

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

ADMINISTRATIVE ORDER
NFL 90

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. Collier State Well No. 12
Location: Unit K Sec. 22 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 Red Lake 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 NE/4 SW/4 of Sec. 22, Twp. 17S, Rng. 28E, is currently dedicated to the Collier State Well No. 1 located in Unit K 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 77,400 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, 19 84.

Michael T. Stegner
DIVISION DIRECTOR DEPUTY

Rec. 12/9/84

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

ADMINISTRATIVE ORDER

NFL

90

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 Marbled Energy Corporation Well Name and No. Collier State Well No. 12
Location: Unit K Sec. 22 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 Red Lake Over Grayburg San Andres Pool, and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the NE 1/4 SW 1/4 of Sec. 22, Twp. 17 South, Rng. 28 East, is currently dedicated to the Collier State Well No. 1 located in Unit K of said section.
- (5) That this proration unit is (☒ 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 77,400 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____.

DIVISION DIRECTOR _____

EXAMINER _____

Marbob Energy Corporation

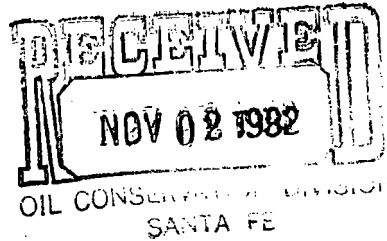
P. O. ~~Box 208~~ Dr. 217
ARTESIA, NEW MEXICO 88210

October 28, 1982

— OFFICE PHONE —
(505) 748-3303

— NIGHT PHONES —
(505) 746-3895
(505) 746-4877

NFL Filed
2/12/82



Mr. Michael Stogner
Oil Conservation Div.
P.O. Box 2088
Santa Fe, New Mexico 87501

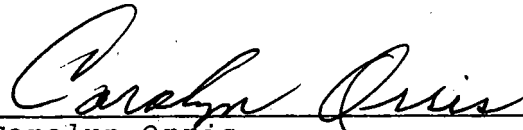
Dear Mr. Stogner:

We are in receipt of your letter requesting an infill order on our Collier State #12-K 22-17S-28E, for which we had applied for a C-103 NGPA determination on.

The Collier State #1 well, located in the same proration unit, was perforated 1692-1965' which is the Grayburg formation, whereas the #12 was perforated 2570-2967' in the San Andres. This is the reason we did not submit an infill order.

Please review this and let us know your conclusions. Thank you.

Very truly yours,


Carolyn Orris
Production Department

cc

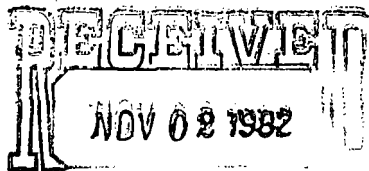
Encl.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

Marbob Energy Corporation
P.O. Drawer 217
Artesia, NM 88210



OIL CONSERVATION DIV.
SANTA FE

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Re: Wellhead price ceiling
determination, NGPA of
1978

Gentlemen:

The New Mexico Oil Conservation Division has received your application for a wellhead price ceiling category determination under the section(s) of the Natural Gas Policy Act of 1978 indicated below. If your application is incomplete, forms are attached hereto, indicating the documents and further information which must be filed before your application can be considered. If your application is complete, it will be acted upon administratively unless written objection is received within 15 days of its filing.

WELL NAME AND LOCATION Collier State #12-K 22-17S-28E

SECTION(S) APPLIED FOR 103

DATE APPLICATION RECEIVED October 12, 1982

APPLICATION INCOMPLETE An infill well finding is needed for the since the Collier St. #1 is producing from the same zone and its cumm. production shows 7529 MCF.

Sincerely,

Michael E. Stogner

DATE:

October 18, 1982

NOTE:

THIS FORM LETTER MUST ACCOMPANY TWO COPIES OF THE SUPPLEMENTARY INFORMATION.

SPECIAL RULES AND REGULATIONS
NATURAL GAS POLICY ACT INFILL FINDINGS
ADMINISTRATIVE PROCEDURE
(Amended February 8, 1980)

A. DEFINITIONS

RULE 1. For purposes of this administrative procedure only, the following definitions are adopted:

- a. **Infill well:** An additional well which has been drilled for production on an established proration unit.

B. APPLICABILITY

RULE 2. These special rules and regulations shall apply to effective and efficient drainage findings for completed infill wells pursuant to Section 271.305 of the final Rules and Regulations of the Federal Energy Regulatory Commission relating to Section 103 of the Natural Gas Policy Act of 1978. (These special rules and regulations do not apply to infill wells drilled in the Blanco Mesaverde or Basin-Dakota Pools. Infill wells in these two pools are covered by Rule 15 B of the "Special Rules for Applications for Wellhead Price Ceiling Category Determinations" promulgated by Division Order No. R-5878 as amended by Order No. R-5878-A.)

C. JUSTIFICATION FOR FINDINGS

RULE 3. The Division Director or a Division Examiner may find that an infill well is necessary:

- a. upon a showing by the operator that an additional well is needed 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
- b. upon receipt of waivers from all offset operators, or if no offset operator has entered an objection to the infill finding within 20 days after receipt of the application by the Director.

RULE 4. The Director may set any application for hearing at his discretion or at the request of an applicant.

Exhibit A
Order R-6013-A

D. FILING REQUIREMENTS

RULE 5. Each applicant shall submit a copy of the approved Form C-101 for the infill well and Form C-102 showing the proration unit dedicated.

RULE 6. Applicant shall give the name of the pool in which the infill well has been drilled and the standard spacing unit size therefor.

RULE 7. If applicable, the applicant shall give the number of the Division order approving the non-standard proration unit dedicated to the well.

RULE 8. The applicant shall submit a description of all wells drilled on the proration unit (including the completed infill well) which are or have been completed in the same pool or reservoir as the proposed infill well showing:

- a. lease name and well location;
- b. spud date;
- c. completion date;
- d. a description of any mechanical problems experienced along with a summary of remedial action(s) taken and the results obtained;
- e. the current rate of production/ and
- f. date of plug and abandonment, if any;
- g. a clear and concise statement indicating why the existing well(s) on the proration cannot effectively and efficiently drain the portion of the reservoir covered by the proration unit.

RULE 9. The applicant shall submit geological and engineering information sufficient to support a finding as to the necessity for an infill well including:

- a. formation structure map
- b. the volume of increased ultimate recovery expected to be obtained and a narrative describing how the increase was determined
- c. any other supporting data which the applicant deems to be relevant which may include:
 - (1) porosity and permeability factors
 - (2) production/pressure decline curves
 - (3) effects of secondary recovery or pressure maintenance operations.

RULE 10. Applications for infill findings shall be filed in duplicate with the Santa Fe office of the Division.

RULE 11. All operators of proration or spacing units offsetting the unit for which an infill finding is sought shall be notified of the application by certified or registered mail, and the application shall state that such notification has been given.



ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

LUCE KING Governor
MARBON Energy Corporation
P.O. Drawer 217
ARTESIA, NM 88210
SECRETARY

OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-3434

DEC 9 1982

RECEIVED

Re: Wellhead price ceiling
determination, NGPA of
1978

Gentlemen:

The New Mexico Oil Conservation Division has received your application for a wellhead price ceiling category determination under the section(s) of the Natural Gas Policy Act of 1978 indicated below. If your application is incomplete, forms are attached hereto, indicating the documents and further information which must be filed before your application can be considered. If your application is complete, it will be acted upon administratively unless written objection is received within 15 days of its filing.

WELL NAME AND LOCATION Collier State #12-K 22-17S-28E

SECTION(S) APPLIED FOR 103

DATE APPLICATION RECEIVED October 12, 1982

APPLICATION INCOMPLETE An infill well finding is needed for the since the Collier St. #1 is producing from the same zone and its cumm. production shows 7529 mcf.

Sincerely,

Michael E. Stogner

DATE: October 18, 1982

The pool that both wells are producing from is the Red Lake Queen Grayburg San Andres Pool. An infill well finding

NOTE: is required on this well. M. Stogner 11/5/82

THIS FORM LETTER MUST ACCOMPANY TWO COPIES OF THE SUPPLEMENTARY INFORMATION.

INFILL ORDER ATTACHED.

Carolyn Davis
12-6-82

*Request for Infill Finding on
Collier State #12
in accordance with Administrative
Procedures amended February 8, 1980*

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

5A. Indicate Type of Lease
STATE ☒ FEDERAL ☐

5. State Oil & Gas Lease No.
B-1969

7. Unit Agreement Name

8. Form of Lease Name
Collier State

9. Well No.
2

10. Field and Pool, or Wildcat
Red Lake On Grbg SA

11. County
Eddy

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 **K** LOCATED **1650** FEET FROM THE **South** LINE

1980 FEET FROM THE **West** LINE OF SEC. **22** TWP. **17S** R. **28E**

19. Proposed Depth **3000'** 19A. Formation **San Andres** 19B. Type of C.T. **Rotary**

21A. Kind & Status Plug Bond **Statewide active** 21B. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21C. Kind & Status Plug Bond **Statewide active** 21D. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21E. Kind & Status Plug Bond **Statewide active** 21F. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21G. Kind & Status Plug Bond **Statewide active** 21H. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21I. Kind & Status Plug Bond **Statewide active** 21J. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21K. Kind & Status Plug Bond **Statewide active** 21L. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21M. Kind & Status Plug Bond **Statewide active** 21N. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21O. Kind & Status Plug Bond **Statewide active** 21P. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21Q. Kind & Status Plug Bond **Statewide active** 21R. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21S. Kind & Status Plug Bond **Statewide active** 21T. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21U. Kind & Status Plug Bond **Statewide active** 21V. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21W. Kind & Status Plug Bond **Statewide active** 21X. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21Y. Kind & Status Plug Bond **Statewide active** 21Z. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AA. Kind & Status Plug Bond **Statewide active** 21AB. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AC. Kind & Status Plug Bond **Statewide active** 21AD. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AE. Kind & Status Plug Bond **Statewide active** 21AF. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AG. Kind & Status Plug Bond **Statewide active** 21AH. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AI. Kind & Status Plug Bond **Statewide active** 21AJ. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AK. Kind & Status Plug Bond **Statewide active** 21AL. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AM. Kind & Status Plug Bond **Statewide active** 21AN. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

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21AQ. Kind & Status Plug Bond **Statewide active** 21AR. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AS. Kind & Status Plug Bond **Statewide active** 21AT. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AU. Kind & Status Plug Bond **Statewide active** 21AV. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AW. Kind & Status Plug Bond **Statewide active** 21AX. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21AY. Kind & Status Plug Bond **Statewide active** 21AZ. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21BA. Kind & Status Plug Bond **Statewide active** 21BB. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21BC. Kind & Status Plug Bond **Statewide active** 21BD. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21BE. Kind & Status Plug Bond **Statewide active** 21BF. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21BG. Kind & Status Plug Bond **Statewide active** 21BH. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

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21BM. Kind & Status Plug Bond **Statewide active** 21BN. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

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21BS. Kind & Status Plug Bond **Statewide active** 21BT. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21BU. Kind & Status Plug Bond **Statewide active** 21BV. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21BW. Kind & Status Plug Bond **Statewide active** 21BX. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21BY. Kind & Status Plug Bond **Statewide active** 21BZ. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21CA. Kind & Status Plug Bond **Statewide active** 21CB. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21CC. Kind & Status Plug Bond **Statewide active** 21CD. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

21CE. Kind & Status Plug Bond **Statewide active** 21CF. Drilling Contractor **Collier Drlg. Corp.** 22. Approx. Date Work will start **8/19/82**

We propose to drill a 12 1/4" hole to 500', set 8 5/8" casing and cement; reduce hole to 7 7/8" and drill to 3000' to test the San Andres formation, set 5 1/2" casing and cement. We do not anticipate gas at this depth and a blowout preventer program will not be set up at this time.

