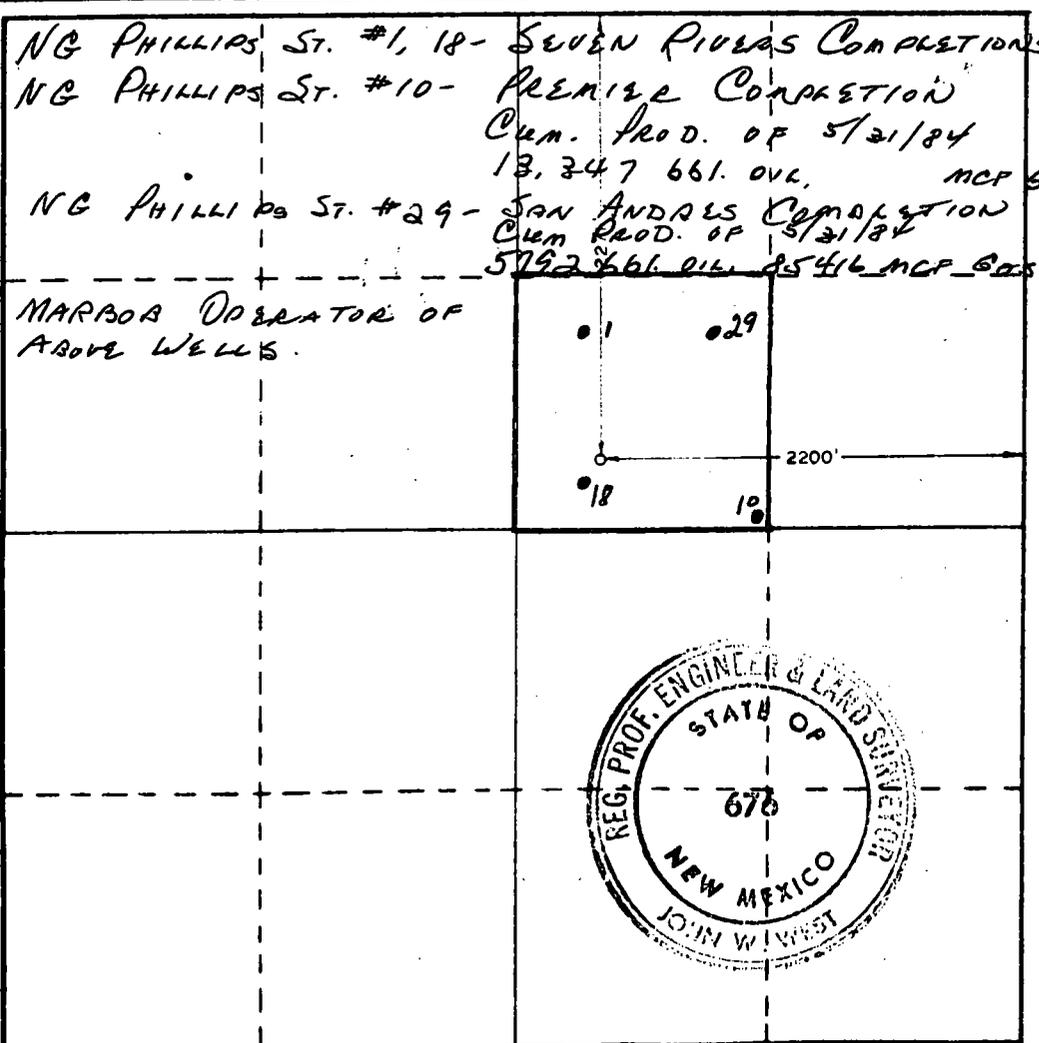
Operator MARBOB ENERGY CORP.		Lease N.G. PHILLIPS ST.			Well No. 35
Unit Letter G	Section 27	Township 17 SOUTH	Range 28 EAST	County EDDY	
Actual Footage Location of Well: 2271 feet from the NORTH line and 2200 feet from the EAST line					
Ground Level Elev. 3651.3	Producing Formation San Andres		Pool Artesia On Grbg SA	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

Carolyn Orris
Name

Carolyn Orris
Position

Production Clerk
Company

Marbob Energy Corporation
Date

10/4/83

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

4-26-83

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No.

JOHN W. WEST NO. 676



Rule 6:

NG Phillips St. #35

Artesia Queen Grayburg San Andres

Standard spacing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. NG Phillips St. #35 - 2271 FNL 220 FEL Sec. 27-T17S-R28E
NG Phillips St. #10 - 2645 FSL 1325 FEL Sec. 27-T17S-R28E
NG Phillips St. #29 - 1627.9 FNL 1637 FEL Sec. 27-T17S-R28E
- b. #35 - 10/24/83
#10 - 11/16/71
#29 - 11/17/81
- c. #35 - 11/14/83
#10 - 1/21/72 as wtr inj., converted to production 4/79
#29 - 2/1/82
- d. None
- e. #35 - 31 bbl oil, 6 mcf gas/day
#10 - 4 bbl. oil, 9 mcf gas/day
#29 - 8 bbl. oil; 110 mcf gas/day
- f. NA
- g. The NG Phillips St. #10 is TD'd above the highest perforations in the #35 well and could not be commercially drilled to a deeper depth to drain the reservoir. The NG Phillips St. #35 was drilled because the low permeability and low quality solution gas recovery mechanism require reduced spacing to efficiently drain the reservoir. Since both the #29 and #35 experienced new reservoir type conditions we feel the additional drilling was justified.

Paul G. White Engineering

OIL AND NATURAL GAS

July 13, 1984

Marbob Energy Corporation
P.O. Drawer 217
Artesia, New Mexico 88210

Re: Pertinent Engineering Data
NG Phillips State No. 35
Artesia Queen Grayburg - San Andres
Eddy County, New Mexico

Gentlemen:

The subject well, located 2271' FNL and 2200' FEL, Section 27-T17S-R28E, Eddy County, New Mexico was completed on November 14, 1983.

I have estimated the oil and gas reserves for the subject well based on a 20 acre well density. From the electrical log and analagous well studies I have estimated that the well will recover 19,787 barrels of oil and 13,182 MCF of gas.

A study of nearby producing well rates and initial potentials reveals that wells will have to be drilled on a 20 acre spacing to properly and adequately recover the oil and gas reserves in this field.

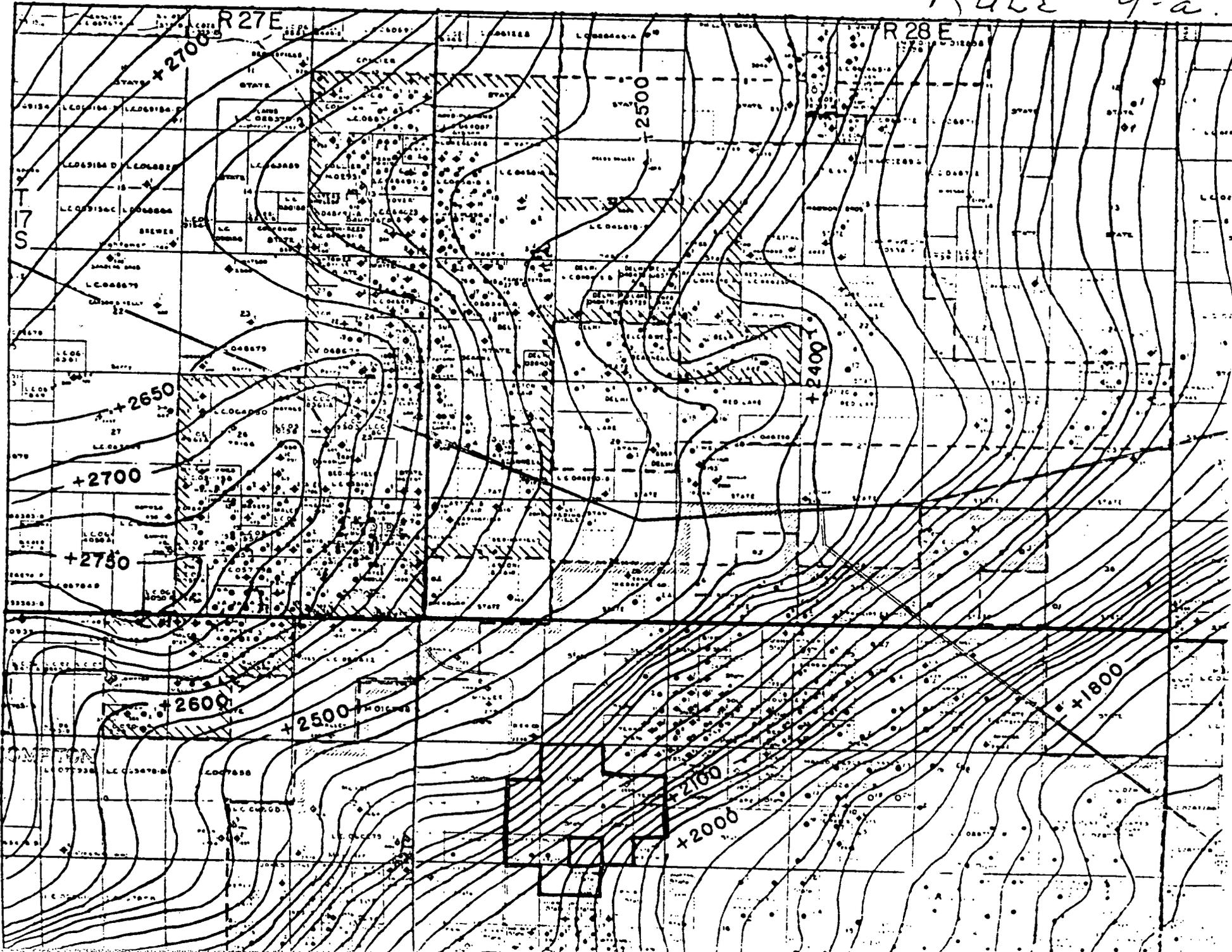
Therefore, it is my recommendation that in-fill wells be drilled and the well density be increased to at least 20 acre spacing.

From my study the in-fill wells will characteristically exhibit new reservoir conditions.

Signed Paul G. White
Petroleum Engineer
Date July 13, 1984

PGW/sf

RULE 9-a.



Rule 11:

Notice of this infill request has been sent to John A. Yates, 207 So.
4th St., Artesia, N.M. 88210.

Request for Infill Finding on

NG Phillips St. #35

*in accordance with Administrative
Procedures amended February 8, 1980*

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

CONSERVATION DIVISION
P. O. BOX 2089
SANTA FE, NEW MEXICO 87501

RECEIVED BY
OCT 06 1983
O. C. D.
ARTESIA, OFFICE

Form C-101
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.
B-2071

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work
Type of Well DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

7. Unit Agreement Name

8. Name of Lease Name
NG Phillips St.

Name of Operator
Marbob Energy Corporation

9. Well No.
35

Address of Operator
P.O. Drawer 217, Artesia, N.M. 88210

10. Field and Pool, or Wildcat
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Location of Well
UNIT LETTER G LOCATED 2271 FEET FROM THE North LINE
2200 FEET FROM THE East LINE OF SEC. 27 TWP. 17S RGE. 28E

12. County
Eddy



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APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 4-7-84
UNLESS DRILLING UNDERWAY.

ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
Carol Ann Title Production Clerk Date 10/4/83

(This space for State Use)

APPROVED BY Mr. [Signature] TITLE OIL AND GAS INSPECTOR DATE OCT 7 1983

CONDITIONS OF APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-120
Effective 1-1-65

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

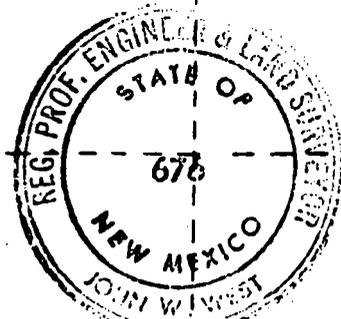
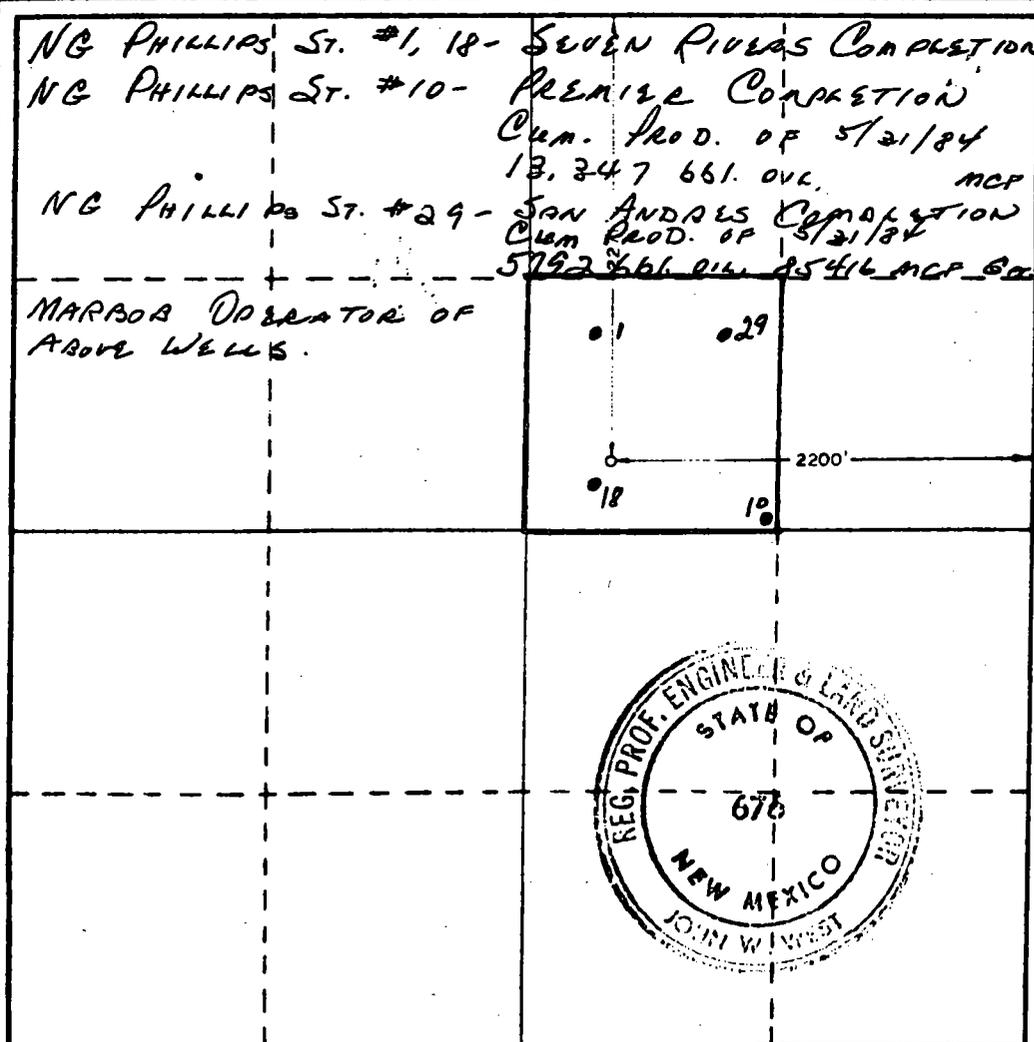
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No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Carolyn Orris
Name
Carolyn Orris

