

OIL CONSERVATION DIVISION

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

ADMINISTRATIVE ORDER

NFL 86

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 CORP. Well Name and No. M. Dodd "A" Federal Well No. 26
Location: Unit J Sec. 22 Twp. 17 South Rng. 29 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 Grayburg Jackson Pool, and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the NW/4 SE/4 of Sec. 22, Twp. 17 South, Rng. 29 East, is currently dedicated to the M. Dodd "A" Federal Wells No. 6 & 12 located in Unit J of said section.
- (5) That this proration unit is (X) standard () nonstandard; if nonstandard, said unit was previously approved by Order No. _____.
- (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 9,553 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.

DOONE at Santa Fe, New Mexico, on this 26 day of June, 19 84.

John A. Doone
DIVISION DIRECTOR EXAMINER

cc: OCD Artesia
Well File
HSBIM - Roswell

Request for Infill Finding on

M. Dodd "A" #26

in accordance with Administrative
Procedures amended February 8, 1980

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-24615

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Marbob Energy Corporation

3. ADDRESS OF OPERATOR
P.O. Dr. 217, Artesia, N.M. 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 2615 FSL 1345 FEL
At proposed prod. zone Same

NWSE
J

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20 air miles east of Artesia, N.M. 88210

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 25'

16. NO. OF ACRES IN LEASE 600

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 600'

19. PROPOSED DEPTH 3450'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3575' GR

22. APPROX. DATE WORK WILL START* 9/15/83

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	350'	Sufficient to circulate
7 7/8"	5 1/2"	15.50#	3450'	450 sax, to base of salt

Pay zone will be selectively perforated and stimulated as needed for optimum production.

- Attached are:
1. Location & acreage dedication plat
 2. Supplemental drilling data
 3. Surface use plan

RECEIVED
AUG 30 2 07 PM '83
PERMITTING DISTRICT

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Carolyn Orin TITLE Production Clerk DATE 8/29/83 #5

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY David A. Glass TITLE Chief, Branch of Fluids DATE 09-21-83

CONDITIONS OF APPROVAL, IF ANY:
For Armando A. Lopez

*See Instructions On Reverse Side

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

NMOC Approval For Northward Location

NE(EXICO OIL CONSERVATION COMMISSIO
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.