RECEIVED
AUG 17 1982
O. C. D.
ARTESIA, OFFICE

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 2-19-83
UNLESS DRILLING UNDERWAY

NOTE: SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION 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.

by Carolyn Davis Title Production Clerk Date 8/17/82

(This space for State Use)

APPROVED BY Mr. Williams TITLE SUPERVISOR, DISTRICT II DATE AUG 19 1982

REMARKS OF APPROVAL, IF ANY:

**MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-1-12
Supersedes C-12H
Effective 1-1-65

All distances must be from the outer boundaries of the Section

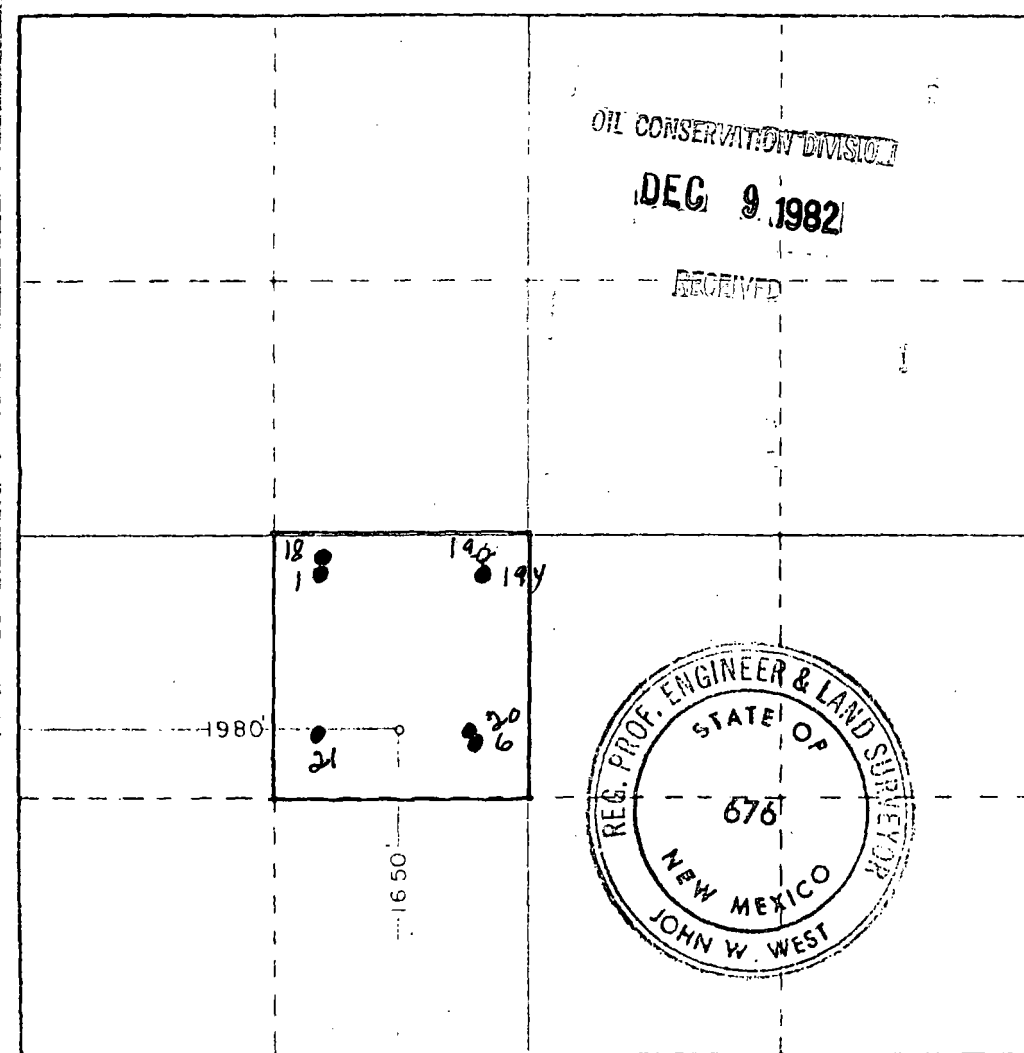
Operator MARBOB ENERGY CORP.		Lease COLLIER STATE		Well No. 2
Unit Letter K	Section 22	Range 17 SOUTH	Block 28 EAST	County EDDY
Actual Footage Location of Well: 1980 feet from the WEST line and 1650 feet from the SOUTH line.				
Ground Level Elev. 3604.5	Producing Formation San Andres	Lease Red Lake On Grbg SA	Estimated Acreage 40	

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

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

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

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



CERTIFICATION

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

Carolyn Orris
Name

Carolyn Orris

Position

Production Clerk

Company

Marbob Energy Corporation

Date

8/17/82

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

8-16-82

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 8868
Ronald J. Eidson 3239

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900

Rule 6:

Collier State #12

Pool: Red Lake Queen Grayburg San Andres

Standard spacing unit: 40 acres

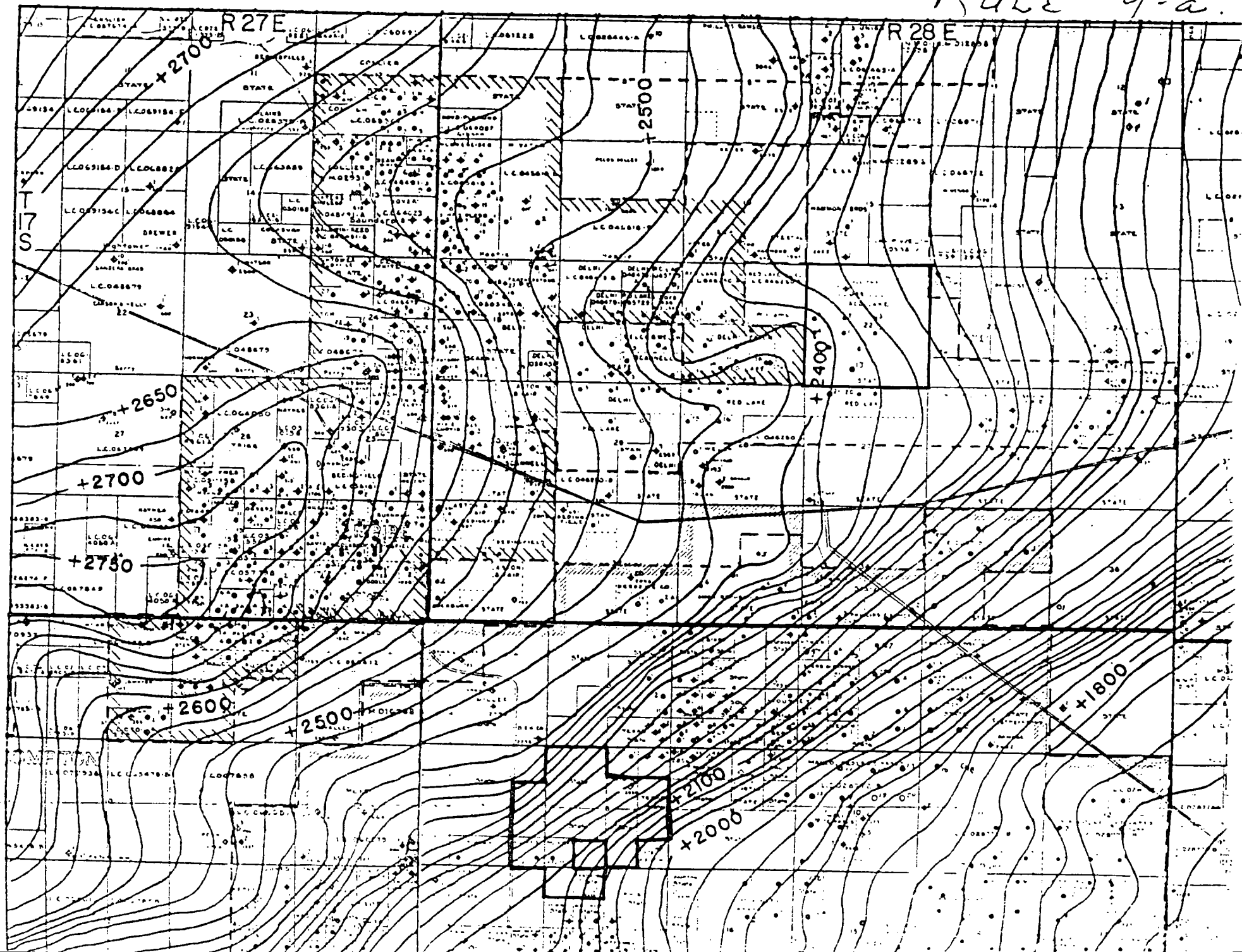
Rule 7:

NA

Rule 8:

- a. Collier St. #1 - 2340 FSL 1620 FWL Sec. 22-T17S-R28E
Collier St. #12 - 1650 FSL 1980 FWL Sec. 22-T17S-R28E
- b. #1 - 7/12/33
#12 - 8/19/82
- c. #1 - 10/1/33
#12 - 9/16/82
- d. None
- e. #1 - 1 bbl. oil/day, no gas
#12 - 46 bbl. oil, 140 mcf gas/day
- f. NA
- g. Well #1 produces no gas. The migration of oil and gas through waterflooding couples with new reservoir conditions type production rates on the new well make the drilling of a new well necessary to drain the reservoir.

RULE 9-a.



Marbob Energy Corporation
Collier State #12
Red Lake Queen Grayburg San Andres
Eddy County, New Mexico

Pertinent Engineering Data and Conclusions:

Well #12-K located in Section 22-T17S-R28E, Eddy County, New Mexico, is perforated from 2570-2967' and produces oil and gas from the San Andres formation.

Due to the recent completion of the well a rate/time curve could not be used for the determination of oil and gas reserves.

I have made a volumetric calculation of the reserves based on a net productive thickness of twelve feet (12'), an average porosity of 11%, an effective drainage area of 20 acres and a percentage of recoverable stock tank oil of 20%.

An oil reserve of 43,000 barrels was estimated from the aforementioned data. The recoverable gas reserve will be approximately 77,400 mcf. This is based on a producing gas/oil ratio estimated to average 1800 cubic feet per barrel of oil over the economic life of the well.

It is evident that early well producing rates will justify further infill drilling in the future.