Position
Production Clerk

Company
Marbob Energy Corporation

Date
10/4/83

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
4-26-83

Registered Professional Engineer and/or Land Surveyor
John W. West

Certificate No.
JOHN W. WEST NO. 676

Rule 6:

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Artesia Queen Grayburg San Andres

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Rule 8:

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NG Phillips St. #29 - 1627.9 FNL 1637 FEL Sec. 27-T17S-R28E
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Paul G. White Engineering

OIL AND NATURAL GAS

July 13, 1984

Marbob Energy Corporation
P.O. Drawer 217
Artesia, New Mexico 88210

Re: Pertinent Engineering Data
NG Phillips State No. 35
Artesia Queen Grayburg - San Andres
Eddy County, New Mexico

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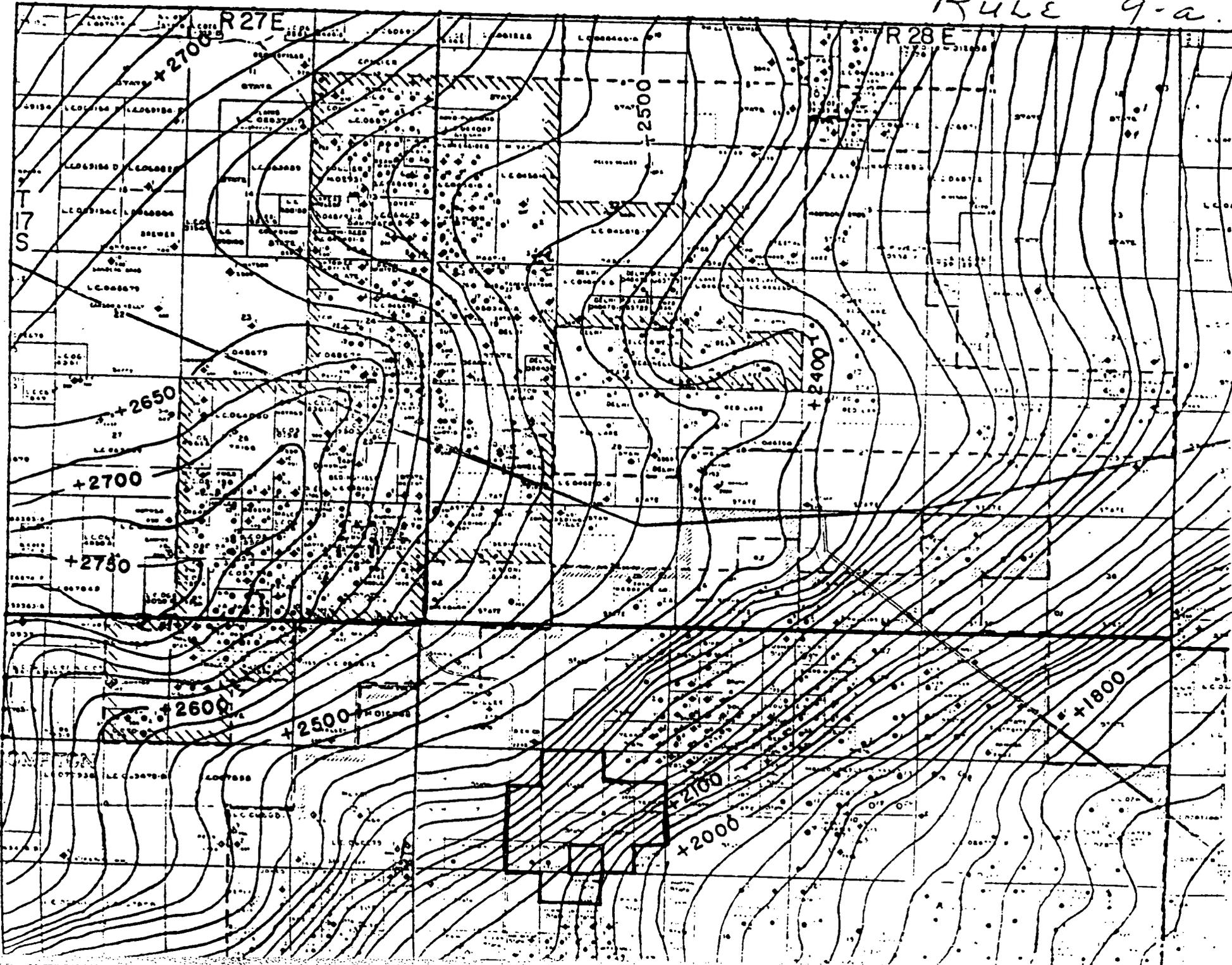
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From my study the in-fill wells will characteristically exhibit new reservoir conditions.

Signed Paul G. White
Petroleum Engineer
Date July 13, 1984

PGW/sf

RULE 9-a



Rule 11:

Notice of this infill request has been sent to John A. Yates, 207 So.
4th St., Artesia, N.M. 88210

Marbob Energy Corporation

P. O. ~~BOX 304~~ Drawer 217
ARTESIA, NEW MEXICO 88210

PHONES
OFFICE: 746-2422

NIGHT
746-3895
746-4877

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: NG Phillips St. #35
Application for Price
Determination under Section
103 of the Natural Gas Policy
Act of 1978

Gentlemen:

Enclosed is our application for a price determination for Section 103 on captioned well. In support of this application please find the following:

1. FERC-121
2. Special Requirements under Rules 1 & 2
3. Verification
4. C-132
5. C-101
6. C-102
7. C-105, deviation survey
8. Certificate of Service
9. Statement Under Oath
10. Certificate of Mailing
11. Land Map
12. Extra copy of this letter to be returned to us with date of filing in your office.

Very truly yours,


Carolyn Orris
Production Clerk

Encl.

Marbob Energy Corporation

P. O. DRAWER 217
ARTESIA, NEW MEXICO 88210

— OFFICE PHONE —
(505) 748-3303
(505) 746-2422

— NIGHT PHONES —
(505) 746-6197
(505) 746-6500

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: NG Phillips St. #35
Application for Price Determination under Section 103 of the Natural Gas Policy Act of 1978

Gentlemen:

Enclosed is our application for a price determination for Section 103 on captioned well. In support of this application please find the following:

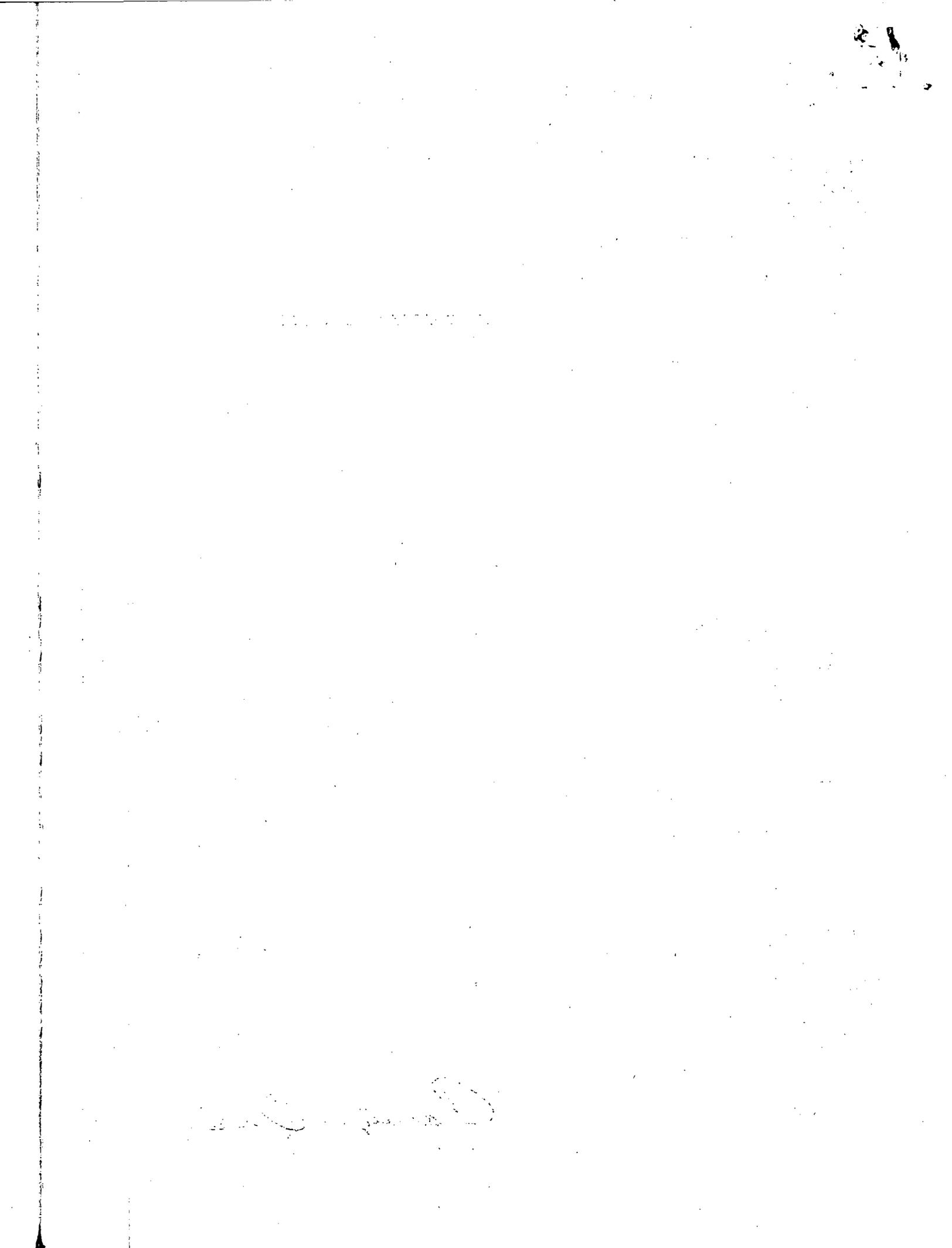
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2. Special Requirements under Rules 1 & 2
3. Verification
4. C-132
5. C-101
6. C-102
7. C-105
8. Certificate of Service
9. Statement under Oath
10. Certificate of Mailing
11. Land Map

Please sign and date the extra copy of this letter and return to us so we will know the date you file this application.

Very truly yours,


Carolyn Orris
Production Clerk

CO
Encl.



1.0 API well number: (If not available, leave blank. 14 digits.)	30-015-24620															
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	103 Section of NGPA Category Code															
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	2684 feet															
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	<p style="text-align: center;"><i>Marbob Energy Corp.</i></p> <p>Name _____ Seller Code _____ <i>P.O. Drawer 217</i></p> <p>Street _____ <i>Artesia</i> <i>N.M.</i> <i>88210</i></p> <p>City _____ State _____ Zip Code _____</p>															
5.0 Location of this well: (Complete (a) or (b).)	<i>Artesia Queen Grayburg San Andres</i>															
(a) For onshore wells (35 letters maximum for field name.)	<p>Field Name _____ <i>Eddy</i> <i>N.M.</i></p> <p>County _____ State _____</p>															
(b) For OCS wells:	<p>Area Name _____ Block Number _____</p> <p>Date of Lease: Mo. Day Yr. OCS Lease Number _____</p>															
(c) Name and identification number of this well: (35 letters and digits maximum.)	<i>NG Phillips St. #35</i>															
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	_____															
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	<p style="text-align: center;"><i>Phillips Petroleum Co.</i></p> <p>Name _____ Buyer Code _____</p>															
(b) Date of the contract:	<i>0 5 1 4 8 1</i> Mo. Day Yr.															
(c) Estimated annual production:	2 MMcf.															
	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;"></th> <th style="width:15%;">(a) Base Price (\$/MMBTU)</th> <th style="width:15%;">(b) Tax</th> <th style="width:15%;">(c) All Other Prices [Indicate (+) or (-).]</th> <th style="width:20%;">(d) Total of (a), (b) and (c)</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">7.0 Contract price: (As of filing date. Complete to 3 decimal places.)</td> <td style="text-align: center;"><i>2.909</i></td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;"><i>2.909</i></td> </tr> <tr> <td style="vertical-align: top;">8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)</td> <td style="text-align: center;"><i>2.909</i></td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;"><i>2.909</i></td> </tr> </tbody> </table>		(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices [Indicate (+) or (-).]	(d) Total of (a), (b) and (c)	7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	<i>2.909</i>	---	---	<i>2.909</i>	8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	<i>2.909</i>	---	---	<i>2.909</i>
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8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	<i>2.909</i>	---	---	<i>2.909</i>												
9.0 Person responsible for this application:	<p style="text-align: center;"><i>Carolyn Orris</i> <i>Production Clerk</i></p> <p>Name _____ Title _____</p> <p style="text-align: center;"><i>Carolyn Orris</i></p> <p>Signature _____</p> <p style="text-align: center;"><i>7/13/84</i> <i>505-748-3303</i></p> <p>Date Application is Completed _____ Phone Number _____</p>															
Agency Use Only																
Date Received by Juris. Agency																
Date Received by FERC																

U.S. DEPARTMENT OF ENERGY
Federal Energy Regulatory Commission
Washington, D.C. 20426

**APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)**
(Sections 102, 103, 107 and 108)

PLEASE READ BEFORE COMPLETING THIS FORM:

General Instructions:

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA. A separate application is required for each well. If any reservoir qualifies for a category which differs from the category applicable to the producing well, separate applications must be made for the producing well and the reservoir. Complete each appropriate item on the reverse side of this page. The code numbers used in items 4.0 and 6.0 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Enter any additional remarks in the space below.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 270.103. If there are any questions, call (202) 275-4539.