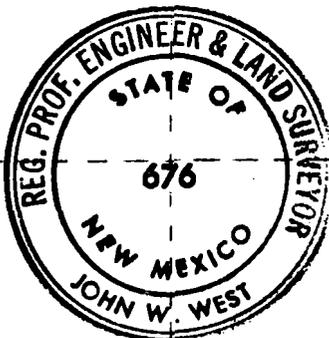
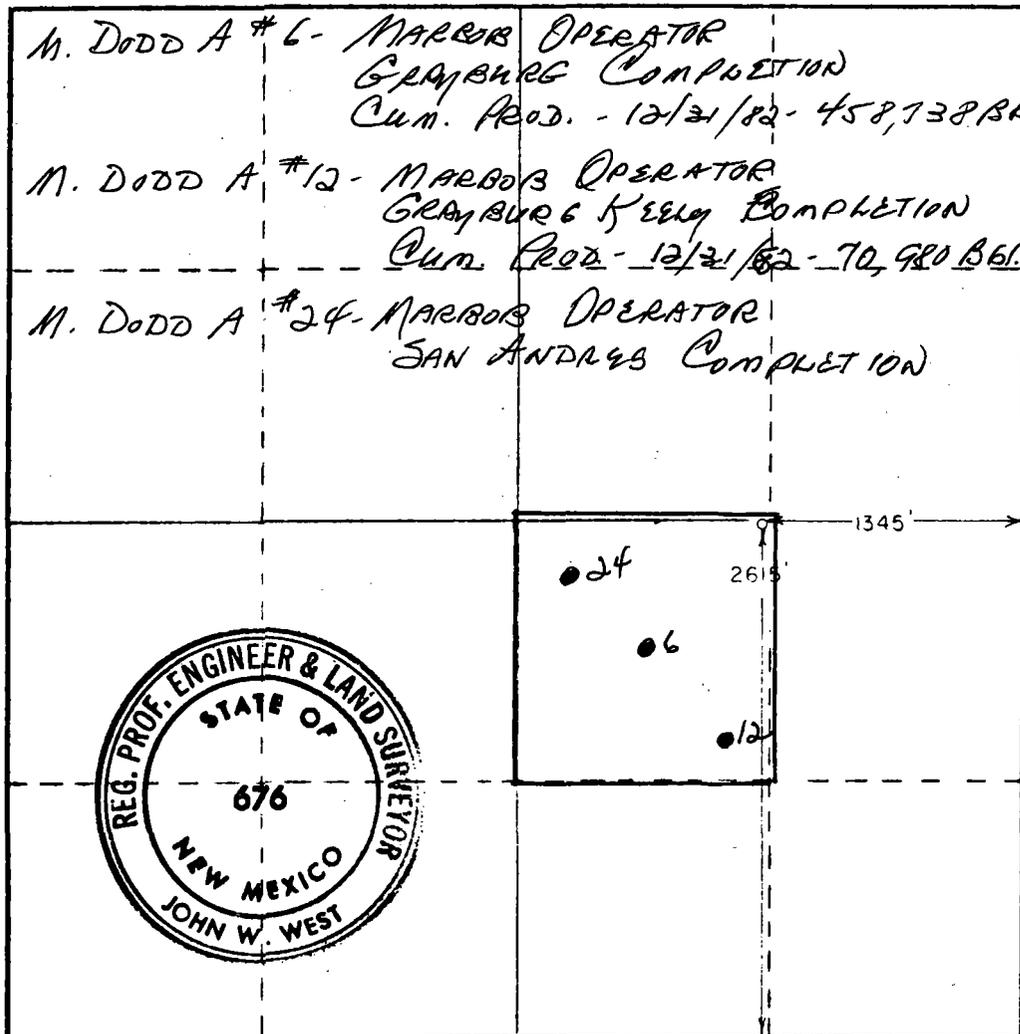
Operator MARBOB ENERGY CORP.		Lease M DODD A			Well No. 26
Unit Letter J	Section 22	Township 17S	Range 29E	County EDDY	
Actual Footage Location of Well: 2615 feet from the SOUTH line and 1345 feet from the EAST line					
Ground Level Elev. 3575.0	Producing Formation San Andres	Pool Grayburg Jackson	Dedicated 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
8/29/83

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
11/13/82
Registered Professional Engineer and/or Land Surveyor
John W. West

Certificate No.
JOHN W. WEST N.M. NO. 676



Rule 6:

M. Dodd "A" #26

Pool: Grayburg Jackson Seven Rivers Queen Grayburg San Andres

Standard spacing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. M. Dodd A #26 - 2615 FSL 1345 FEL Sec. 22-T17S-R29E
M. Dodd A #24 - 2310 FSL 2310 FEL Sec. 22-T17S-R29E
M. Dodd A #12 - 1650 FSL 1650 FEL Sec. 22-T17S-R29E
M. Dodd A #6 - 1980 FSL 1980 FEL Sec. 22-T17S-R29E

- b. #26 - 11/12/83
#24 - 8/2/83
#12 - 12/6/55
#6 - 4/10/37

- c. #26 - 1/4/84
#24 - 8/19/83
#12 - 3/9/56
#6 - 6/2/37

- d. None

- e. #26 - 18 bbl oil, 10 mcf gas/day
#24 - 42 bbl oil, 165 mcf gas/day
#12 - 24 bbl oil, 2-3 mcf gas/day
#6 - 3 bbl oil, no gas/day