Paul G. White

Paul G. White
Petroleum Engineer

12-2-82

Date

Rule 11:

Notice of this infill request has been sent to
JFG Enterprises, Box 100, Artesia, New Mexico 88210,
Gulf Oil Exploration & Production Co., Box 1150,
Midland, Texas 79702, Kersey & Co., 608 W. Grand,
Artesia, N.M. 88210, JEM Resources, 815 Bullock,
Artesia, N.M. 88210, Tenneco Oil Exploration & Production,
6800 Park Ten Glvd., Ste. 200 North, San Antonio, Texas
79212; Conoco, Inc. Box 1959, Midland, Texas 79702.

Marbob Energy Corporation

P. O. DRAWER 217
ARTESIA, NEW MEXICO 88210

— OFFICE PHONE —

(505) 746-3303

(505) 746-2422

— NIGHT PHONES —

(505) 746-6197

(505) 746-6500

Re: Notice to offset operators

Dear Sirs:

Notice is hereby given to you as an offset operator to the request of Marbob Energy Corporation to the New Mexico Oil Conservation Division for an infill finding on the following well:

Collier State #12
1650 FNL 1980 FWL Sec. 22-17S-28E
Eddy County, N.M.

This notice is given pursuant to the Special Rules and Regulations Natural Gas Policy Act Infill Finding Administrative Procedure (amended February 8, 1980). These special rules and regulations shall apply to effective and efficient drainage findings for completed infill wells pursuant to Section 271.305 of the final Rules and Regulations of the Federal Energy Regulatory Commission relating to Section 103 of the Natural Gas Policy Act of 1978.

If there are any questions please contact me.

Very truly yours,



Carolyn Orris
Production Clerk

OIL CONSERVATION DIVISION

DEC 9 1982

RECEIVED

CO

023 4 8 5

7-2

5

11

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: Natural Gas Policy Act
Affidavit under Oath
New Onshore Production Well

Gentlemen:

Marbob Energy Corporation (Seller), a New Mexico corporation, herein swears that the Collier State #1 well, located 2340 FSL 1620 FWL OF Section 22-Township 17 South, Range 28 East, Eddy County, New Mexico, was under a gas contract entered into between Phillips Petroleum Company and Red Lake Oil Company in 1959. The gas from this lease was delivered to the Artesia plant and sold to Transwestern Pipeline Company through their interstate pipeline.

MARBOB ENERGY CORPORATION

Ray Miller
Ray Miller
Secretary-Treasurer

STATE OF NEW MEXICO)

COUNTY OF EDDY)

Sworn to and subscribed before me this 28th day of June 1984.

My commission expires:

9-9-85

Karen M. Hightower
Notary Public

Marbob Energy Corporation

P. O. DRAWER 217
ARTESIA, NEW MEXICO 88210

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

— NIGHT PHONES —
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MARBOB ENERGY CORPORATION

Ray Miller
Ray Miller
Secretary-Treasurer

STATE OF NEW MEXICO)
:
COUNTY OF EDDY)

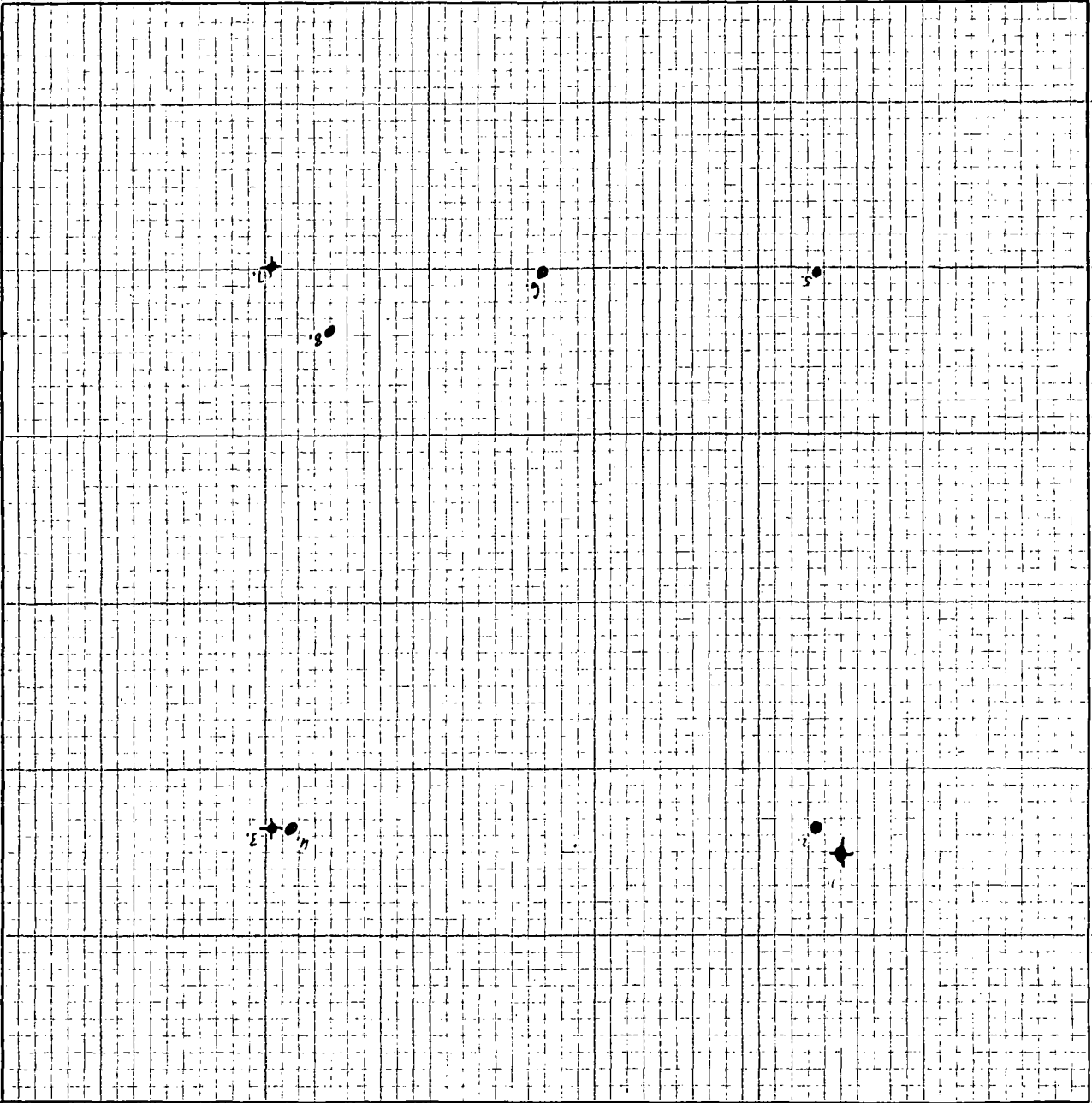
Sworn to and subscribed before me this 28th day of June 1984.

My commission expires:

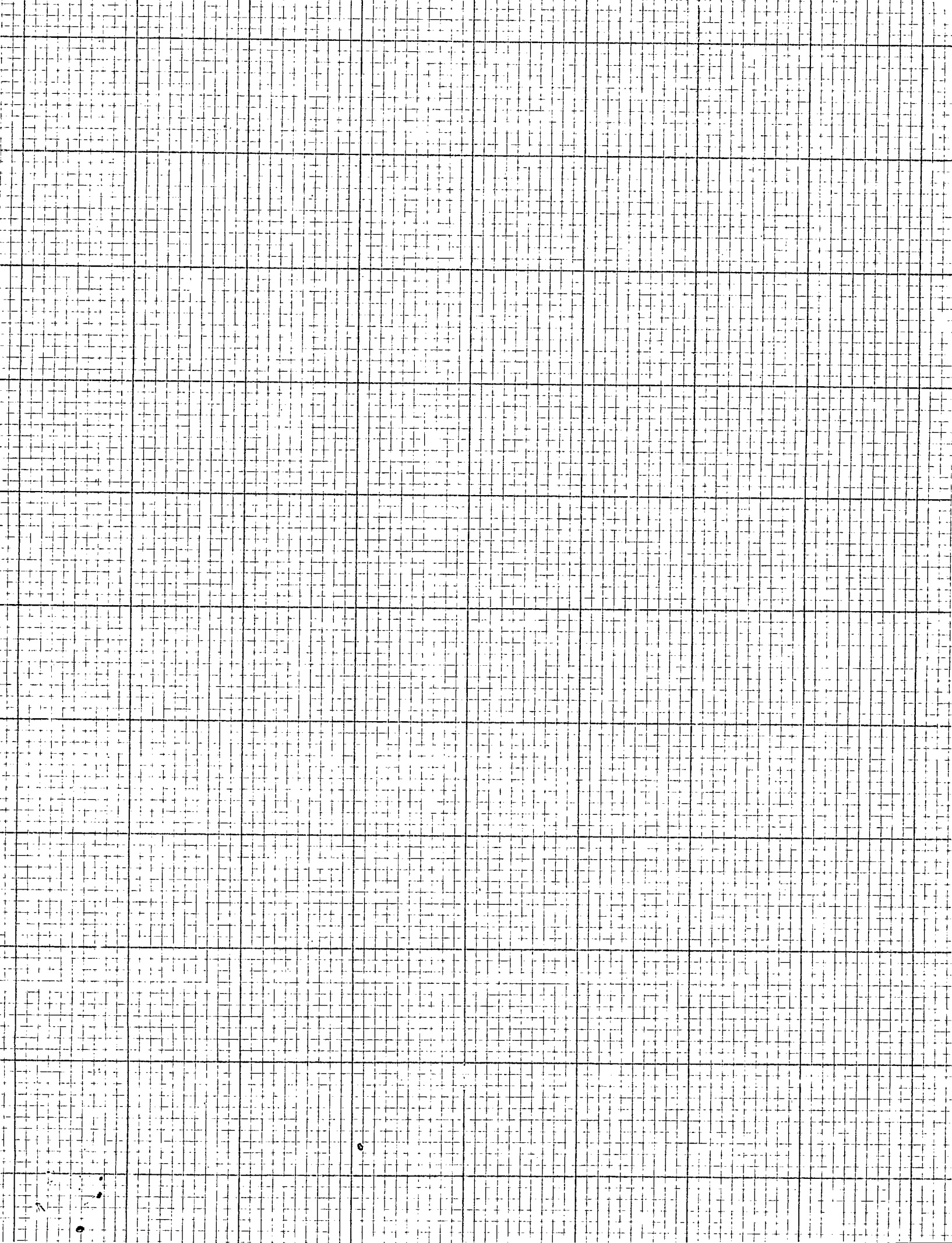
9-9-85

Karen M. Hightower
Notary Public

NE 1/4 SW 1/4 (Unit K) Section 22, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico



Scale: 1" = 200'



1. Marbob Energy Corporation

Collier St. Well No. 1

2340' FSL - 1620' FWL

Spud: 7/12/33

Red Lake Queen Grayburg San Andres Completion

P.A'd: 2/20/83

Cumulative Production

Oil: 55600 B.O.