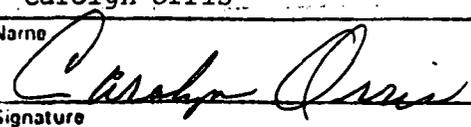
Specific Instructions for Item 2.0, Type of Determination:

<u>Section of NGPA</u>	<u>Category Code</u>	<u>Description</u>
102	1	New OCS Lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1,000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS Lease
103	-	New onshore production well
107	-	High cost natural gas
108	-	Stripper well

Other Purchasers/Contracts:

<u>Contract Date</u> (Mo. Day Yr.)	<u>Purchaser</u>	<u>Buyer Code</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks:

1.0 API well number: (If not available, leave blank. 14 digits.)	<u>30-015-24620</u>			
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	<u>103</u> Section of NGPA		Category Code	
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	<u>2684</u> feet			
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	<u>Marbob Energy Corp.</u> Name Seller Code <u>P.O. Drawer 217</u> Street <u>Artesia</u> <u>N.M.</u> <u>88210</u> City State Zip Code			
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	<u>Artesia Queen Grayburg San Andres</u> Field Name N.M. <u>Eddy</u> State			
(b) For OCS wells:	Area Name Block Number Date of Lease: <u> </u> <u> </u> <u> </u> Mo. Day Yr. OCS Lease Number			
(c) Name and identification number of this well: (35 letters and digits maximum.)	<u>NG Phillips St. #35</u>			
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)				
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	<u>Phillips Petroleum Co.</u> Name Buyer Code			
(b) Date of the contract:	<u>05</u> <u>14</u> <u>81</u> Mo. Day Yr.			
(c) Estimated annual production:	<u>2</u> MMcf.			
	(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices [Indicate (+) or (-).]	(d) Total of (a), (b) and (c)
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	<u>2.909</u>	---	---	<u>2.909</u>
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	<u>2.909</u>	---	---	<u>2.909</u>
9.0 Person responsible for this application:	<u>Carolyn Orris</u> Production Clerk Name Title  Signature <u>7/13/84</u> <u>505-748-3303</u> Date Application is Completed Phone Number			
Agency Use Only				
Date Received by Juris. Agency				
Date Received by FERC				

U.S. DEPARTMENT OF ENERGY
Federal Energy Regulatory Commission
Washington, D.C. 20426

**APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL
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_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks:

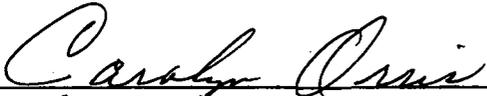
VERIFICATION AS TO COMPLETION OF
REQUIREMENTS FOR SPECIAL RULES 1 & 2

THE STATE OF NEW MEXICO

COUNTY OF EDDY

Carolyn Orris, being first duly sworn, states that she is Production Clerk for Marbob Energy Corporation, that she is authorized to execute this affidavit; that she has read the above and foregoing and is familiar with the contents thereof and that all allegations and facts contained therein are true and correct to the best of her knowledge, information, and belief; that the foregoing Form C-132, Application for Wellhead Price Ceiling Category Determination and FERC Form 121 has been mailed or delivered to all working interest owners in subject well; that Marbob Energy Corporation is operator of subject well and intends this application to cover all parties to the operating agreement and gas purchase contract and notice has been given by mailing or delivering this application to them in accordance with New Mexico Oil Conservation Division instructions; that the foregoing application has also been mailed or delivered to the appropriate purchaser in accordance with the requirements set out in the Regulations Implementing the Natural Gas Policy Act of 1978.

MARBOB ENERGY CORPORATION

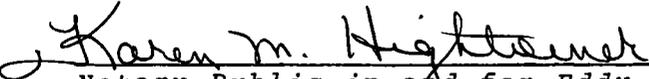


Carolyn Orris
Production Clerk

Sworn to and subscribed before me this 13th day of July,
HIGHTOWER 1984

My commission expires:

9-9-85



Karen M. Hightower
Notary Public in and for Eddy
County, New Mexico

VERIFICATION

THE STATE OF NEW MEXICO

COUNTY OF EDDY

Carolyn Orris, being first duly sworn, states that she is Production Clerk for Marbob Energy Corporation, that she is authorized to execute this affidavit; that she has read the above and foregoing and is familiar with the contents thereof; and that all allegations and facts contained therein are true and correct to the best of her knowledge, information and belief.

MARBOB ENERGY CORPORATION

Carolyn Orris
Carolyn Orris
Production Clerk

Sworn to and subscribed before me this 13th day of July,
1984.

My commission expires:

9-9-85

Karen M. Lightner
Notary Public in and for Eddy
County, New Mexico

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

APPLICATION FOR WELLHEAD
PRICE CEILING CATEGORY DETERMINATION

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEDERAL <input type="checkbox"/>
5. State Oil & Gas Lease No. B-2071
7. Unit Agreement Name
8. Farm or Lease Name NG Phillips St.
9. Well No. 35
10. Field and Pool, or Wildcat Artesia Q-G-SA
12. County Eddy

FOR DIVISION USE ONLY:

DATE COMPLETE APPLICATION FILED _____

DATE DETERMINATION MADE _____

WAS APPLICATION CONTESTED? YES _____ NO _____

NAME(S) OF INTERVENOR(S), IF ANY: _____

2. Name of Operator
Marbob Energy Corporation

3. Address of Operator
P.O. Drawer 217, Artesia, N.M. 88210

4. Location of Well
UNIT LETTER G LOCATED 2271 FEET FROM THE North LINE
AND 2200 FEET FROM THE East LINE OF SEC. 27 TWP. 17S SEC. 28E NMPM

11. Name and Address of Purchaser(s)
Phillips Petroleum Co., 346 HS&L Bldg., Bartlesville, Oklahoma 74004

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

- Category(ies) Sought (By NGPA Section No.) 103
- All Applications must contain:
 - a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
 - b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
 - c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
 - d. AFFIDAVITS OF MAILING OR DELIVERY
- In addition to the above, all applications must contain the items required by the applicable rule of the Division's "Special Rules for Applications For Wellhead Price Ceiling Category Determinations" as follows:
 - A. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)
 - All items required by Rule 14(1) and/or Rule 14(2)
 - B. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)
 - All items required by Rule 15
 - C. NEW ONSHORE PRODUCTION WELL
 - All items required by Rule 16A or Rule 16B
 - D. DEEP, HIGH-COST NATURAL GAS, TIGHT FORMATION NATURAL GAS, AND PRODUCTION ENHANCEMENT NATURAL GAS
 - All items required by Rule 17(1), Rule 17(2) or Rule 17(3), or Rule 17(4)
 - E. STRIPPER WELL NATURAL GAS
 - All items required by Rule 18

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY
KNOWLEDGE AND BELIEF.

Marbob Energy Corporation

NAME OF APPLICANT (Type or Print)

SIGNATURE OF APPLICANT

Title Production Clerk

Date 7/13/84

FOR DIVISION USE ONLY

Approved

Disapproved

The information contained herein includes all of the information required to be filed by the applicant under Subpart B of Part 274 of the FERC regulations.

EXAMINER _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

CONSERVATION DIVISION
P. O. BOX 2089
SANTA FE, NEW MEXICO 87501
RECEIVED BY
OCT 06 1983
O. C. D.
ARTESIA, OFFICE

Form C-101
Revised 10-1-78

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SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
 STATE FEE
 5. State Oil & Gas Lease No.
B-2071

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work

Type of Well DRILL DEEPEN PLUG BACK
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

Name of Operator

Marbob Energy Corporation

Address of Operator

P.O. Drawer 217, Artesia, N.M. 88210

Location of Well UNIT LETTER **G** LOCATED **2271** FEET FROM THE **North** LINE

2200 FEET FROM THE **East** LINE OF SEC. **27** TWP. **17S** RGE. **28E** NADPM

7. Unit Agreement Name

8. Name of Lease Name

NG Phillips St.

9. Well No.

35

10. Field and Pool, or Wildcat

Artesia On Grbg SA

12. County

Eddy

18. Proposed Depth 3000'	19A. Formation San Andres	19B. Rotary or C.T. Rotary
20. Elevation (Show whether DF, RT, etc.) 3651.3' GR	21A. Kind & Status Plug. Bond Statewide active	21B. Drilling Contractor Salazar Bros. Drlg. Co.
		22. Approx. Date Work will start 10/12/83

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	300	Circulate
7 7/8"	5 1/2"	15.50#	3000'	600	Attempt to circ

We propose to drill to 500', run 8 5/8" casing and cement, reduce hole and drill on to 3000' to test the San Andres formation, run 5 1/2" and cement.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 4-7-84
UNLESS DRILLING UNDERWAY.

BELOW SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION. GIVE SLOWDOWN PREVENTER PROGRAM, IF ANY.

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

by Carolyn Curtis Title Production Clerk Date 10/4/83

(This space for State Use)

APPROVED BY Mike Walker TITLE OIL AND GAS INSPECTOR DATE OCT 7 1983

CONDITIONS OF APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

Operator MARBOB ENERGY CORP.		Lease N.G. PHILLIPS ST.			Well No. 35
Unit Letter G	Section 27	Township 17 SOUTH	Range 28 EAST	County EDDY	
Actual Footage Location of Well: 2271 feet from the NORTH line and 2200 feet from the EAST line					
Ground Level Elev. 3651.3	Producing Formation San Andres		Pool Artesia On Grbg SA	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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?

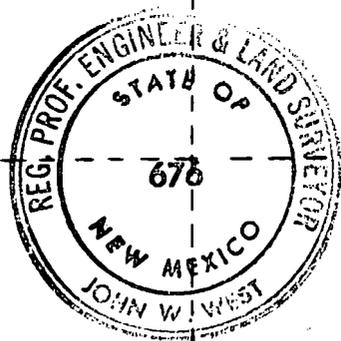
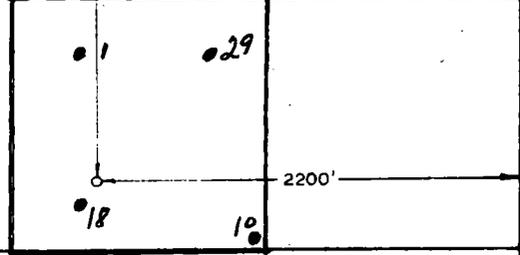
Yes No If answer is "yes," type of consolidation _____

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.

*NG PHILLIPS ST. #1, 18 - SEVEN RIVERS COMPLETIONS
NG PHILLIPS ST. #10 - PREMIER COMPLETION
Cum. PROD. OF 5/21/84
13,247 661. OVL. MCP 695
NG PHILLIPS ST. #29 - SAN ANDRES COMPLETION
Cum PROD. OF 5/21/84
5792 661. OVL. 85416 MCP 695*

MARBOB OPERATOR OF ABOVE WELLS.