- f. NA

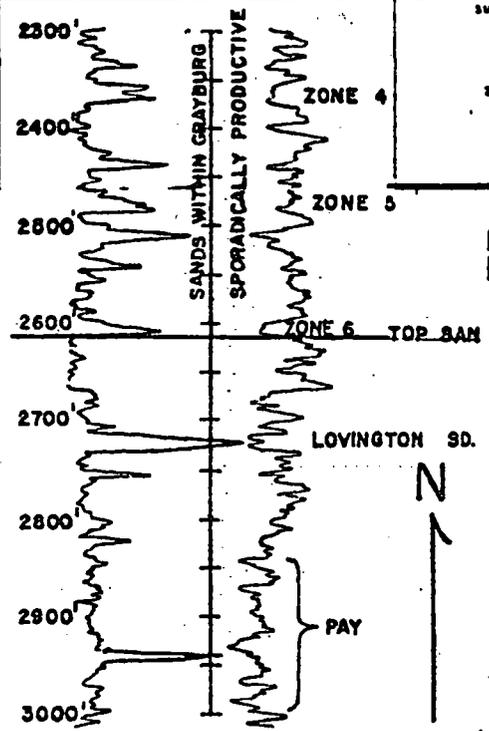
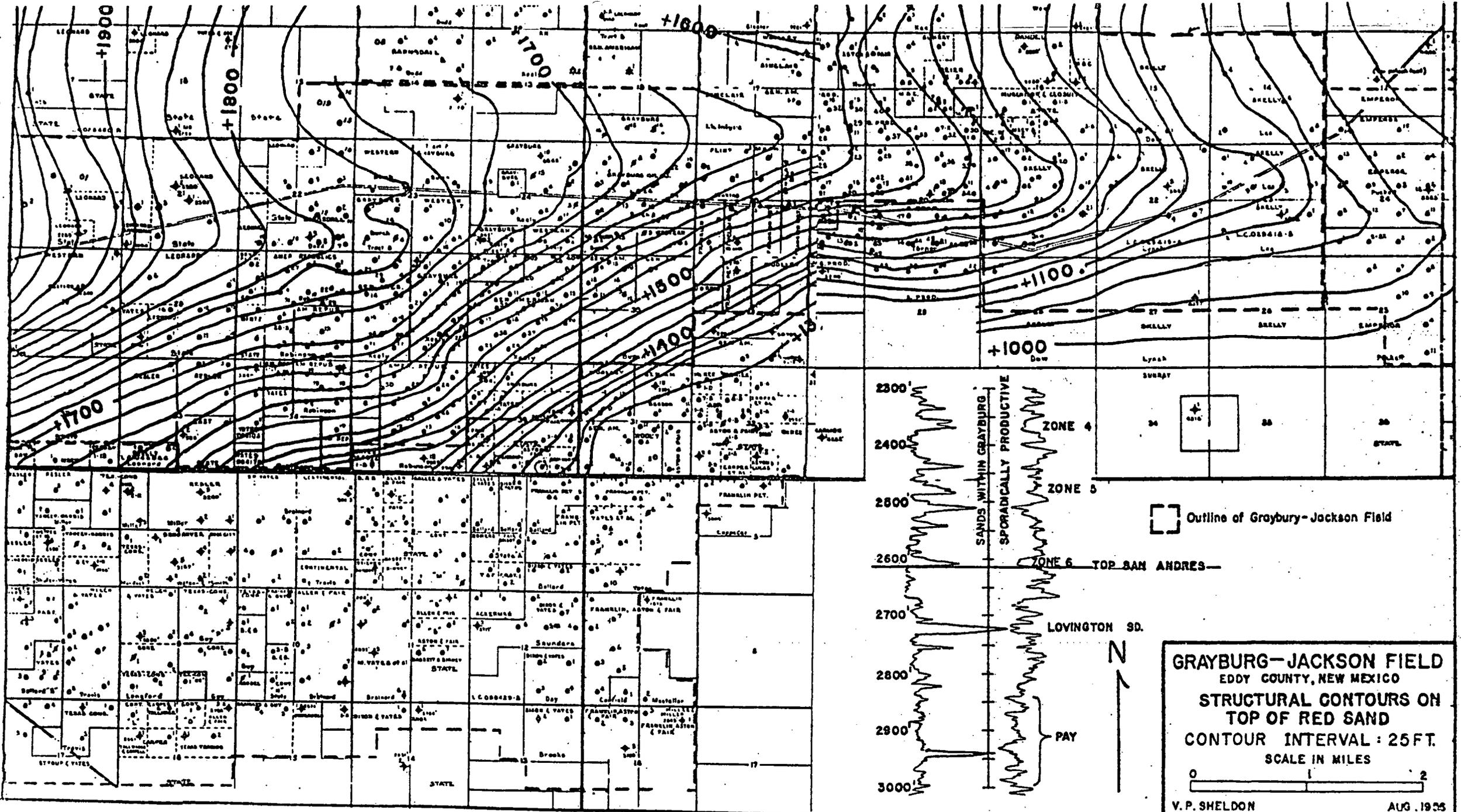
- g. The #4 well produces no gas. The #12 well produces a negligible amount of gas. The #24 experienced new reservoir conditions when it was drilled. Likewise, new reservoir conditions have been experienced on the #26. The #26 did not impact the production reservoir of the #24. The complexity of this reservoir and the new reservoir type production rates obtained in the new well indicate it was necessary to drill the new well to properly drain the reservoir.