Gas: 7529 MCF

* Gas was used on the lease and was never sold

2. Happy Oil Co., Inc.

State "B" - 1969 Tract 3 Well No. 18

2310' FSL - 1650' FWL

Spud: 4/9/80

East Empire Yates Seven Rivers Completion

3. Collier Energy, Inc.

State "B" - 1969 Tract 3 Well No. 19

2310' FSL + WL

Spud: 4/1/80

J.A'd: 6/24/80

4. Happy Oil Co., Inc.

State "B" - 1969 Tract 3 Well No. 19-Y

2310' FSL - 2290' FWL

Spud: 6/30/80

East Empire Yates Seven Rivers Completion

5. Happy Oil Co., Inc.

State "B" - 1969 Tract 3 Well No. 21

1650' FW + SL

Spud: 5/20/80

East Empire Yates Seven Rivers Completion

6. APPLICATION WELL

Marbob Energy Corp.

Collier State Well No. 12

1650' FSL - 1980' FWL

Spud: 8/19/82

Red Lake Queen Grayburg San Andres Completion

Cumulative Production as of 12/31/83

11,710 B.O.

23,041 MCF

7. Maibol Energy Corporation

Gilmer State Well No. 6

2970' FSL - 1650' FSL

Spud: 3/24/36

Red Lake Queen Grayburg San Andres Completion

Produced until Late 1963 when converted to an Injection well

Cumulative production: 531 B.O.I.

D Gas

Pr. Bld: 2/83

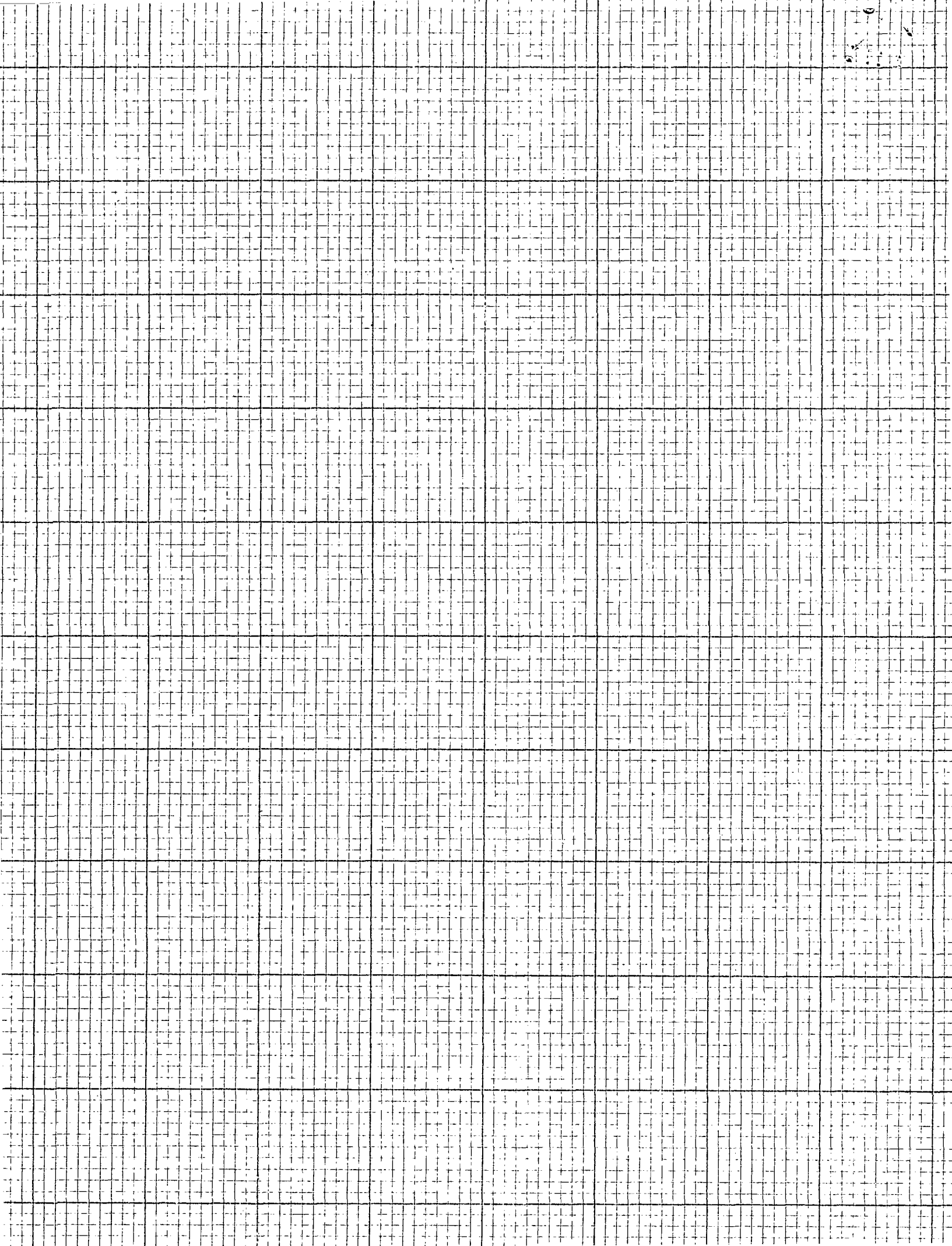
8. Happy Oil Company

State "B" 1969 Tract 3 Well No. 20

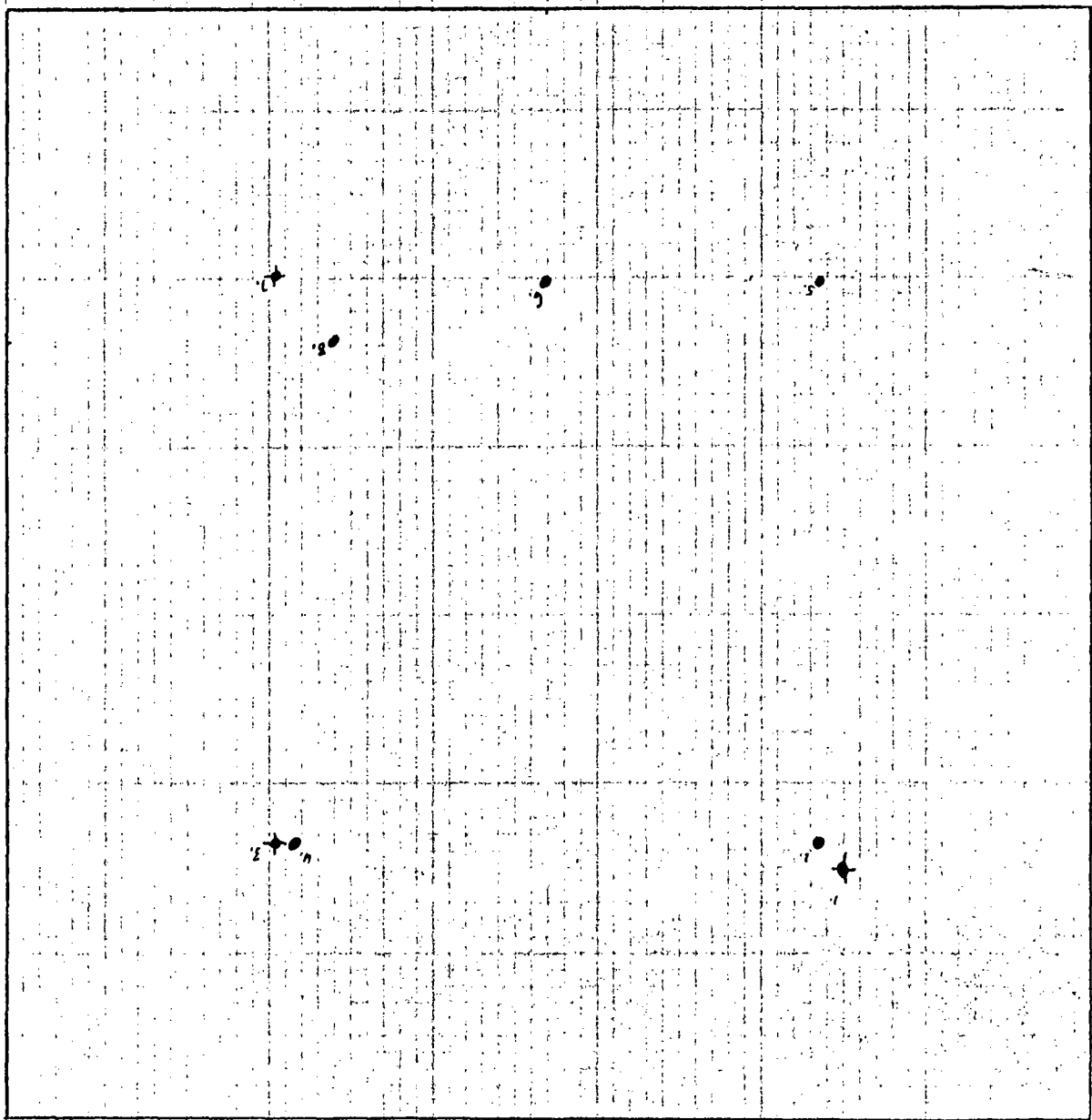
1720' FSL - 2240' FSL

Spud: 3/18/90

East Empire Yates Seven Rivers



Scale: 1" = 200'



NE 1/4 SW 1/4 (Unit K) Section 22, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

1. Markob Energy Corporation
Collier St. Well No. 1
2340' FSL - 1620' FWL
Spud: 7/12/33
Red Lake Queen Grayburg San Andres Completion
Per'd: 2/30/83
Cumulative Production
Oil: 55600 B.O.
Gas: 7529 MCF
* Gas was used on the lease and was never sold

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State "B" - 1969 Tract 3 Well No. 18
2310' FSL - 1650' FWL
Spud: 4/9/80
East Empire Yates Seven Rivers Completion

3. Collier Energy, Inc.
State "B" - 1969 Tract 3 Well No. 19
2310' FSL + WL
Spud: 4/1/80
3rd: 6/24/80

4. Happy Oil Co., Inc.
State "B" - 1969 Tract 3 Well No. 19-Y
2310' FSL - 2290' FWL
Spud: 6/30/80
East Empire Yates Seven Rivers Completion

5. Happy Oil Co., Inc.
State "B" - 1969 Tract 3 Well No. 21
1650' FW + SL
Spud: 5/20/80
East Empire Yates Seven Rivers Completion

6. APPLICATION WELL
Markob Energy Corp.
Collier State Well No. 12
1650' FSL - 1980' FWL
Spud: 8/19/82
Red Lake Queen Grayburg San Andres Completion
Cumulative Production as of 11/31/83
11,710 B.O.
23,041 MCF