CERTIFICATION

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

Carolyn Orris

Name
Carolyn Orris

Position
Production Clerk

Company
Marbob Energy Corporation

Date
10/4/83

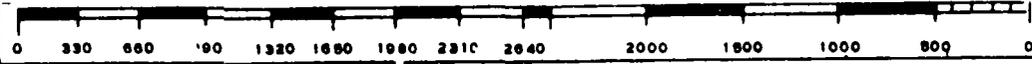
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
4-26-83

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No.
JOHN W. WEST NO. 676



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	<input checked="" type="checkbox"/>

5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.
B-2071

1a. TYPE OF WELL
OIL WELL GAS WELL DRY
b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESV.
2. Name of Operator
Marbob Energy Corporation
3. Address of Operator
P.O. Drawer 217, Artesia, N.M. 88210
4. Location of Well
UNIT LETTER **G** LOCATED **2271** FEET FROM THE **North** LINE AND **2200** FEET FROM THE **East** LINE OF SEC. **27** TWP. **17S** RGE. **28E** NMPM

RECEIVED BY
DEC 01 1983
O. C. D.
ARTESIA, OFFICE

7. Unit Agreement Name
8. Form or Lease Name
NG Phillips St.
9. Well No.
35
10. Field and Pool, or Wildcat
Artesia Qn-Grbg SA

12. County
Eddy

15. Date Spudded **10/24/83** 16. Date T.D. Reached **10/30/83** 17. Date Compl. (Ready to Prod.) **11/14/83** 18. Elevations (DF, RKB, RT, GR, etc.) **3651.3' GR** 19. Elev. Casinghead **3651.3' GR**

20. Total Depth **2956'** 21. Plug Back T.D. **2943'** 22. If Multiple Compl., How Many
23. Intervals Drilled By: Rotary Tools **0-2956'** Cable Tools

24. Producing Interval(s), of this completion - Top, Bottom, Name
San Andres - 2406-2684'
25. Was Directional Survey Made
Yes

26. Type Electric and Other Logs Run
Compensated neutron
27. Was Well Cored
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	545'	12 1/4"	350 sax, circ. 35	None
5 1/2"	17#	2956'	7 7/8"	750 sax, circ. 40	None

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 7/8"	2704'	

31. Perforation Record (Interval, size and number)
2406-2684' per attached

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2406-2684'	6000 bbl. gelled water, 260,000# 20/40 sand, 86,000# 10/20 sand

33. PRODUCTION

Date First Production **11/14/83** Production Method (Flowing, gas lift, pumping - Size and type pump) **Pumping - 2 1/2"** Well Status (Prod. or Shut-in) **Prod.**

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
11/15/83	24			21	to pipeline	93	

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)
			21	to pipeline	93	

34. Disposition of Gas (Sold, used for fuel, vented, etc.)
Sold Test Witnessed By
Robert C. Chase

35. List of Attachments
Compensated neutron logs, deviation survey

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED *Carolyn Davis* TITLE Production Clerk DATE 11/18/83

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled, deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quadruplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alam _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
D. Salt _____	T. Aboka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen <u>1450'</u>	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg <u>1810'</u>	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres <u>1996'</u>	T. Simpson _____	T. Gallup _____	T. Ignacio Qizte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Granite _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Delaware Sand _____	T. Entrada _____	T. _____
T. Abo _____	T. Bone Springs _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn. _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....	No. 4, from.....to.....
No. 2, from.....to.....	No. 5, from.....to.....
No. 3, from.....to.....	No. 6, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet
No. 2, from.....to.....feet
No. 3, from.....to.....feet
No. 4, from.....to.....feet

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	25	25	Caliche	2230	2265	35	Shale, dolo, anhy
25	775	750	Red rock	2265	2295	30	Dolo, anhy
750	930	180	Red rock, lime	2295	2360	65	Sand, dolo, anhy
930	1500	570	Anhy.	2360	2460	100	Dolo, anhy
1500	1625	125	Anhy, shale	2460	2956	496	Sand, dolo, anhy
1625	1825	200	Anhy, shale, dolo.	2956			TD
1825	1930	105	Anhy, dolo.	2940			PBTD
1930	1990	60	Shale, dolo, anhy.				
1990	2030	40	Sand, dolo, anhy.				
2030	2040	10	Dolo, anhy				
2040	2050	10	Sand, dolo, anhy				
2050	2230	180	Dolo, anhy				

Marbob Energy Corp.
NG Phillips St. #35
Perforations

2406'
2407'
2408'
2412'
2418'
2435'
2436'
2442'
2443'
2450'
2458'
2470'
2474'
2480'
2481'
2496'
2498'
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2568'
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2592'
2594'
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2598'
2609'
2616'
2636'
2637'
2638'
2646'
2655'
2664'
2674'
2675'
2680'
2681'
2684'

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing statement has been served upon the following by mailing the same, postage prepaid, properly addressed to:

Phillips Petroleum Company
346 HS&L Building
Bartlesville, Oklahoma 74004
Attention: Mr. G. L. Buttman

MARBOB ENERGY CORPORATION

By: Carolyn Orris
Carolyn Orris
Production Clerk

Sworn to and subscribed before me this 13th day of July

My commission expires:

9-9-85

Karen M. Hightower
Notary Public in and for Eddy
County, New Mexico

Marbob Energy Corporation

P. O. ~~BOX 204~~ Drawer 217
ARTESIA, NEW MEXICO 88210

PHONES
OFFICE: 746-2422

NIGHT
746-3895
746-4877

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

SUBJECT: Natural Gas Policy Act
Statement Under Oath
Paragraph 274.204
New Onshore Production Well

RE: Natural Gas Produced From:

Well Name: NG Phillips St. #35

A.P.I. #: 30-015-24620

Location: 2271 FNL 220 FEL Sec. 27-T17S-R28E

Formation: San Andres

Gentlemen:

Marbob Energy Corporation (Seller), a New Mexico corporation, herein swears that:

(1) In order to determine that the surface drilling of the referenced well began on a qualified proration unit on or after February 19, 1977, Marbob Energy has searched and reviewed or caused to be searched and reviewed pursuant to its instructions, the following records and sources of information:

(a) Commercial oil and gas lease ownership map and well location map compiled from official county and state records and sold to us by Midland Map Co., Midland, Texas, on file in Seller's offices.

(b) Legal review of land title prior to drilling, on file in Seller's offices.

(c) Electric log records of all wells within the same section as the referenced well and which penetrated the same prospective formations as sought by the referenced well. Log records are on file in Seller's offices, respective state or federal offices, and commercial log companies.

(d) State of New Mexico production records of all wells within the same section as the referenced well and which produced or produces from the same prospective formation as sought by the referenced well. Such records are kept in Seller's offices and in state offices.

(e) Daily drilling reports on file in Seller's files indicating date and time of spudding the referenced well.

(f) State of New Mexico approval of the referenced well location and dedicated acreage to be assigned to the well in the event of production. Such records are on file in both Seller's office and respective state or federal offices. A copy of the acreage dedication plat is included.

(g) Official notices by operator of well drilling activity and completion reports filed with respective state offices. Copies of completion reports are filed with this application.

(2) On the basis of Seller's search and examination, Seller has concluded that to the best of his information, knowledge and belief the surface drilling of the referenced well began on or after February 19, 1977.

(3) The New Mexico Oil Conservation Division has altered or granted a waiver of any applicable well spacing requirements on this proration unit.

(4) Based on the results of record searches and reviews listed in paragraph (1) of this letter, Seller has concluded to the best of his information, knowledge and belief, the natural gas for which he seeks a determination is produced from a new onshore production well.

(5) Seller has no knowledge of any information not described in the application which is inconsistent with his conclusions.

MARBOB ENERGY CORPORATION


Carolyn Orris
Production Clerk

co

Encl.

CERTIFICATE OF MAILING

STATE OF NEW MEXICO

COUNTY OF EDDY

Marbob Energy Corporation hereby certifies that it has this day mailed the appropriate FERC 121 Form and OCD 132 form to all working interest owners and gas purchaser in:

NG Phillips St. #35

MARBOB ENERGY CORPORATION



Carolyn Orris
Production Clerk

Sworn to and subscribed before me this 13th day of July

1984

My commission expires:

9-9-85



Karen M. Hightower
Notary Public in and for Eddy
County, New Mexico

Marbob Energy Corporation

P. O. DRAWER 217
ARTESIA, NEW MEXICO 88210

— OFFICE PHONE —
(505) 748-3303
(505) 746-2422

— NIGHT PHONES —
(505) 746-6197
(505) 746-6500

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: NG Phillips St. #35
Application for Price Determination under Section 103 of the Natural Gas Policy Act of 1978

Gentlemen:

Enclosed is our application for a price determination for Section 103 on captioned well. In support of this application please find the following:

1. FERC-121
2. Special Requirements under Rules 1 & 2
3. Verification
4. C-132
5. C-101
6. C-102
7. C-105
8. Certificate of Service
9. Statement under Oath
10. Certificate of Mailing
11. Land Map

Please sign and date the extra copy of this letter and return to us so we will know the date you file this application.

Very truly yours,


Carolyn Orris
Production Clerk

CO —
Encl.

1.0 API well number: (If not available, leave blank. 14 digits.)	30-015-24620															
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	103 Section of NGPA Category Code															
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	2684 feet															
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	<p style="text-align: center;">Marbob Energy Corp.</p> <p>Name _____ Seller Code _____</p> <p>P.O. Drawer 217 _____</p> <p>Street _____</p> <p>Artesia N.M. 88210</p> <p>City State Zip Code</p>															
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	<p style="text-align: center;">Artesia Queen Grayburg San Andres</p> <p>Field Name _____</p> <p>Eddy N.M.</p> <p>County State</p>															
(b) For OCS wells:	<p>Area Name _____ Block Number _____</p> <p>Date of Lease: _____</p> <p style="text-align: center;">Mo. Day Yr.</p> <p>OCS Lease Number _____</p>															
(c) Name and identification number of this well: (35 letters and digits maximum.)	NG Phillips St. #35															
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	_____															
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	<p style="text-align: center;">Phillips Petroleum Co.</p> <p>Name _____ Buyer Code _____</p>															
(b) Date of the contract:	0 5 1 4 8 1 Mo. Day Yr.															
(c) Estimated annual production:	2 MMcf.															
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:25%;"></th> <th style="width:25%;">(a) Base Price (\$/MMBTU)</th> <th style="width:25%;">(b) Tax</th> <th style="width:25%;">(c) All Other Prices (Indicate (+) or (-).)</th> <th style="width:25%;">(d) Total of (a), (b) and (c)</th> </tr> </thead> <tbody> <tr> <td>7.0 Contract price: (As of filing date. Complete to 3 decimal places.)</td> <td style="text-align: center;">2.909</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">2.909</td> </tr> <tr> <td>8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)</td> <td style="text-align: center;">2.909</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">2.909</td> </tr> </tbody> </table>		(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices (Indicate (+) or (-).)	(d) Total of (a), (b) and (c)	7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	2.909	-----	-----	2.909	8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	2.909	-----	-----	2.909
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8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	_____															
9.0 Person responsible for this application:	<p style="text-align: center;">Carolyn Orris Production Clerk</p> <p>Name _____ Title _____</p> <p style="text-align: center;"><i>Carolyn Orris</i></p> <p>Signature _____</p> <p>7/13/84 505-748-3303</p> <p>Date Application is Completed Phone Number</p>															
Agency Use Only																
Date Received by Juris. Agency																
Date Received by FERC																

U.S. DEPARTMENT OF ENERGY
Federal Energy Regulatory Commission
Washington, D.C. 20426

**APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)**
(Sections 102, 103, 107 and 108)

PLEASE READ BEFORE COMPLETING THIS FORM:

General Instructions:

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA. A separate application is required for each well. If any reservoir qualifies for a category which differs from the category applicable to the producing well, separate applications must be made for the producing well and the reservoir. Complete each appropriate item on the reverse side of this page. The code numbers used in items 4.0 and 6.0 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Enter any additional remarks in the space below.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 270.103. If there are any questions, call (202) 275-4539.

Specific Instructions for Item 2.0, Type of Determination:

<u>Section of NGPA</u>	<u>Category Code</u>	<u>Description</u>
102	1	New OCS Lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1,000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS Lease
103	-	New onshore production well
107	-	High cost natural gas
108	-	Stripper well

Other Purchasers/Contracts:

<u>Contract Date</u> (Mo. Day Yr.)	<u>Purchaser</u>	<u>Buyer Code</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks:

1.0 API well number: (If not available, leave blank, 14 digits.)	30-015-24620															
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	103 Section of NGPA Category Code															
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	2684 feet															
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	<p style="text-align: center;">Marbob Energy Corp.</p> <p>Name Seller Code</p> <p style="text-align: center;">P.O. Drawer 217</p> <p>Street State Zip Code</p> <p style="text-align: center;">Artesia N.M. 88210</p> <p>City State Zip Code</p>															
5.0 Location of this well: (Complete (a) or (b).) (a) For onshore wells (35 letters maximum for field name.)	<p style="text-align: center;">Artesia Queen Grayburg San Andres</p> <p>Field Name State</p> <p style="text-align: center;">Eddy N.M.</p> <p>County State</p>															
(b) For OCS wells:	<p>Area Name Block Number</p> <p>Date of Lease: OCS Lease Number</p> <p style="text-align: center;">Mo. Day Yr.</p>															
(c) Name and identification number of this well: (35 letters and digits maximum.)	NG Phillips St. #35															
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)																
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	<p style="text-align: center;">Phillips Petroleum Co.</p> <p>Name Buyer Code</p>															
(b) Date of the contract:	0 5 1 4 8 1 Mo. Day Yr.															
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9.0 Person responsible for this application:	<p style="text-align: center;">Carolyn Orris Production Clerk</p> <p>Name Title</p> <p style="text-align: center;"><i>Carolyn Orris</i></p> <p>Signature</p> <p style="text-align: center;">7/13/84 505-748-3303</p> <p>Date Application is Completed Phone Number</p>															
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U.S. DEPARTMENT OF ENERGY
Federal Energy Regulatory Commission
Washington, D.C. 20426

**APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)**
(Sections 102, 103, 107 and 108)

PLEASE READ BEFORE COMPLETING THIS FORM:

General Instructions:

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108	-	Stripper well

Other Purchasers/Contracts:

<u>Contract Date</u> (Mo. Day Yr.)	<u>Purchaser</u>	<u>Buyer Code</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks:

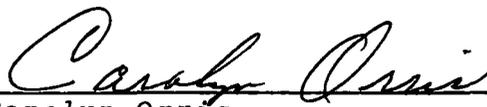
VERIFICATION AS TO COMPLETION OF
REQUIREMENTS FOR SPECIAL RULES 1 & 2

THE STATE OF NEW MEXICO

COUNTY OF EDDY

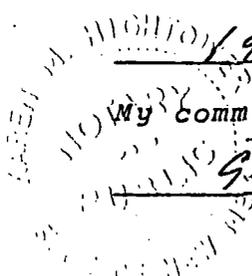
Carolyn Orris, being first duly sworn, states that she is Production Clerk for Marbob Energy Corporation, that she is authorized to execute this affidavit; that she has read the above and foregoing and is familiar with the contents thereof and that all allegations and facts contained therein are true and correct to the best of her knowledge, information, and belief; that the foregoing Form C-132, Application for Wellhead Price Ceiling Category Determination and FERC Form 121 has been mailed or delivered to all working interest owners in subject well; that Marbob Energy Corporation is operator of subject well and intends this application to cover all parties to the operating agreement and gas purchase contract and notice has been given by mailing or delivering this application to them in accordance with New Mexico Oil Conservation Division instructions; that the foregoing application has also been mailed or delivered to the appropriate purchaser in accordance with the requirements set out in the Regulations Implementing the Natural Gas Policy Act of 1978.