Rule 9-A

T 17 S

T 18 S

R 29 E



GRAYBURG-JACKSON FIELD
 EDDY COUNTY, NEW MEXICO
STRUCTURAL CONTOURS ON
TOP OF RED SAND
 CONTOUR INTERVAL: 25 FT.
 SCALE IN MILES

0 1 2

V. P. SHELDON AUG. 1935



FIG. 1
 100

1

100

Marbob Energy Corporation
M. Dodd "A" Fed. Well #26
Grayburg Jackson
Eddy County, New Mexico

Engineering Appraisal and Conclusions:

Well No. 26 was completed in the Grayburg Jackson Pool on January 1, 1984. This is an infill well located as per the attached plat.

Two accepted engineering principles were used in the preparation of estimated recoverable hydrocarbons. First, an analysis of the electric log was made with a volumetric calculation based on a twenty acre drainage unit. Secondly, analagous comparisons with comparable wells in the area were utilized. The economic producing limit on the wells was considered to be reached with a producing rate of 1 BOPD.

Effective January 1, 1984 the recoverable oil reserves will be 19,106 barrels, recoverable gas reserves will be 9,553 mcf.

Based on the initial producing rate of this well it is evident that increased pattern density on no smaller allocation than 20 acres is necessary to properly drain and produce existing reserves.

It is also my conclusion that infill wells will experience original reservoir conditions.

Paul G. White
Paul G. White
Petroleum Engineer

2-29-84
Date

Rule # 9-B

Rule 11:

Notice of this infill request has been sent to General American Oil Co., P.O. Box 3306, Odessa, Texas 79760; and Tenneco Oil Exploration & Production, 6800 Park Ten Blvd., Suite 200 North, San Antonio, Texas 79212; as offset operators.

Marbob Energy Corporation

P. O. DRAWER 217
ARTESIA, NEW MEXICO 88210

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

February 20, 1984

— 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:

M. Dodd "A" #26
2615 FSL 1345 FEL Sec. 22-T17S-R29E
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.

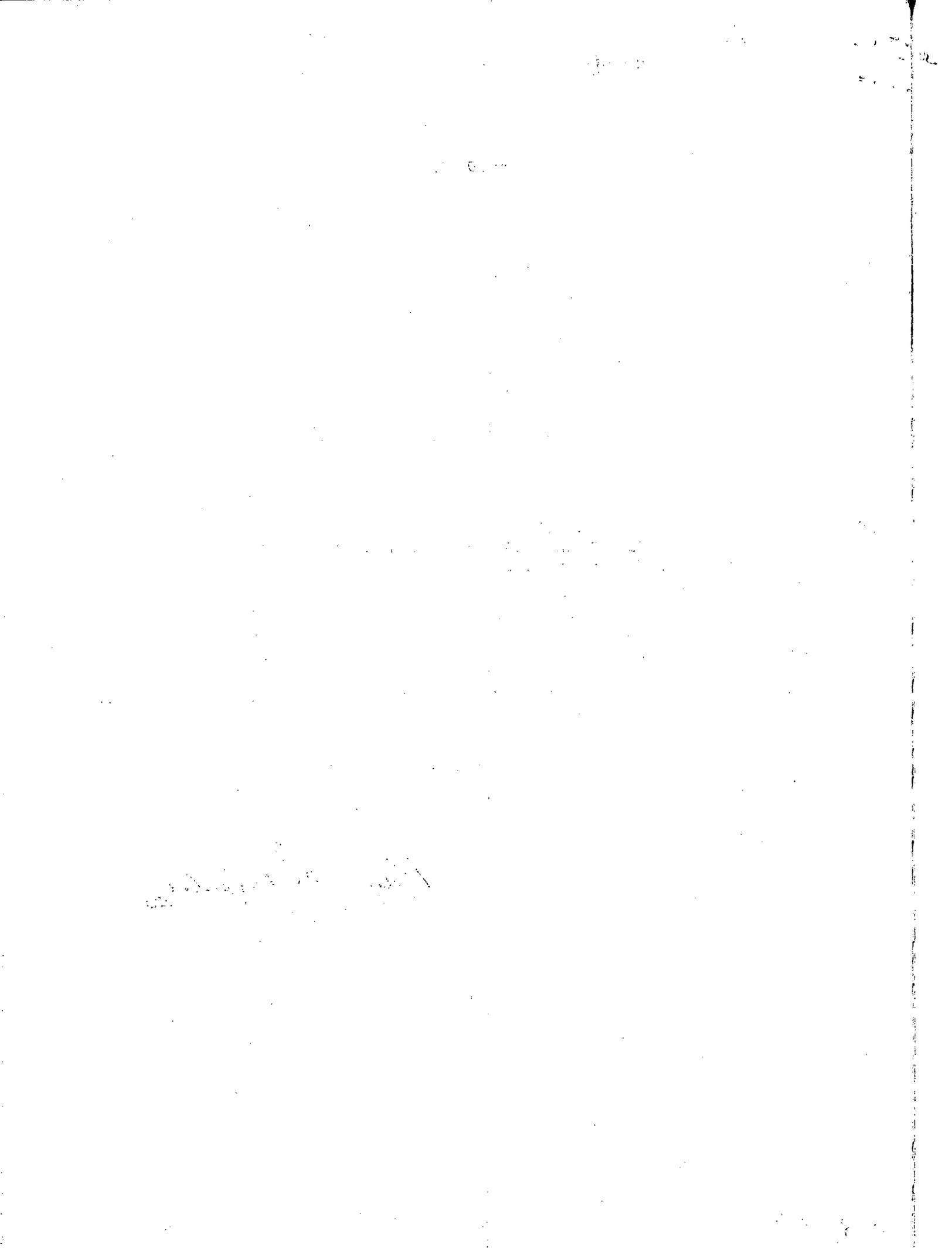
If there are any questions please contact me.

Very truly yours,


Raye P. Miller
Land Department

RPM/co

2-20-84



Request for Infill Finding on

M. Dodd "A" #26

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-24615

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Marbob Energy Corporation

3. ADDRESS OF OPERATOR
 P.O. Dr. 217, Artesia, N.M. 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 2615 FSL 1345 FEL
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
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 16. NO. OF ACRES IN LEASE 600
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18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 600'
 19. PROPOSED DEPTH 3450'
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3575' GR
 22. APPROX. DATE WORK WILL START* 9/15/83

5. LEASE DENIGATION AND SERIAL NO.
 LC-028731 (A)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 M. Dodd "A"

9. WELL NO.
 26

10. FIELD AND POOL, OR WILDCAT
 Grayburg Jackson

11. SEC., T., B., M., OR BLK. AND SURVEY OR AREA
 Sec. 22-17S-29E

12. COUNTY OR PARISH | 13. STATE
 Eddy | N.M.

NWSE
J

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
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 FEDERAL BUREAU OF REVENUE

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24. SIGNED Carolyn Orrie TITLE Production Clerk DATE 8/29/83 #5

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY David A. Glass TITLE Chief Branch of Fluids DATE 09-21-83