7. *Marble Energy Corporation*

Gillier State Well No. 6

2970' FSL - 1650' FSL

Spud: 3/24/36

Red Lake Queen Grayburg San Andres Completion

Produced until late 1963 when converted to an Injection well

Cumulative production: 531 B.O./

D Gas

Prod: 2/83

8. *Happy Oil Company*

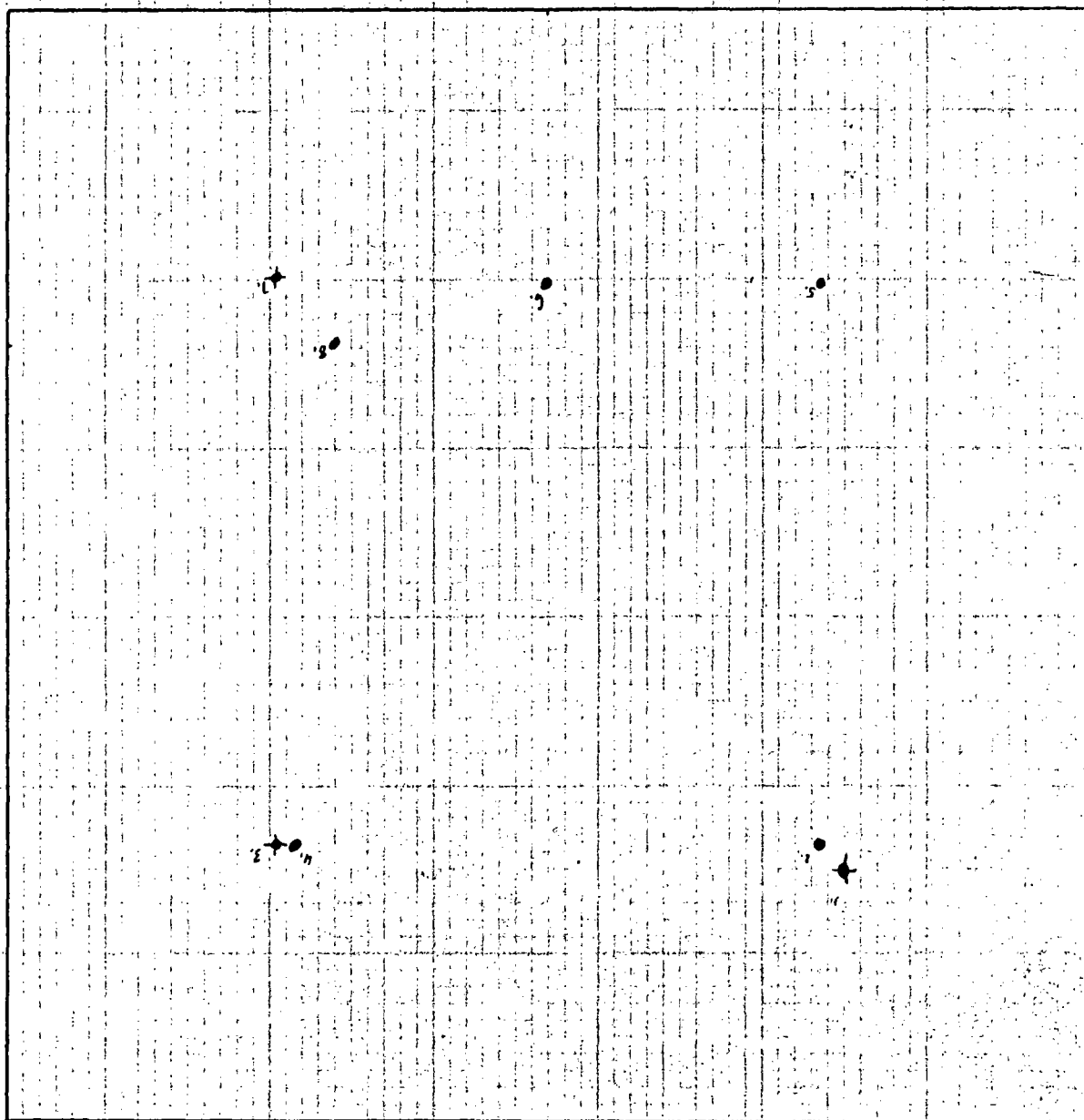
State "B" 1969 Tract 3 Well No. 20

1720' FSL - 2240' FSL

Spud: 3/18/80

East Empire Yates Seven Rivers

NE 1/4 SW 1/4 (Unit K) Section 22, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico



Scale: 1" = 200'

1. *Marbob Energy Corporation*

Collier St. Well No. 1

2340' FSL - 1620' FWL

Spud: 7/12/33

Red Lake Queen Grayburg San Andres Completion

Per'd: 2/20/83

Cumulative Production

Oil: 55600 B.O.

Gas: 7529 MCF

** Gas was used on the lease and was never sold.*

2. *Happy Oil Co., Inc.*

State "B" - 1969 Tract 3 Well No. 18

2310' FSL - 1650' FWL

Spud: 4/4/80

East Empire Yates Seven Rivers Completion

3. *Collier Energy, Inc.*

State "B" - 1969 Tract 3 Well No. 19

2310' FSL + WL

Spud: 4/1/80

Per'd: 6/24/80

4. *Happy Oil Co., Inc.*

State "B" - 1969 Tract 3 Well No. 19-Y

2310' FSL - 2290' FWL

Spud: 6/30/80

East Empire Yates Seven Rivers Completion

5. *Happy Oil Co., Inc.*

State "B" - 1969 Tract 3 Well No. 21

1650' FW + SL

Spud: 5/20/80

East Empire Yates Seven Rivers Completion

6. *APPLICATION WELL*

Marbob Energy Corp.

Collier State Well No. 12

1650' FSL - 1980' FWL

Spud: 8/17/82

Red Lake Queen Grayburg San Andres Completion

Cumulative Production as of 12/31/83

11,710 B.O.

27,041 MCF

7. *Maribel Energy Corporation*

Collier State Well No. 6

2970' FSL - 1650' FSL

Spud: 3/24/36

Red Lake Queen Grayburg San Andres Completion

Produced until late 1963 when converted to an Injection well

Cumulative production: 531 B.Oil

D. Gas

Prd'd: 2/93

8. *Happy Oil Company*

State "B" 1969, Tract 3 Well No. 20

1120' FSL - 2240' FSL

Spud: 3/18/90

East Empire Yates Seven Rivers

Request for Infill Finding on

Collier State #12

in accordance with Administrative

Procedures amended February 8, 1980

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of work

Type of Well **DRILL** ☒ **DEEPEN** ☐ **PLUG BACK** ☐
 OIL ☒ GAS ☐ OTHER ☐ **SINGLE TUBE** ☒ **MULTIPLE TUBE** ☐

Name of Operator

Marbob Energy Corporation

Address of Operator

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

Location of Well

UNIT LETTER **K** LOCATED **1650** FEET FROM THE **South** LINE1980 FEET FROM THE **West** LINE OF SEC **22** TWP. **17S** R. **28E**

5A. Indicate Type of Lease
 STATE ☒ FEDERAL ☐
 5. State Oil & Gas Lease No.
B-1969
 7. Unit Agreement Name
 8. Form of Lease Name
Collier State
 9. Well No.
2
 10. Field and Pool, or Willcat
Red Lake On Grbg SA
 11. County
Eddy

15. Proposed Depth 3000'	16. Formation San Andres	17. Type of Well Rotary
18. Estimated Production (bbl, gal, etc.) 3604.5	19. Estimated Plug, Bond Statewide active	20. Estimating Contractor Collier Drilg. Corp.
21. Approx. Date Work will start 8/19/82		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	BACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	Circulate	
7 7/8"	5 1/2"	15.50#	3000	800 sax, attempt to circulate	

We propose to drill a 12 1/4" hole to 500', set 8 5/8" casing and cement; reduce hole to 7 7/8" and drill to 3000' to test the San Andres formation, set 5 1/2" casing and cement. We do not anticipate gas at this depth and a blowout preventer program will not be set up at this time.

OIL AND MINERALS DEPARTMENT

DEC 9 1982

RECEIVED

AUG 17 1982

O. C. D.
ARTESIA OFFICE

APPROVAL VALID FOR 30 DAYS
 PERMIT EXPIRES 9/17/82
 UNLESS DRILLING UNDERWAY

PLEASE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION 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.

Carolee J. J. J. Title Production Clerk Date 8/17/82

(This space for State Use)

MOVED BY M. H. Wilson TITLE SUPERVISOR, DISTRICT II DATE AUG 19 1982

REASONS OF APPROVAL, IF ANY:

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 1-1-12
Superseded L-128
Effective 1-1-65

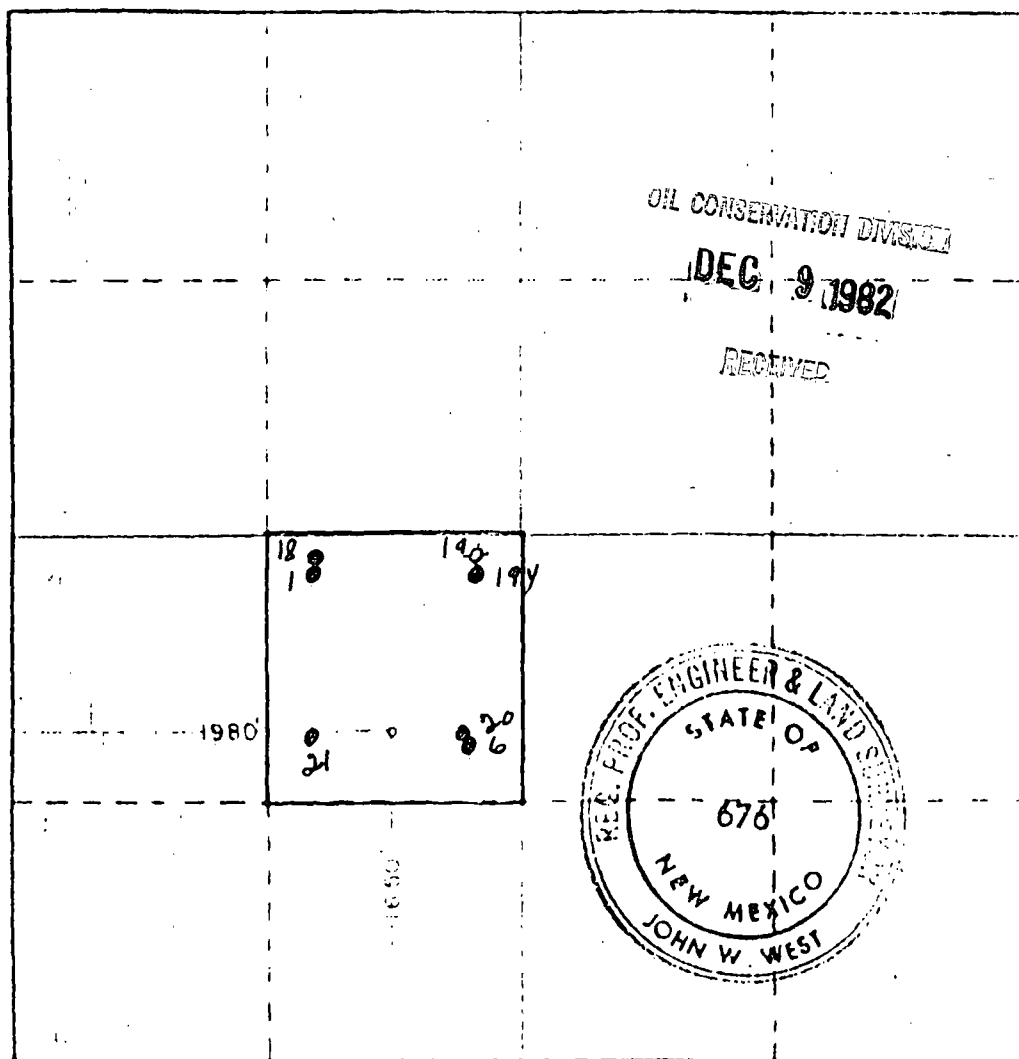
Operator MARBOB ENERGY CORP.		County COLLIER STATE		Sheet 2	
Unit Letter K	Section 22	17 SOUTH	28 EAST	EDDY	
Actual Footage Location of Well: 1980		Feet from the Well: 1650		Direction: SOUTH	
Ground Level Elev. 3604.5	Producing Formation: San Andres		Well Name: Red Lake On Grbg SA		Acres: 40