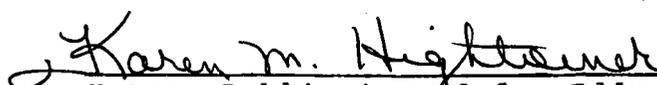
MARBOB ENERGY CORPORATION



Carolyn Orris
Production Clerk

Sworn to and subscribed before me this 30 day of July, 1984.


My commission expires: 9-9-85



Notary Public in and for Eddy
County, New Mexico

VERIFICATION

THE STATE OF NEW MEXICO

COUNTY OF EDDY

Carolyn Orris, being first duly sworn, states that she is Production Clerk for Marbob Energy Corporation, that she is authorized to execute this affidavit; that she has read the above and foregoing and is familiar with the contents thereof; and that all allegations and facts contained therein are true and correct to the best of her knowledge, information and belief.

MARBOB ENERGY CORPORATION

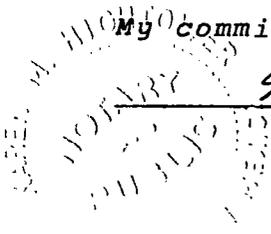
Carolyn Orris
Carolyn Orris
Production Clerk

Sworn to and subscribed before me this 13th day of July,
1984.

My commission expires:

9-9-85

Karen M. Lightner
Notary Public in and for Eddy
County, New Mexico



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501
APPLICATION FOR WELLHEAD
PRICE CEILING CATEGORY DETERMINATION

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. B-2071	
7. Unit Agreement Name	
8. Farm or Lease Name NG Phillips St.	
9. Well No. 35	
10. Field and Pool, or Wildcat Artesia Q-G-SA	
12. County Eddy	

FOR DIVISION USE ONLY:

DATE COMPLETE APPLICATION FILED _____

DATE DETERMINATION MADE _____

WAS APPLICATION CONTESTED? YES _____ NO _____

NAME(S) OF INTERVENOR(S), IF ANY: _____

2. Name of Operator
Marbob Energy Corporation

3. Address of Operator
P.O. Drawer 217, Artesia, N.M. 88210

4. Location of Well
UNIT LETTER G LOCATED 2271 FEET FROM THE North LINE
AND 2200 FEET FROM THE East LINE OF SEC. 27 TWP. 17S RGE. 28E NMPM

11. Name and Address of Purchaser(s)
Phillips Petroleum Co., 346 HS&L Bldg., Bartlesville, Oklahoma 74004

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

- Category(ies) Sought (By NGPA Section No.) 103
- All Applications must contain:
 - a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG, BACK
 - b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
 - c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
 - d. AFFIDAVITS OF MAILING OR DELIVERY
- In addition to the above, all applications must contain the items required by the applicable rule of the Division's "Special Rules for Applications For Wellhead Price Ceiling Category Determinations" as follows:
 - A. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)
 - All items required by Rule 14(1) and/or Rule 14(2)
 - B. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)
 - All items required by Rule 15
 - C. NEW ONSHORE PRODUCTION WELL
 - All items required by Rule 16A or Rule 16B
 - D. DEEP, HIGH-COST NATURAL GAS, TIGHT FORMATION NATURAL GAS, AND PRODUCTION ENHANCEMENT NATURAL GAS
 - All items required by Rule 17(1), Rule 17(2) or Rule 17(3), or Rule 17(4)
 - E. STRIPPER WELL NATURAL GAS
 - All items required by Rule 18

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY
KNOWLEDGE AND BELIEF.

Marbob Energy Corporation

NAME OF APPLICANT (Type or Print)

[Signature]
SIGNATURE OF APPLICANT

Title Production Clerk

Date 7/13/84

FOR DIVISION USE ONLY

Approved

Disapproved

The information contained herein includes all of the information required to be filed by the applicant under Subpart B of Part 274 of the FERC regulations.

EXAMINER _____

NO. OF COPIES RECEIVED	
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SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

RECEIVED BY
OCT 06 1983
 O. C. D.
 ARTESIA, OFFICE

Form C-101
 Revised 10-1-78

5A. Indicate Type of Lease
 STATE FEE

5. State Oil & Gas Lease No.
B-2071

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work

Type of Well DRILL DEEPEN PLUG BACK

OIL WELL GAS WELL OTHER

SINGLE ZONE MULTIPLE ZONE

7. Unit Agreement Name

8. Term or Lease Name
NG Phillips St.

Name of Operator
Marbob Energy Corporation

Address of Operator
P.O. Drawer 217, Artesia, N.M. 88210

9. Well No.
35

10. Field and Pool, or Wildcat
Artesia On Grbg SA

Location of Well UNIT LETTER **G** LOCATED **2271** FEET FROM THE **North** LINE

2200 FEET FROM THE **East** LINE OF SEC. **27** TWP. **17S** RGE. **28E** NADPM

12. County
Eddy

19. Proposed Depth 3000'		19A. Formation San Andres	20. Rotary or C.T. Rotary
21A. Kind & Status Plug. Bond Statewide active	21B. Drilling Contractor Salazar Bros. Drlq. Co.	22. Approx. Date Work will start 10/12/83	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	300	Circulate
7 7/8"	5 1/2"	15.50#	3000'	600	Attempt to circ

We propose to drill to 500', run 8 5/8" casing and cement, reduce hole and drill on to 3000' to test the San Andres formation, run 5 1/2" and cement.

APPROVAL VALID FOR 180 DAYS
 PERMIT EXPIRES 4-7-84
 UNLESS DRILLING UNDERWAY.

BEFORE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Carolee Curie Title Production Clerk Date 10/4/83

(This space for State Use)

APPROVED BY Mike Walker TITLE OIL AND GAS INSPECTOR DATE OCT 7 1983

CONDITIONS OF APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-85

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

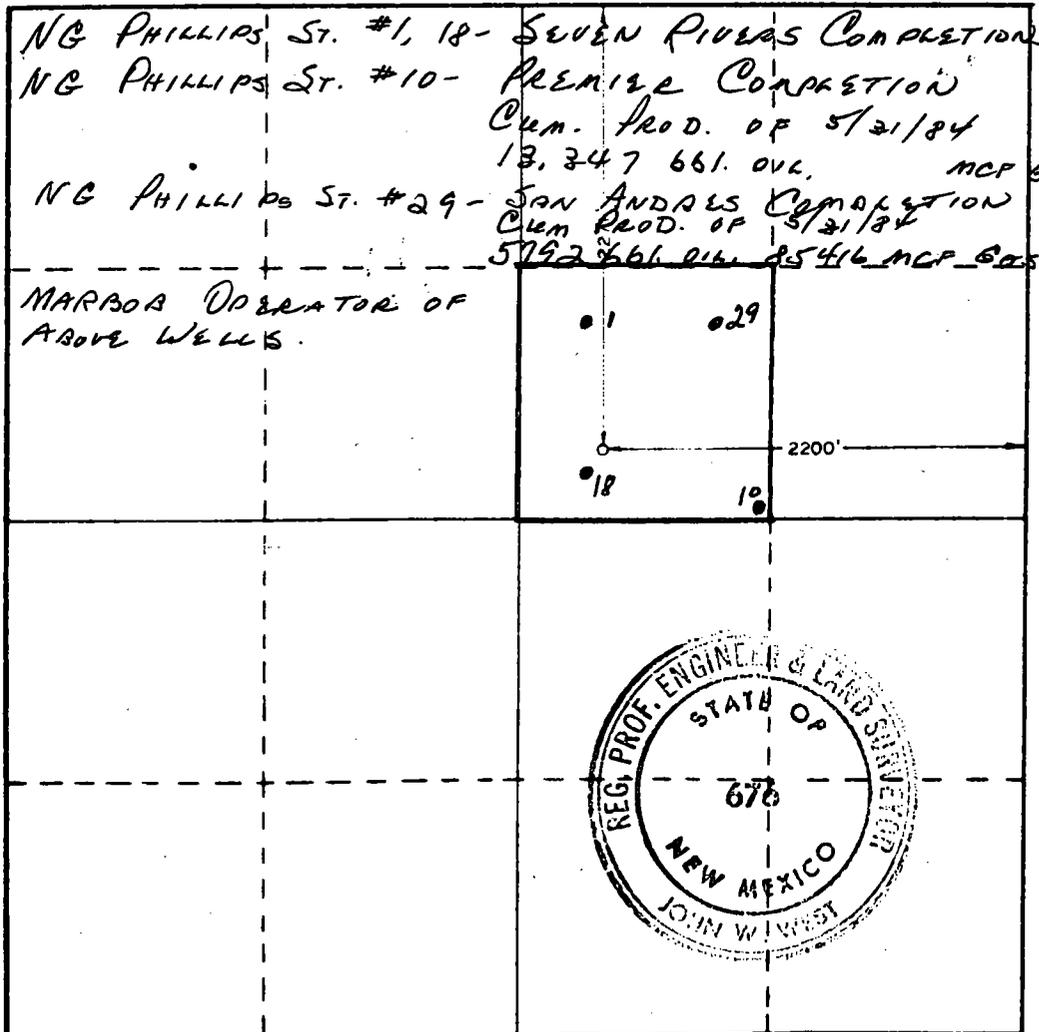
Operator MARBOB ENERGY CORP.		Lease N.G. PHILLIPS ST.		Well No. 35
Unit Letter G	Section 27	Township 17 SOUTH	Range 28 EAST	County EDDY
Actual Footage Location of Well: 2271 feet from the NORTH line and 2200 feet from the EAST line				
Ground Level Elev. 3651.3	Producing Formation San Andres	Pool Artesia On Grbg SA	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.	
<i>Carolyn Orris</i>	
Name	Carolyn Orris
Position	Production Clerk
Company	Marbob Energy Corporation
Date	10/4/83
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	4-26-83
Registered Professional Engineer and/or Land Surveyor	
<i>John W. West</i>	
Certificate No.	JOHN W. WEST NO. 676



OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	<input checked="" type="checkbox"/>

5a. Indicate Type of Lease
State Lease
5. State Oil & Gas Lease No.
B-2071

1a. TYPE OF WELL
OIL WELL GAS WELL DRY
b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN
PLUG BACK DIFF. RESER.
2. Name of Operator
Marbob Energy Corporation
3. Address of Operator
P.O. Drawer 217, Artesia, N.M. 88210
4. Location of Well

RECEIVED BY
DEC 01 1983
O. C. D.
ARTESIA, OFFICE

7. Unit Agreement Name
8. Farm or Lease Name
NG Phillips St.
9. Well No.
35
10. Field and Pool, or Wildcat
Artesia Qn Grbg SA

UNIT LETTER **G** LOCATED **2271** FEET FROM THE **North** LINE AND **2200** FEET FROM
THE **East** LINE OF SEC. **27** TWP. **17S** RGE. **28E** NMPM

12. County
Eddy

15. Date Spudded **10/24/83** 16. Date T.D. Reached **10/30/83** 17. Date Compl. (Ready to Prod.) **11/14/83**
18. Elevations (DF, RKB, RT, GR, etc.) **3651.3' GR** 19. Elev. Casinghead **3651.3' GR**
20. Total Depth **2956'** 21. Plug Back T.D. **2943'** 22. If Multiple Compl., How Many
23. Intervals Drilled By: Rotary Tools **0-2956'** Cable Tools
24. Producing Interval(s), of this completion - Top, Bottom, Name
San Andres - 2406-2684' 25. Was Directional Survey Made
Yes

26. Type Electric and Other Logs Run
Compensated neutron 27. Was Well Cored
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	545'	12 1/4"	350 sax, circ. 35	None
5 1/2"	17#	2956'	7 7/8"	750 sax, circ. 40	None

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 7/8"	2704'	

31. Perforation Record (Interval, size and number)
2406-2684' per attached

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2406-2684'	6000 bbl. gelled water, 260,000# 20/40 sand, 86,000# 10/20 sand

33. PRODUCTION

Date First Production **11/14/83** Production Method (*Flowing, gas lift, pumping - Size and type pump*)
Pumping - 2 1/2" Well Status (*Prod. or Shut-in*)
Prod.