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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

Carolyn Orris

Production Clerk

Company
Marbob Energy Corporation

Date
8/17/82

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
8-16-82

Registered Professional Engineer
and Land Surveyor

John W. West

Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6668
Ronald J. Eidson 3239

Rule 6:

Collier State #12

Pool: Red Lake Queen Grayburg San Andres

Standard spacing unit: 40 acres

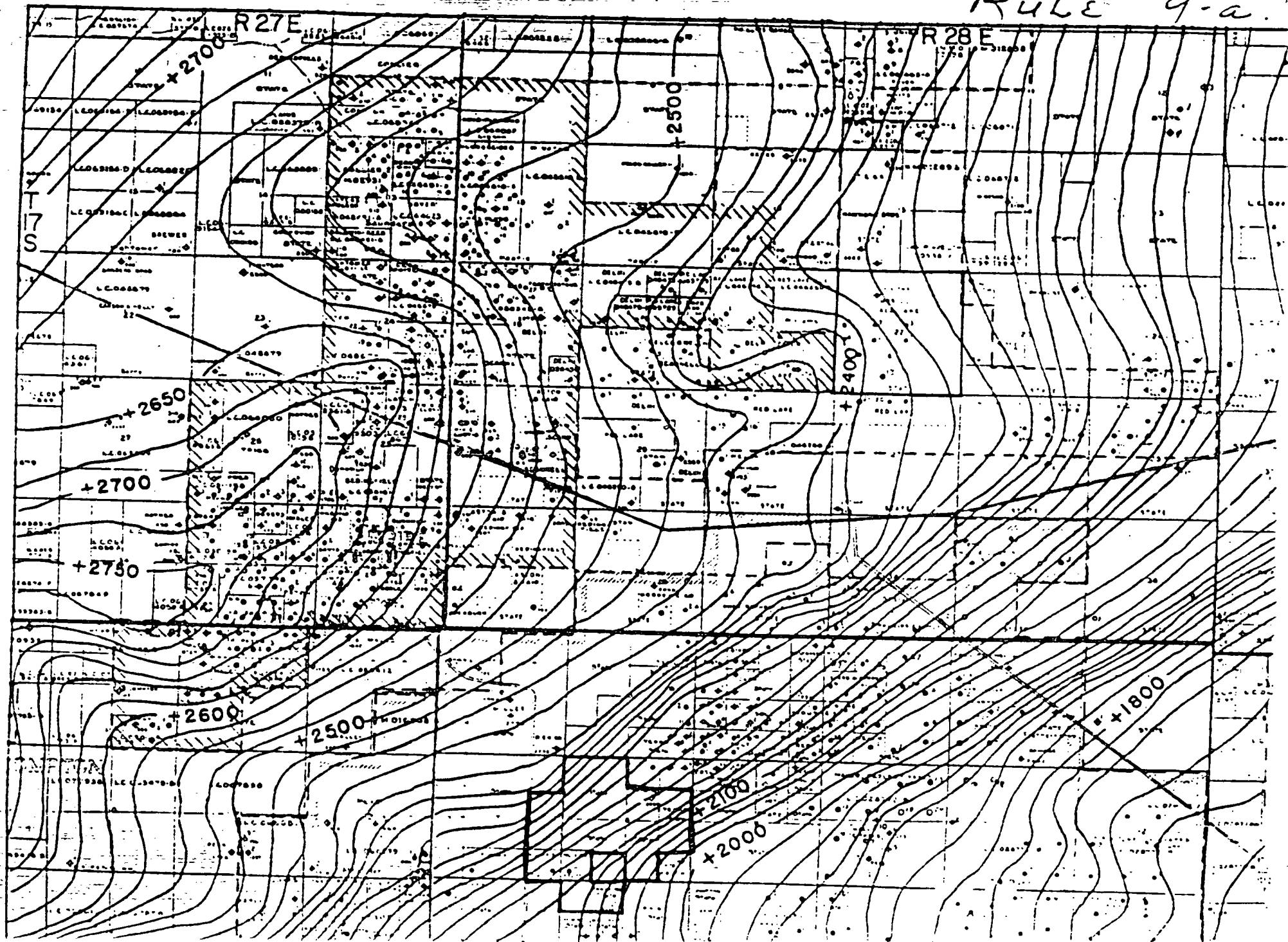
Rule 7:

NA

Rule 8:

- a. Collier St. #1 - 2340 FSL 1620 FWL Sec. 22-T17S-R28E
Collier St. #12 - 1650 FSL 1980 FWL Sec. 22-T17S-R28E
- b. #1 - 7/12/33
#12 - 8/19/82
- c. #1 - 10/1/33
#12 - 9/16/82
- d. None
- e. #1 - 1 bbl. oil/day, no gas
#12 - 46 bbl. oil, 140 mcf gas/day
- f. NA
- g. Well #1 produces no gas. The migration of oil and gas through waterflooding couples with new reservoir conditions type production rates on the new well make the drilling of a new well necessary to drain the reservoir.

RULE 9-a.



Marbob Energy Corporation
Collier State #12
Red Lake Queen Grayburg San Andres
Eddy County, New Mexico

Pertinent Engineering Data and Conclusions:

Well #12-K located in Section 22-T17S-R28E, Eddy County, New Mexico, is perforated from 2570-2967' and produces oil and gas from the San Andres formation.

Due to the recent completion of the well a rate/time curve could not be used for the determination of oil and gas reserves.

I have made a volumetric calculation of the reserves based on a net productive thickness of twelve feet (12'), an average porosity of 11%, an effective drainage area of 20 acres and a percentage of recoverable stock tank oil of 20%.

An oil reserve of 43,000 barrels was estimated from the aforementioned data. The recoverable gas reserve will be approximately 77,400 mcf. This is based on a producing gas/oil ratio estimated to average 1800 cubic feet per barrel of oil over the economic life of the well.

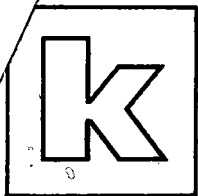
It is evident that early well producing rates will justify further infill drilling in the future.

Paul G. White
Paul G. White
Petroleum Engineer

12-2-82
Date

Rule 11:

Notice of this infill request has been sent to
JFG Enterprises, Box 100, Artesia, New Mexico 88210,
Gulf Oil Exploration & Production Co., Box 1150,
Midland, Texas 79702, Kersey & Co., 608 W. Grand,
Artesia, N.M. 88210, JEM Resources, 815 Bullock,
Artesia, N.M. 88210, Tenneco Oil Exploration & Production,
6800 Park Ten Glvd., Ste. 200 North, San Antonio, Texas
79212; Conoco, Inc. Box 1959, Midland, Texas 79702.

**KILSBY TUBESUPPLY**

DENVER: (303) 371-7600

COLORADO: (800) 332-1194

OTHER STATES: (800) 525-1820

*City Hall**(482 44771)*

— Since there is no record
of what was being done
with the gas it can and
will be assumed that
it was being sold

— Issue an NFL

CARBON STEEL • STAINLESS STEEL • A

Please

☐

READ

☐

HANDLE

☐

APPROVE

and

☐

FORWARD

ROUTING - R

To

*Joe**PER
REQUEST.**THANK YOU.*

MINERALIA • ZOOLIA • BOTANICA • GEOGRAPHIA • METEOROLOGIA • ASTRONOMIA • AGRICULTURA • MEDICINA • ANATOMIA • CHIRURGIA • PHARMACOLOGIA • MATHEMATICA • PHYSICA • HISTORIA NATURALIS • LINGUA • LITTERAE • ARTES • MANUFACTURAE • COMMERCIUM • LEGES • MORALES • POLITICA • ECONOMICA • MILITARIA • NAUTICA • AERONAUTICA • AGRICULTURA • MEDICINA • ANATOMIA • CHIRURGIA • PHARMACOLOGIA • MATHEMATICA • PHYSICA • HISTORIA NATURALIS • LINGUA • LITTERAE • ARTES • MANUFACTURAE • COMMERCIUM • LEGES • MORALES • POLITICA • ECONOMICA • MILITARIA • NAUTICA • AERONAUTICA

Request

RAMEY

**Request for Infill Finding on
Collier State #12
in accordance with Administrative
Procedures amended February 8, 1980**

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work

Type of Well DRILL ☒ DEEPEN ☐ PLUG BACK ☐

OIL WELL ☒ GAS WELL ☐ OTHER ☐

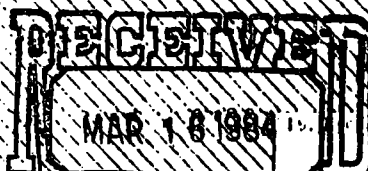
SINGLE ZONE ☒ MULTIPLE ZONE ☐

Name of Operator
Marbob Energy Corporation

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

Location of Well UNIT LETTER **K** LOCATED **1650** FEET FROM THE **South** LINE

1980 FEET FROM THE **West** LINE OF SEC **22** TWP. **17S** R. **28E**



3604.5
OIL CONSERVATION DIVISION
Statewide **SANTA FE** Collier Drlg. Corp.

5A. Indicate Type of Lease
STATE ☒ PAT ☐

6. State Oil & Gas Lease No.
B-1969

7. Unit Agreement Name

8. Term of Lease (Years)
Collier State

9. Well No.
2

10. Field and Pool, or Village
Red Lake On Grbg SA

11. County
Eddy

12. Approx. Date Work will start
8/19/82

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	BACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	Circulate	
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We propose to drill a 12 1/4" hole to 500', set 8 5/8" casing and cement; reduce hole to 7 7/8" and drill to 3000' to test the San Andres formation, set 5 1/2" casing and cement. We do not anticipate gas at this depth and a blowout preventer program will not be set up at this time.

RECEIVED

AUG 17 1982

O. C. D.
ARTESIA, N.M.

APPROVAL VALID FOR 30 DAYS
PERMIT EXPIRES SEP 16, 1982
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 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.

Carolee J. Allen Title Production clerk Date 8/17/82
(This space for State Use)

APPROVED BY Mike Wilson TITLE SUPERVISOR, DISTRICT II DATE AUG 19 1982

REMARKS OF APPROVAL, IF ANY:

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes O-124
Effective 1-1-75

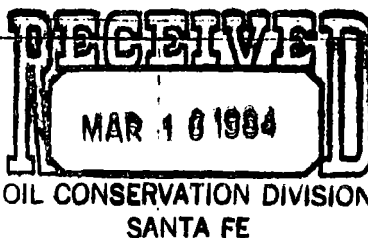
Operator MARBOB ENERGY CORP.		County COLLIER STATE		Page 2
Unit Letter K	Section 22	Range 17 SOUTH	Trim 28 EAST	EDDY
Actual Footage Location of Well: 1980 feet from the W line 1650 feet from the S line SOUTH				
Ground Level Elev. 3604.5	Producing Formation San Andres		Well Name Red Lake On Grbg SA	
			Acres 40	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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CERTIFICATION

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

Carolyn Orris

Carolyn Orris

Position

Production Clerk

Company

Marbob Energy Corporation

Date

8/17/82

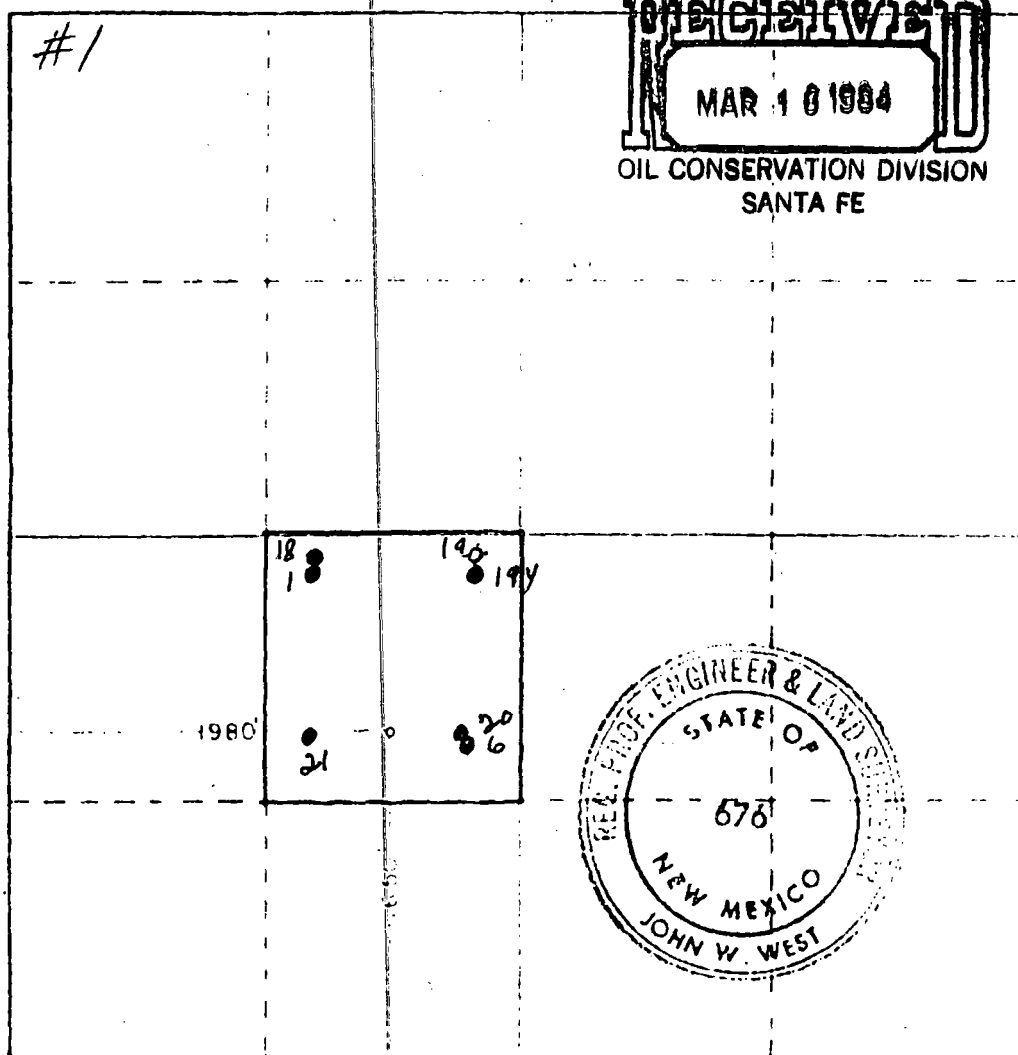
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

8-16-82

The plat must be filed in the following order:
1. Original
2. Copy

John W. West

Certified to: **JOHN W. WEST 676**
PATRICK A. ROMERO 6668
Ronald J. Eidson 3239



330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960

Rule 6:

Collier State #12

Pool: Red Lake Queen Grayburg San Andres

Standard spacing unit: 40 acres

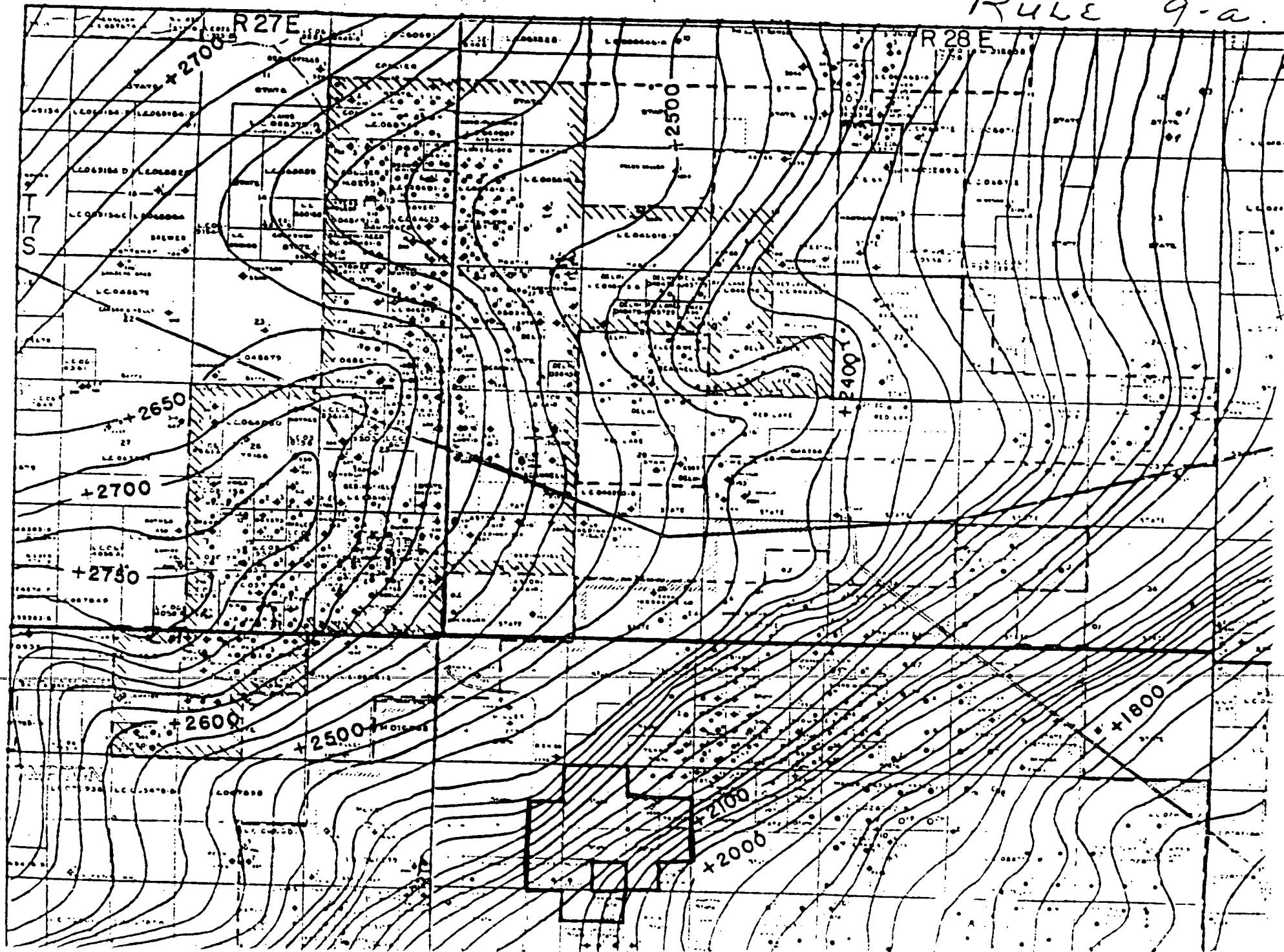
Rule 7:

NA

Rule 8:

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Collier St. #12 - 1650 FSL 1980 FWL Sec. 22-T17S-R28E
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#12 - 8/19/82
- c. #1 - 10/1/33
#12 - 9/16/82
- d. None
- e. #1 - 1 bbl. oil/day, no gas
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- g. Well #1 produces no gas. The migration of oil and gas through waterflooding couples with new reservoir conditions type production rates on the new well make the drilling of a new well necessary to drain the reservoir.

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Marbob Energy Corporation
Collier State #12
Red Lake Queen Grayburg San Andres
Eddy County, New Mexico

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Paul G. White

Paul G. White
Petroleum Engineer

12-2-82

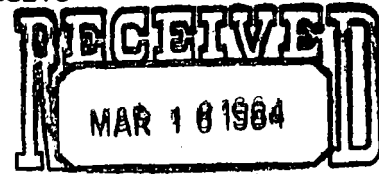
Date

Rule 11:

Notice of this infill request has been sent to
JFG Enterprises, Box 100, Artesia, New Mexico 88210,
Gulf Oil Exploration & Production Co., Box 1150,
Midland, Texas 79702, Kersey & Co., 608 W. Grand,
Artesia, N.M. 88210, JEM Resources, 815 Bullock,
Artesia, N.M. 88210, Tenneco Oil Exploration & Production,
6800 Park Ten Glvd., Ste. 200 North, San Antonio, Texas
79212; Conoco, Inc. Box 1959, Midland, Texas 79702.

Marbob Energy Corporation

P. O. DRAWER 217
ARTESIA, NEW MEXICO 88210



OIL CONSERVATION DIVISION
SANTA FE

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

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

Re: Notice to offset operators

Dear Sirs:

Notice is hereby given to you as an offset operator to the request of Marbob Energy Corporation to the New Mexico Oil Conservation Division for an infill finding on the following well:

Collier State #12
1650 FNL 1980 FWL Sec. 22-17S-28E
Eddy County, N.M.

This notice is given pursuant to the Special Rules and Regulations Natural Gas Policy Act Infill Finding Administrative Procedure (amended February 8, 1980). These special rules and regulations shall apply to effective and efficient drainage findings for completed infill wells pursuant to Section 271.305 of the final Rules and Regulations of the Federal Energy Regulatory Commission relating to Section 103 of the Natural Gas Policy Act of 1978.

If there are any questions please contact me.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Carolyn Orris", written over a horizontal line.