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
11/15/83	24			21	to pipeline	93	

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)
			21	to pipeline	93	

34. Disposition of Gas (*Sold, used for fuel, vented, etc.*)
Sold Test Witnessed By
Robert C. Chase

35. List of Attachments
Compensated neutron logs, deviation survey

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED *Carson Orris* Production Clerk 11/18/83

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depth shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quadruplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alam _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Alaka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen <u>1450'</u>	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg <u>1810'</u>	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres <u>1996'</u>	T. Simpson _____	T. Gallup _____	T. Ignacio Qizte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Granite _____	T. Todillo _____	T. _____
T. Drinkard _____	T. Delaware Sand _____	T. Entrada _____	T. _____
T. Abo _____	T. Bone Springs _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn. _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____

No. 2, from _____ to _____

No. 3, from _____ to _____

No. 4, from _____ to _____

No. 5, from _____ to _____

No. 6, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet

No. 2, from _____ to _____ feet

No. 3, from _____ to _____ feet

No. 4, from _____ to _____ feet

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	25	25	Caliche	2230	2265	35	Shale, dolo, anhy
25	775	750	Red rock	2265	2295	30	Dolo, anhy
750	930	180	Red rock, lime	2295	2360	65	Sand, dolo, anhy
930	1500	570	Anhy.	2360	2460	100	Dolo, anhy
1500	1625	125	Anhy, shale	2460	2956	496	Sand, dolo, anhy
1625	1825	200	Anhy, shale, dolo.	2956			TD
1825	1930	105	Anhy, dolo.	2940			PBTD
1930	1990	60	Shale, dolo, anhy.				
1990	2030	40	Sand, dolo, anhy.				
2030	2040	10	Dolo, anhy				
2040	2050	10	Sand, dolo, anhy				
2050	2230	180	Dolo, anhy				

Marbob Energy Corp.
NG Phillips St. #35
Perforations

- 2406'
- 2407'
- 2408'
- 2412'
- 2418'
- 2435'
- 2436'
- 2442'
- 2443'
- 2450'
- 2458'
- 2470'
- 2474'
- 2480'
- 2481'
- 2496'
- 2498'
- 2510'
- 2511'
- 2512'
- 2552'
- 2556'
- 2567'
- 2568'
- 2572'
- 2573'
- 2575'
- 2579'
- 2587'
- 2588'
- 2592'
- 2594'
- 2596'
- 2598'
- 2609'
- 2616'
- 2636'
- 2637'
- 2638'
- 2646'
- 2655'
- 2664'
- 2674'
- 2675'
- 2680'
- 2681'
- 2684'

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing statement has been served upon the following by mailing the same, postage prepaid, properly addressed to:

Phillips Petroleum Company
346 HS&L Building
Bartlesville, Oklahoma 74004
Attention: Mr. G. L. Buttman

MARBOB ENERGY CORPORATION

By: Carolyn Orris
Carolyn Orris
Production Clerk

Sworn to and subscribed before me this 13th day of July
1984.

My commission expires:
9-9-85

Karen M. Hightower
Notary Public in and for Eddy
County, New Mexico

Marbob Energy Corporation

P. O. ~~BOX 204~~ Drawer 217
ARTESIA, NEW MEXICO 88210

PHONES
OFFICE: 746-2422

NIGHT
746-3898
746-4877

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

**SUBJECT: Natural Gas Policy Act
Statement Under Oath
Paragraph 274.204
New Onshore Production Well**

RE: Natural Gas Produced From:

Well Name: NG Phillips St. #35

A.P.I. #: 30-015-24620

Location: 2271 FNL 220 FEL Sec. 27-T17S-R28E

Formation: San Andres

Gentlemen:

Marbob Energy Corporation (Seller), a New Mexico corporation, herein swears that:

(1) In order to determine that the surface drilling of the referenced well began on a qualified proration unit on or after February 19, 1977, Marbob Energy has searched and reviewed or caused to be searched and reviewed pursuant to its instructions, the following records and sources of information:

(a) Commercial oil and gas lease ownership map and well location map compiled from official county and state records and sold to us by Midland Map Co., Midland, Texas, on file in Seller's offices.

(b) Legal review of land title prior to drilling, on file in Seller's offices.

(c) Electric log records of all wells within the same section as the referenced well and which penetrated the same prospective formations as sought by the referenced well. Log records are on file in Seller's offices, respective state or federal offices, and commercial log companies.

(d) State of New Mexico production records of all wells within the same section as the referenced well and which produced or produces from the same prospective formation as sought by the referenced well. Such records are kept in Seller's offices and in state offices.

(e) Daily drilling reports on file in Seller's files indicating date and time of spudding the referenced well.

(f) State of New Mexico approval of the referenced well location and dedicated acreage to be assigned to the well in the event of production. Such records are on file in both Seller's office and respective state or federal offices. A copy of the acreage dedication plat is included.

(g) Official notices by operator of well drilling activity and completion reports filed with respective state offices. Copies of completion reports are filed with this application.

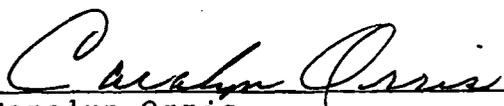
(2) On the basis of Seller's search and examination, Seller has concluded that to the best of his information, knowledge and belief the surface drilling of the referenced well began on or after February 19, 1977.

(3) The New Mexico Oil Conservation Division has altered or granted a waiver of any applicable well spacing requirements on this proration unit.

(4) Based on the results of record searches and reviews listed in paragraph (1) of this letter, Seller has concluded to the best of his information, knowledge and belief, the natural gas for which he seeks a determination is produced from a new onshore production well.

(5) Seller has no knowledge of any information not described in the application which is inconsistent with his conclusions.

MARBOB ENERGY CORPORATION



Carolyn Orris
Production Clerk

co

Encl.

CERTIFICATE OF MAILING

STATE OF NEW MEXICO

COUNTY OF EDDY

Marbob Energy Corporation hereby certifies that it has this day mailed the appropriate FERC 121 Form and OCD 132 form to all working interest owners and gas purchaser in:

NG Phillips St. #35

MARBOB ENERGY CORPORATION



Carolyn Orris
Production Clerk

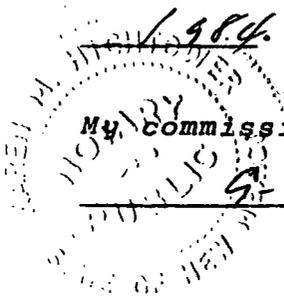
Sworn to and subscribed before me this 13th day of July, 1984.

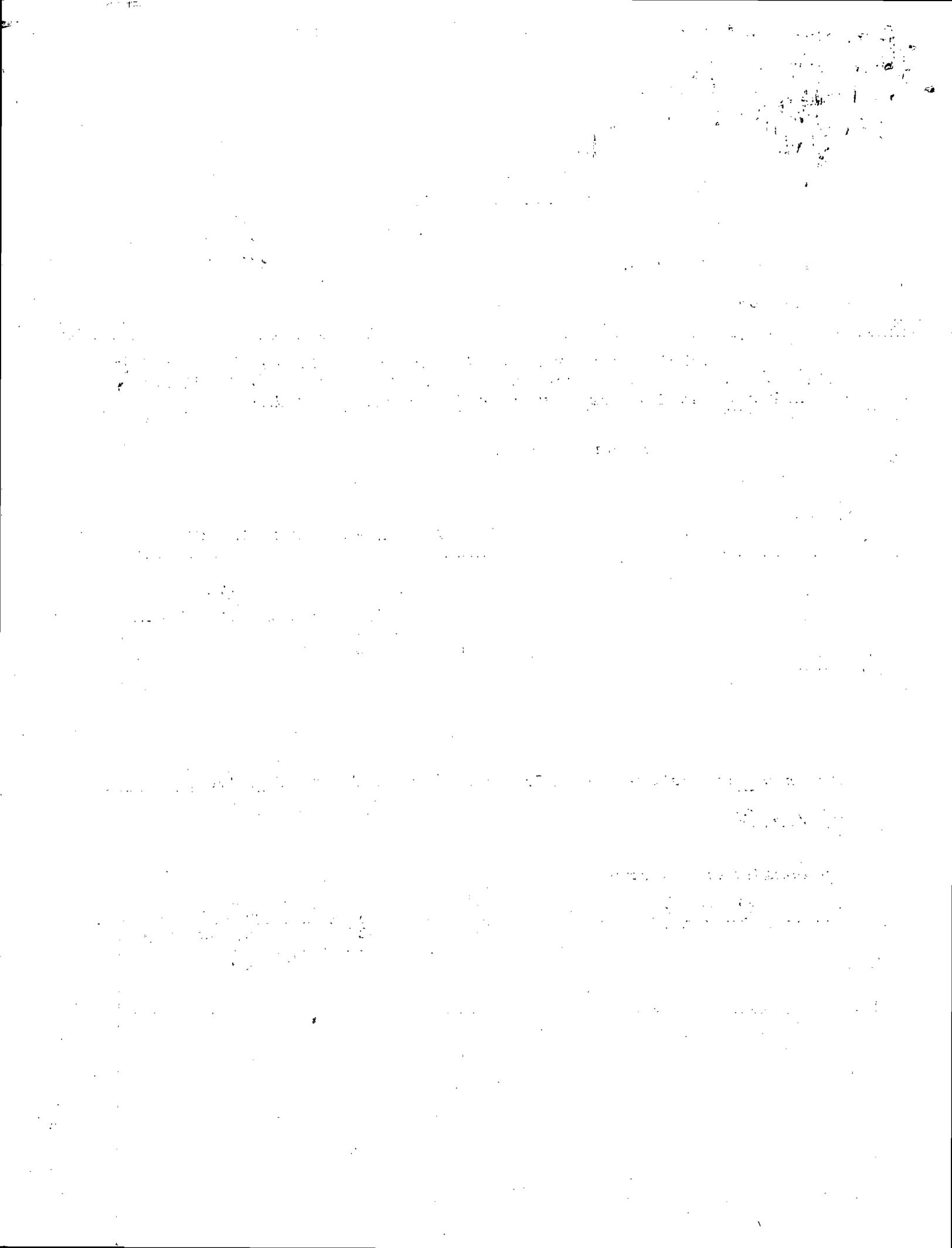
My commission expires:

9-9-85

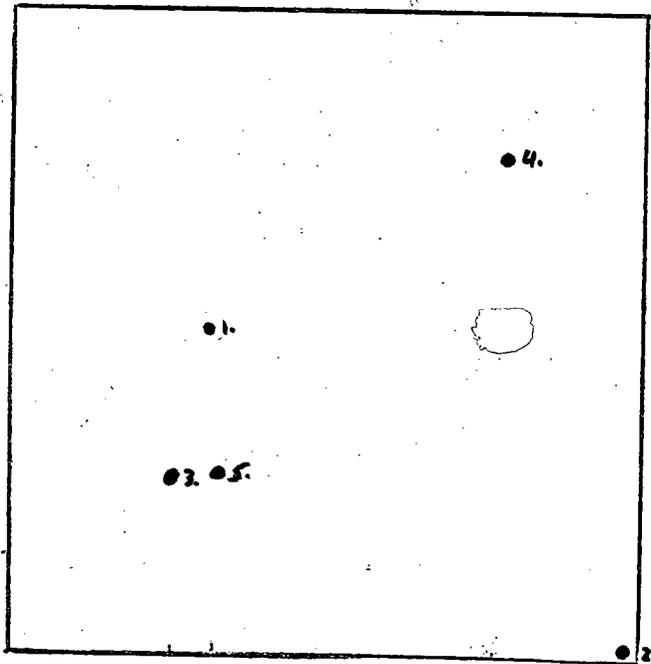


Karen M. Hightower
Notary Public in and for Eddy
County, New Mexico





Unit 6, Section 27, Township 17 South,
Range 28 East, Eddy County, NM



All Well Operated by Marathon Energy
Corporation

- * 1. NG Phillips State Well No. 1
2310' FEL - 1650' FNL
Spud: 5/12/59
Artesia Queen Grayburg San Andres completion
Cumulative production
Gas - 34308 MCF
Oil - 22474 B.O.
Artesia Qn-Grbg. SA zone abandoned January 1977
recompleted in the East Empire Yates Seven Rivers
pool.

- * 2. NG Phillips State Well No. 10
2645' FSL - 1325' FEL
Spud: 11/16/71
Artesia Queen Grayburg San Andres completion
Cumulative production as of 12/31/83
Gas - 22236 MCF
Oil - 12736 B.O.

3. NB Phillips State Well No. 18
2271.2' FNL - 2285.6' FEL
Spud: 5/12/76
East Empire Yates Seven Rivers completion

* 4. NB Phillips State Well No. 29
1627.9' FNL - 1637' FEL
Spud: 11/17/81
Artesia Queen Grayburg San Andres completion
Cumulative production as of 12/31/89
Gas - 68980 MCF
Oil - 4839 B.O.

* 5. NB Phillips State Well No. 35
2271' FNL - 2200' FEL
Spud: 10/24/83
Artesia Queen Grayburg San Andres completion
Cumulative production as of 12/31/83
Gas - 170 MCF
Oil - 612 B.O.

**Request for Infill Finding on
NG Phillips St. #35
in accordance with Administrative
Procedures amended February 8, 1980**

30-010-246

STATE OF NEW MEXICO
OIL AND MINERALS DEPARTMENT

CONSERVATION DISTRICT
P. O. BOX 208
SANTA FE, NEW MEXICO 87501

RECEIVED BY
OCT 06 1983
O. C. D.
ARTESIA, OFFICE

Form C-101
Revised 10-1-78

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FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.
B-2071

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work

Type of Well

DRILL

DEEPEN

PLUG BACK

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

Name of Operator

Marbob Energy Corporation

Address of Operator

P.O. Drawer 217, Artesia, N.M. 88210

Location of Well

UNIT LETTER G LOCATED 2271 FEET FROM THE North LINE

2200 FEET FROM THE East LINE OF SEC. 27 TWP. 17S R. 28E N.M.P.M.

7. Unit Agreement Name

8. Name of Lease Name

NG Phillips St.

9. Well No.

35

10. Field and Pool, or Wildcat

Artesia On Grbg SA

12. County

Eddy

19. Proposed Depth

3000'

19A. Formation

San Andres

20. Rotary or C.T.

Rotary

21. Elevations (Show whether DF, RT, etc.)

3651.3' GR

21A. Kind & Status Plug. Bond

Statewide active

21B. Drilling Contractor

Salazar Bros. Drlg. Co.

22. Approx. Date Work will start

10/12/83

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	300	Circulate
7 7/8"	5 1/2"	15.50#	3000'	600	Attempt to circ

We propose to drill to 500', run 8 5/8" casing and cement, reduce hole and drill on to 3000' to test the San Andres formation, run 5 1/2" and cement.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 9-7-84
UNLESS DRILLING UNDERWAY.