Carolyn Orris
Production Clerk

co

Request for Infill Finding on

Collier State #12

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

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

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 TONE ☒ MULTIPLE TONE ☐

Name of Operator

Marbob Energy Corporation

Address of Operator

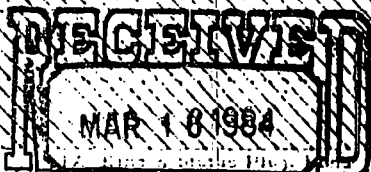
P.O. Drawer 217, Artesia, N.M. 88210

Location of Well

UNIT LETTER K LOCATED 1650 FEET FROM THE South LINE

1980

FEET FROM THE West LINE OF THE 22 TWP 17S R. 28E



Elevation (Show whether in feet, etc.)

3604.5

OIL CONSERVATION DIVISION

SANTA FE

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	AMOUNT OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	Circulate	
7 7/8"	5 1/2"	15.50#	3000	800 sax, attempt to circulate	

We propose to drill a 12 1/4" hole to 500', set 8 5/8" casing and cement; reduce hole to 7 7/8" and drill to 3000' to test the San Andres formation, set 5 1/2" casing and cement. We do not anticipate gas at this depth and a blowout preventer program will not be set up at this time.

RECEIVED

AUG 17 1982

O. C. D.
ARTESIA

APPROVAL VALID FOR _____ DAYS
 PERMIT EXPIRES _____
 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 PRODUCTION 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.

By Carlynn Allen Title Production Clerk Date 8/17/82
 (This space for State Use)

APPROVED BY Mike Wilkins
 CONDITIONS OF APPROVAL, IF ANY:

TITLE

SUPERVISOR, DISTRICT II

DATE

AUG 18 1982

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes Order
Effective 1/1/83

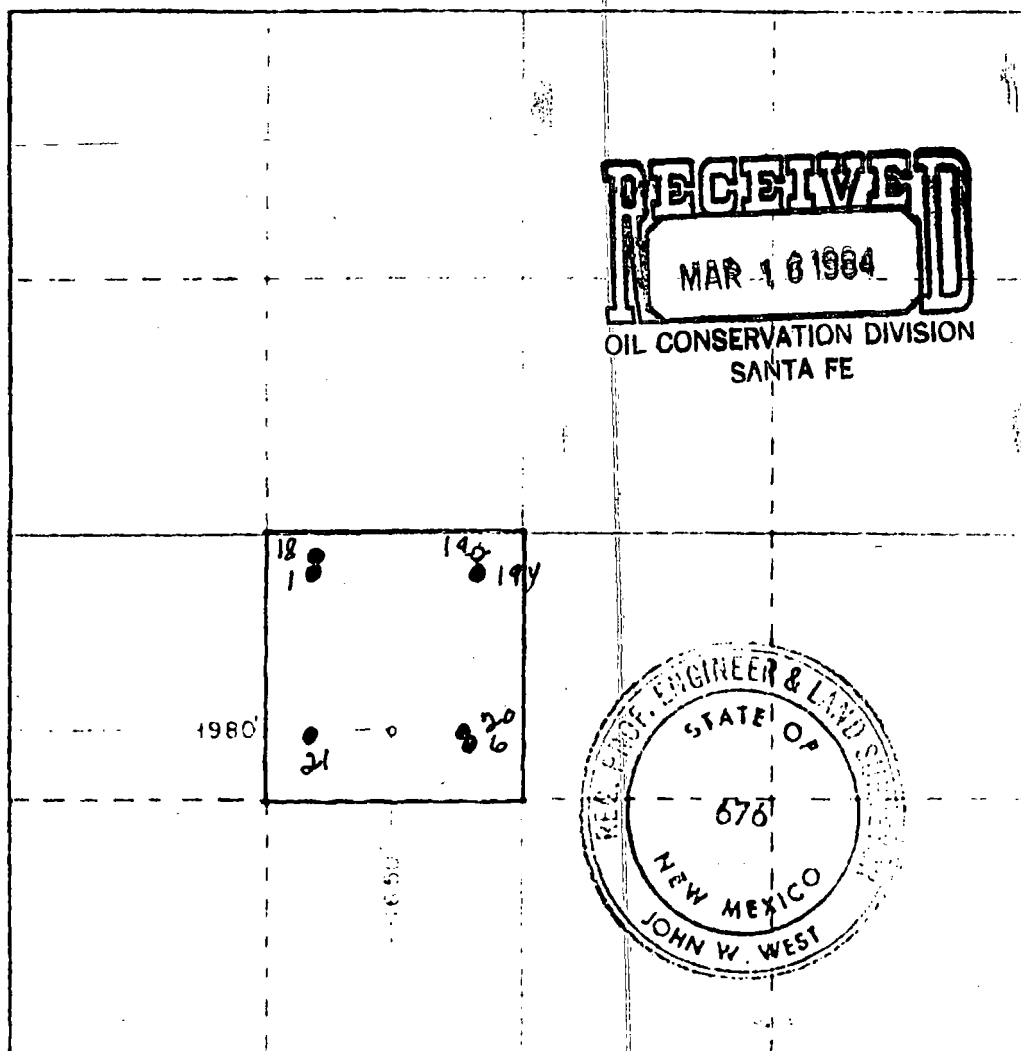
Operator MARBOB ENERGY CORP.		County COLLIER STATE		Page 2
Unit Letter K	Section 22	Range 17 SOUTH	Meridian 28 EAST	EDDY
Actual Footage Location of Well: 1980 feet from the WES 1650 feet from the SOUTH				
Ground Level Elev. 3604.5	Producing Formation San Andres	Red Lake On Grbg SA		Acres 40

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

Production Clerk

Marbob Energy Corporation

8/17/82

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.

8-16-82

JOHN W. WEST
PATRICK A. ROMERO
RONALD J. EIDSON

John W. West
Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6668
Ronald J. Eidson 3239

Rule 6:

Collier State #12

Pool: Red Lake Queen Grayburg San Andres

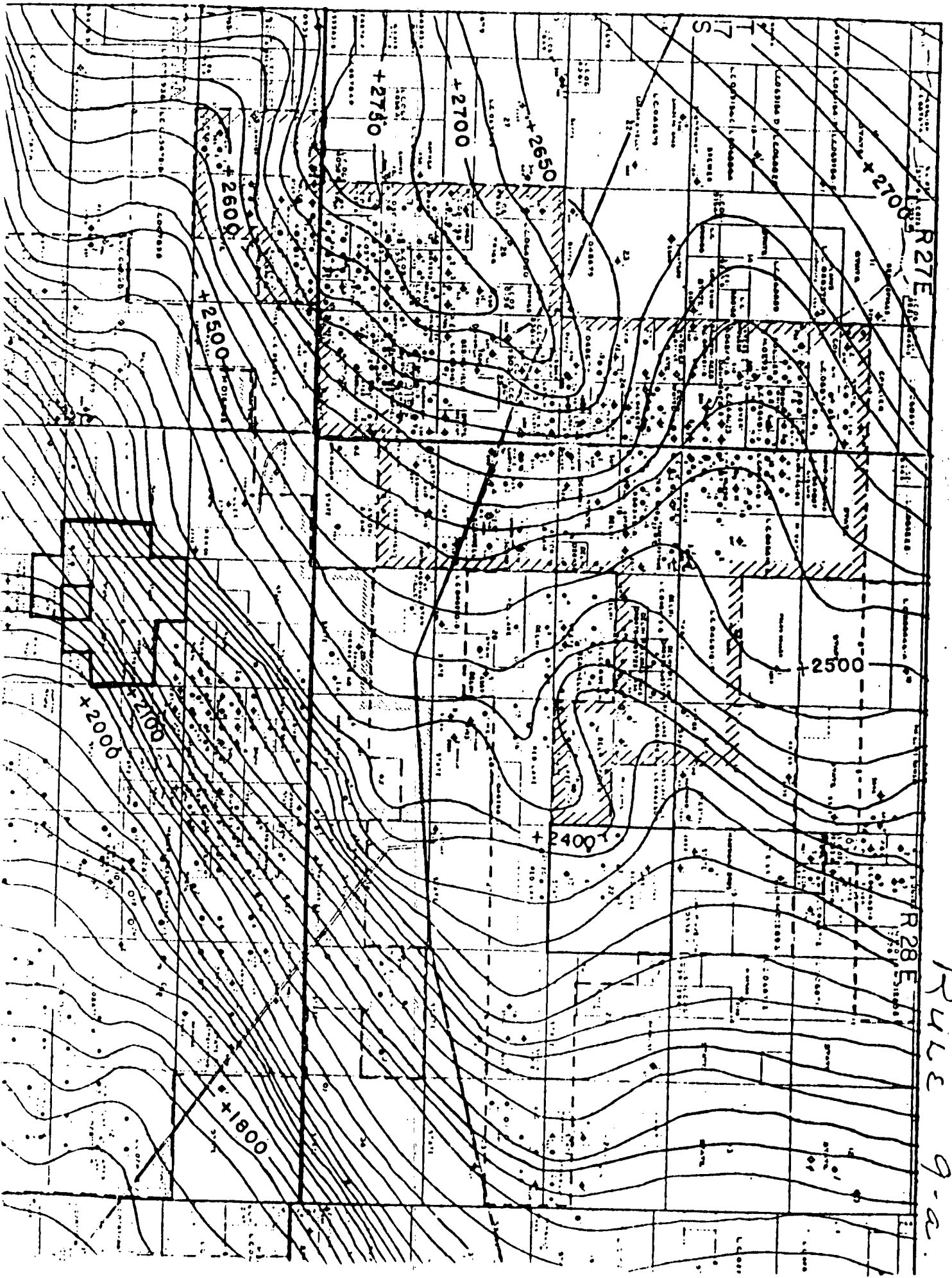
Standard spacing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. Collier St. #1 - 2340 FSL 1620 FWL Sec. 22-T17S-R28E
Collier St. #12 - 1650 FSL 1980 FWL Sec. 22-T17S-R28E
- b. #1 - 7/12/33
#12 - 8/19/82
- c. #1 - 10/1/33
#12 - 9/16/82
- d. None
- e. #1 - 1 bbl. oil/day, no gas
#12 - 46 bbl. oil, 140 mcf gas/day
- f. NA
- g. Well #1 produces no gas. The migration of oil and gas through waterflooding couples with new reservoir conditions type production rates on the new well make the drilling of a new well necessary to drain the reservoir.



17443 9-a

Marbob Energy Corporation
Collier State #12
Red Lake Queen Grayburg San Andres
Eddy County, New Mexico

Pertinent Engineering Data and Conclusions:

Well #12-K located in Section 22-T17S-R28E, Eddy County, New Mexico, is perforated from 2570-2967' and produces oil and gas from the San Andres formation.

Due to the recent completion of the well a rate/time curve could not be used for the determination of oil and gas reserves.

I have made a volumetric calculation of the reserves based on a net productive thickness of twelve feet (12'), an average porosity of 11%, an effective drainage area of 20 acres and a percentage of recoverable stock tank oil of 20%.

An oil reserve of 43,000 barrels was estimated from the aforementioned data. The recoverable gas reserve will be approximately 77,400 mcf. This is based on a producing gas/oil ratio estimated to average 1800 cubic feet per barrel of oil over the economic life of the well.

It is evident that early well producing rates will justify further infill drilling in the future.

Paul G. White
Paul G. White
Petroleum Engineer

12-2-82
Date

Rule 11:

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Production Clerk

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