BELOW SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Carolyn Curtis Title Production Clerk Date 10/4/83

(This space for State Use)

APPROVED BY Mike Walker TITLE OIL AND GAS INSPECTOR DATE OCT 7 1983

CONDITIONS OF APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

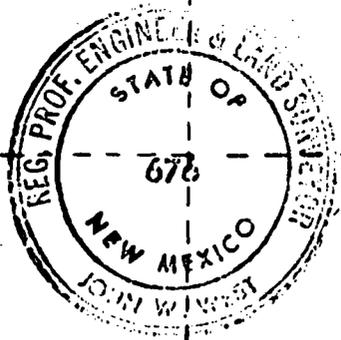
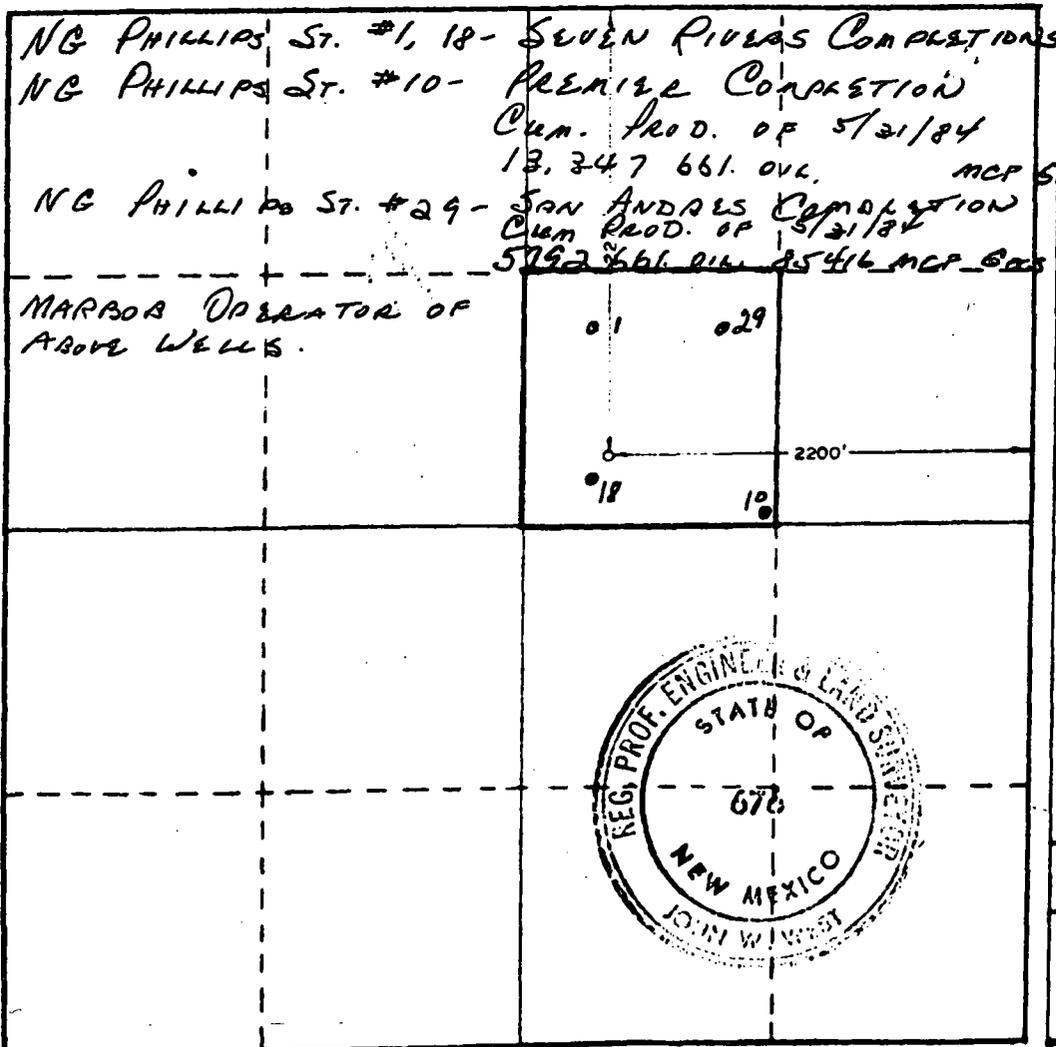
Operator MARBOB ENERGY CORP.		Lease N.G. PHILLIPS ST.		Well No. 35
Unit Letter G	Section 27	Township 17 SOUTH	Range 28 EAST	County EDDY
Actual Footage Location of Well: 2271 feet from the NORTH line and 2200 feet from the EAST line				
Ground Level Elev. 3651.3	Producing Formation San Andres	Pool Artesia On Grbg SA	Dedicated Acreage 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.

Carolyn Orris
Name

Carolyn Orris

Position

Production Clerk

Company

Marbob Energy Corporation

Date

10/4/83

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

4-26-83

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No.

JOHN W. WEST NO. 676

Rule 6:

NG Phillips St. #35

Artesia Queen Grayburg San Andres

Standard spacing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. NG Phillips St. #35 - 2271 FNL 220 FEL Sec. 27-T17S-R28E
NG Phillips St. #10 - 2645 FSL 1325 FEL Sec. 27-T17S-R28E
NG Phillips St. #29 - 1627.9 FNL 1637 FEL Sec. 27-T17S-R28E
- b. #35 - 10/24/83
#10 - 11/16/71
#29 - 11/17/81
- c. #35 - 11/14/83
#10 - 1/21/72 as wtr inj., converted to production 4/79
#29 - 2/1/82
- d. None
- e. #35 - 31 bbl oil, 6 mcf gas/day
#10 - 4 bbl. oil, 9 mcf gas/day
#29 - 8 bbl. oil, 110 mcf gas/day
- f. NA
- g. The NG phillips St. #10 is TD'd above the highest perforations in the #35 well and could not be commercially drilled to a deeper depth to drain the reservoir. The NG Phillips St: #35 was drilled because the low permeability and low quality solution gas recovery mechanism require reduced spacing to efficiently drain the reservoir. Since both the #29 and #35 experienced new reservoir type conditions we feel the additional drilling was justified.

Paul G. White Engineering

OIL AND NATURAL GAS

July 13, 1984

Marbob Energy Corporation
P.O. Drawer 217
Artesia, New Mexico 88210

Re: Pertinent Engineering Data
NG Phillips State No. 35
Artesia Queen Grayburg - San Andres
Eddy County, New Mexico

Gentlemen:

The subject well, located 2271' FNL and 2200' FEL, Section 27-T17S-R28E, Eddy County, New Mexico was completed on November 14, 1983.

I have estimated the oil and gas reserves for the subject well based on a 20 acre well density. From the electrical log and analagous well studies I have estimated that the well will recover 19,787 barrels of oil and 13,182 MCF of gas.

A study of nearby producing well rates and initial potentials reveals that wells will have to be drilled on a 20 acre spacing to properly and adequately recover the oil and gas reserves in this field.

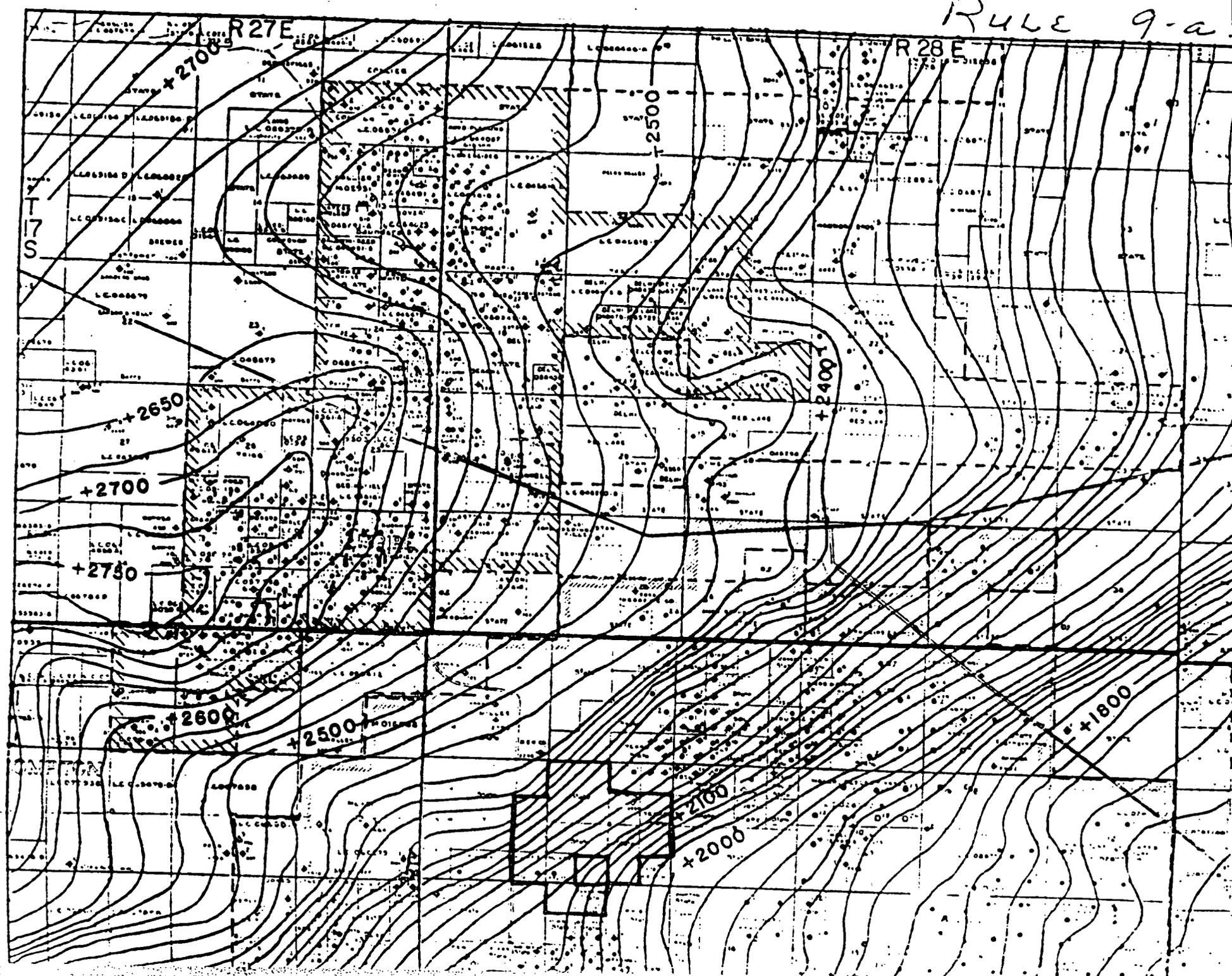
Therefore, it is my recommendation that in-fill wells be drilled and the well density be increased to at least 20 acre spacing.

From my study the in-fill wells will characteristically exhibit new reservoir conditions.

Signed Paul White
Petroleum Engineer
Date July 13, 1984

PGW/sf

RULE 9-a



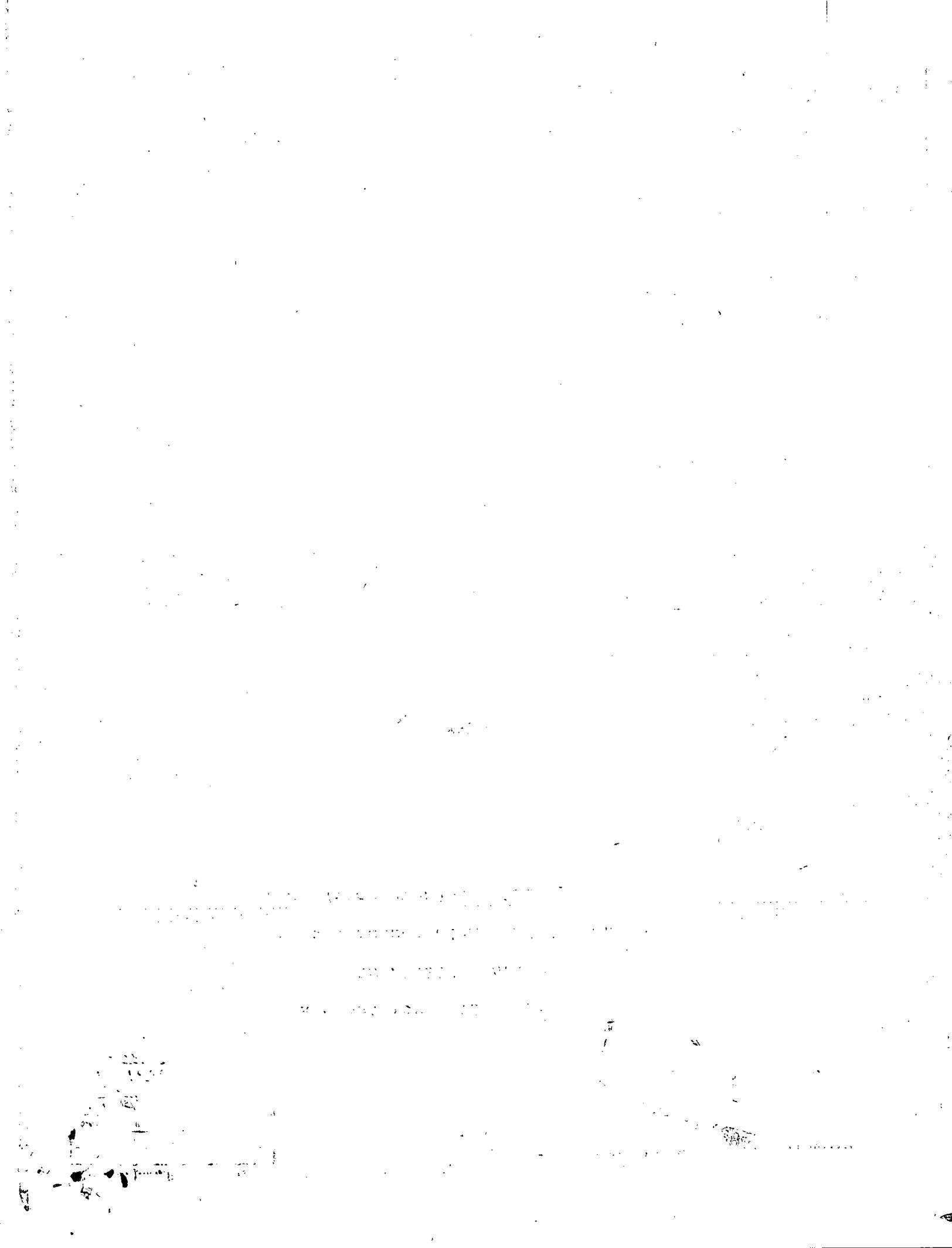
Rule 11:

Notice of this infill request has been sent to John A. Yates, 207 So.
4th St., Artesia, N.M. 88210

AUG 21 1984

RECEIVED

Request for Infill Finding on
NG Phillips St. #35
in accordance with Administrative
Procedures amended February 8, 1980



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

CONSERVATION DIVISION
P. O. BOX 208
SANTA FE, NEW MEXICO 87501
RECEIVED BY
OCT 06 1983
O. C. D.
ARTESIA, OFFICE

Form C-101
Revised 10-1-78

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U.S.G.S.	
LAND OFFICE	
OPERATOR	

3A. Indicate Type of Lease
STATE REC
3. State Oil & Gas Lease No.
B-2071

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work
Type of Well DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

7. Unit Agreement Name

Name of Operator
Marbob Energy Corporation

8. Name of Lease Name
NG Phillips St.

Address of Operator
P.O. Drawer 217, Artesia, N.M. 88210

9. Well No.
35

Location of Well
UNIT LETTER G LOCATED 2271 FEET FROM THE North LINE

10. Field and Pool, or Wildcat
Artesia On Grbg SA

2200 FEET FROM THE East LINE OF SEC. 27 TWP. 17S RGE. 28E NADPM

12. County
Eddy

19. Proposed Depth 3000'			19A. Formation San Andres		20. History or C.T. Rotary
-----------------------------	--	--	------------------------------	--	-------------------------------

21A. Kind & Status Plug. Bond 3651.3' GR Statewide active	21B. Drilling Contractor Salazar Bros. Drlg. Co.		22. Approx. Date Work will start 10/12/83	
--	---	--	--	--

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	300	Circulate
7 7/8"	5 1/2"	15.50#	3000'	600	Attempt to circ

We propose to drill to 500', run 8 5/8" casing and cement, reduce hole and drill on to 3000' to test the San Andres formation, run 5 1/2" and cement.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 4-7-84
UNLESS DRILLING UNDERWAY.

BELOW SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
Signature: Carolyn Curtis Title: Production Clerk Date: 10/4/83

(This space for State Use)

APPROVED BY: Mike Walker TITLE: OIL AND GAS INSPECTOR DATE: OCT 7 1983

CONDITIONS OF APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Superseded C-128
Effective 1-1-85

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

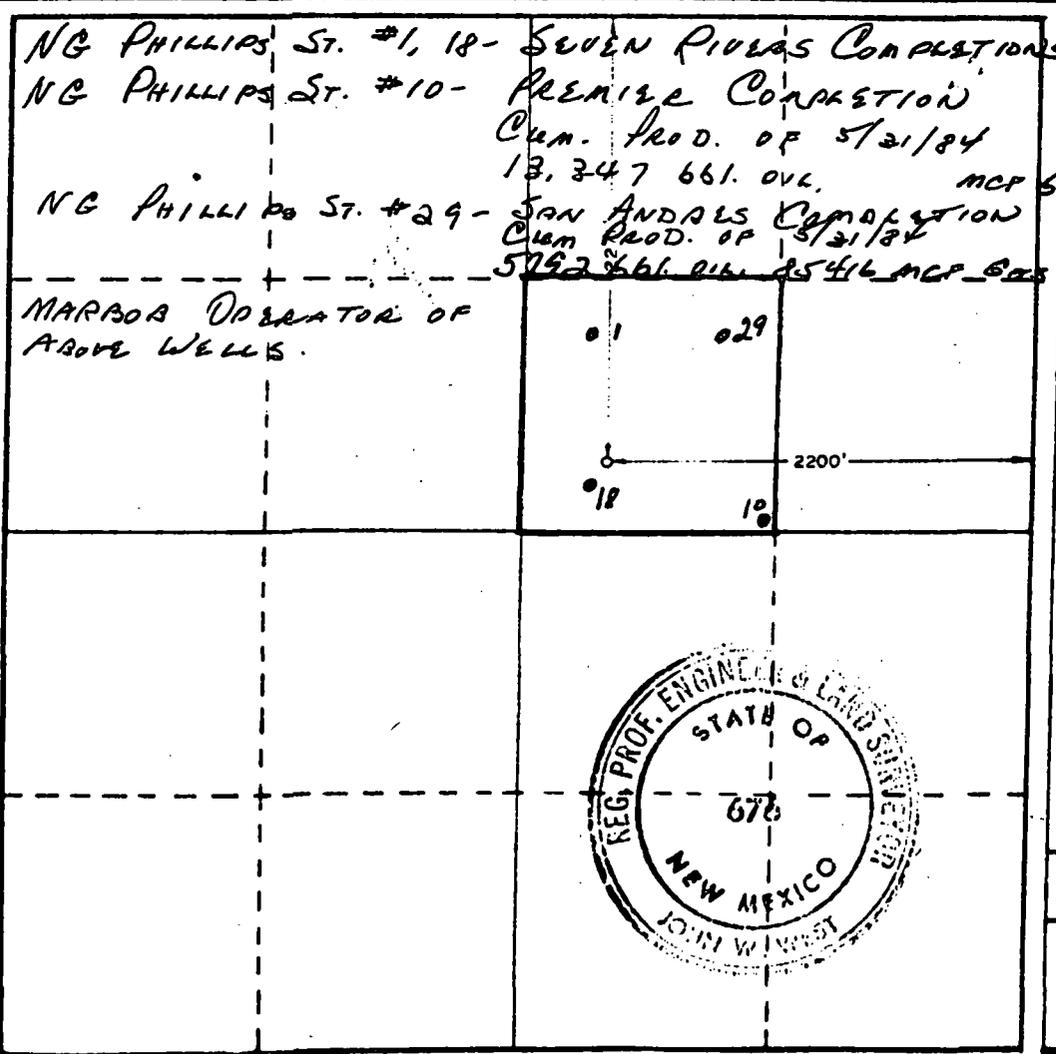
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Unit Letter G	Section 27	Township 17 SOUTH	Range 28 EAST	County EDDY
Actual Footage Location of Well: 2271 feet from the NORTH line and 2200 feet from the EAST line				
Ground Level Elev. 3651.3	Producing Formation San Andres	Pool Artesia On Grbg SA	Dedicated Acreage 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.

Carolyn Orris
Name
Carolyn Orris

Position
Production Clerk

Company
Marbob Energy Corporation

Date
10/4/83

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
4-26-83

Registered Professional Engineer and/or Land Surveyor
John W. West

Certificate No.
JOHN W. WEST NO. 676



Rule 6:

NG Phillips St. #35

Artesia Queen Grayburg San Andres

Standard spacing unit: 40 acres

Rule 7:

NA

AUG 21 1984
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Rule 8:

- a. NG Phillips St. #35 - 2271 FNL 220 FEL Sec. 27-T17S-R28E
NG Phillips St. #10 - 2645 FSL 1325 FEL Sec. 27-T17S-R28E
NG Phillips St. #29 - 1627.9 FNL 1637 FEL Sec. 27-T17S-R28E
- b. #35 - 10/24/83
#10 - 11/16/71
#29 - 11/17/81
- c. #35 - 11/14/83
#10 - 1/21/72 as wtr inj., converted to production 4/79
#29 - 2/1/82
- d. None
- e. #35 - 31 bbl oil, 6 mcf gas/day
#10 - 4 bbl. oil, 9 mcf gas/day
#29 - 8 bbl. oil, 110 mcf gas/day
- f. NA
- g. The NG phillips St. #10 is TD'd above the highest perforations in the #35 well and could not be commercially drilled to a deeper depth to drain the reservoir. The NG Phillips St. #35 was drilled because the low permeability and low quality solution gas recovery mechanism require reduced spacing to efficiently drain the reservoir. Since both the #29 and #35 experienced new reservoir type conditions we feel the additional drilling was justified.

Paul G. White Engineering

OIL AND NATURAL GAS

July 13, 1984

Marbob Energy Corporation
P.O. Drawer 217
Artesia, New Mexico 88210

Re: Pertinent Engineering Data
NG Phillips State No. 35
Artesia Queen Grayburg - San Andres
Eddy County, New Mexico

Gentlemen:

The subject well, located 2271' FNL and 2200' FEL, Section 27-T17S-R28E, Eddy County, New Mexico was completed on November 14, 1983.

I have estimated the oil and gas reserves for the subject well based on a 20 acre well density. From the electrical log and analagous well studies I have estimated that the well will recover 19,787 barrels of oil and 13,182 MCF of gas.

A study of nearby producing well rates and initial potentials reveals that wells will have to be drilled on a 20 acre spacing to properly and adequately recover the oil and gas reserves in this field.

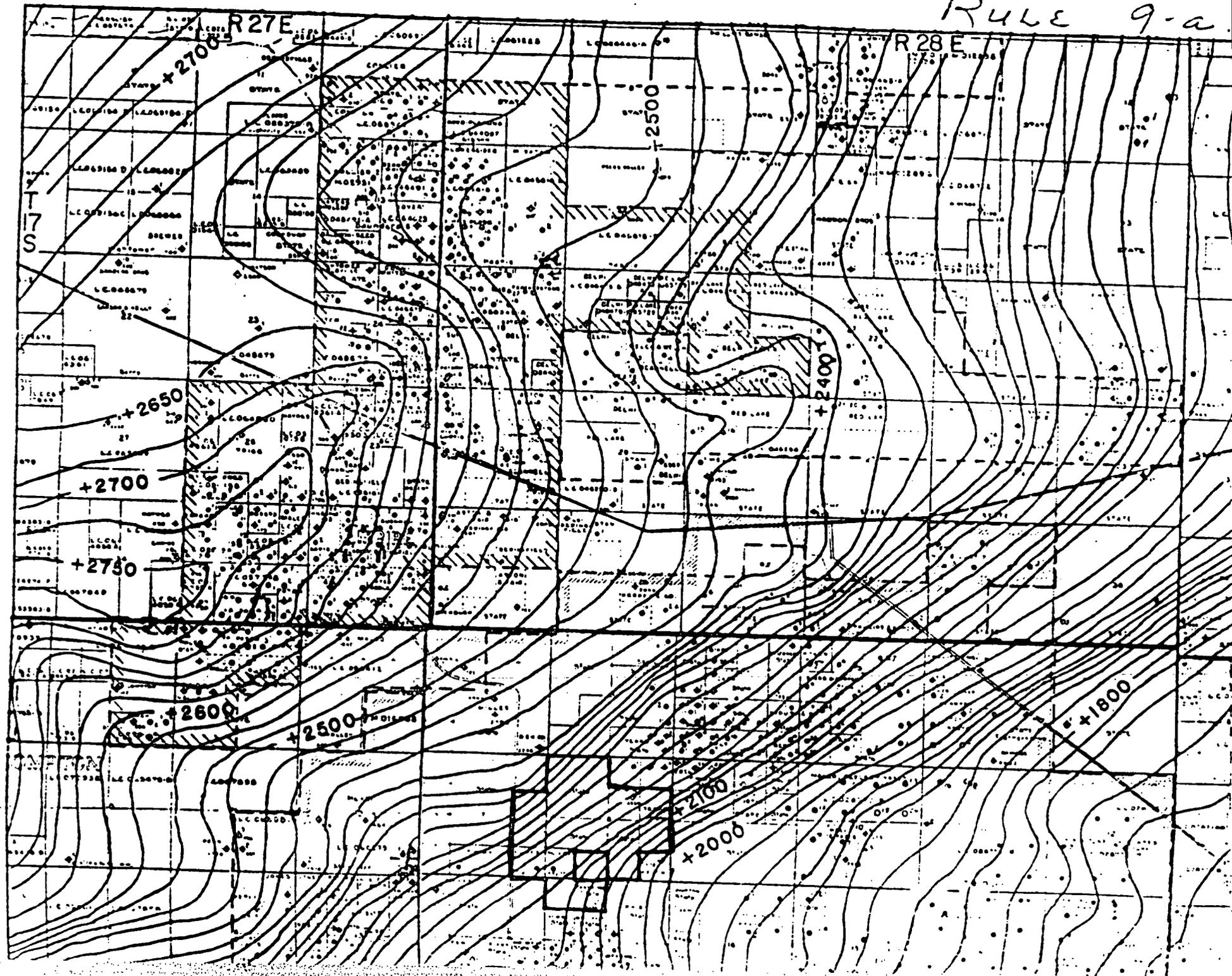
Therefore, it is my recommendation that in-fill wells be drilled and the well density be increased to at least 20 acre spacing.

From my study the in-fill wells will characteristically exhibit new reservoir conditions.

Signed Paul G. White
Petroleum Engineer
Date July 13, 1984

PGW/sf

RULE 9-a



Rule 11:

Notice of this infill request has been sent to John A. Yates, 207 So.
4th St., Artesia, N.M. 88210