CONDITIONS OF APPROVAL, IF ANY:
For Armando A. Lopez

*See Instructions On Reverse Side

APPROVAL SUBJECT TO
 GENERAL REQUIREMENTS AND
 SPECIAL STIPULATIONS
 ATTACHED

NMOC Approval For. North Texas Location

NEW 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

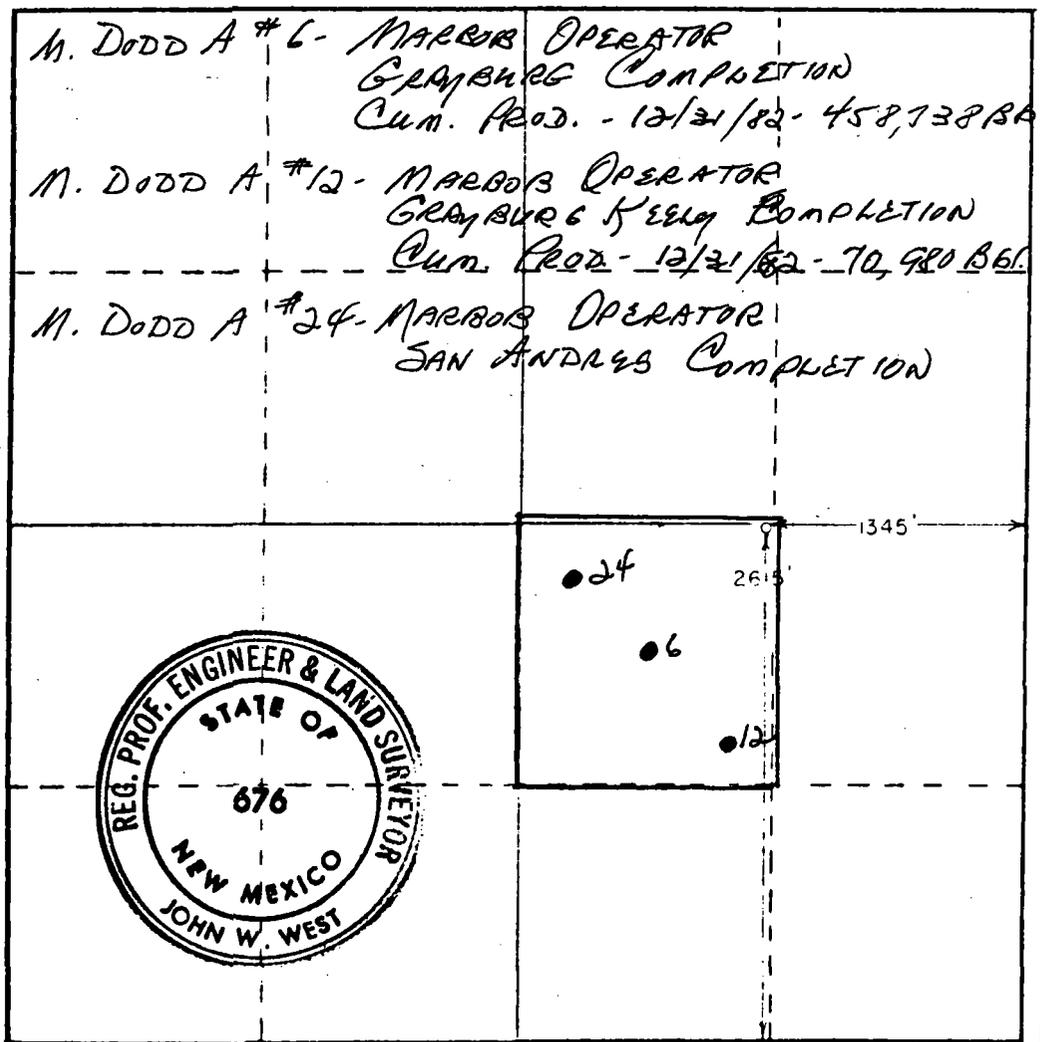
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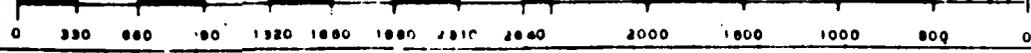
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CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>Carolyn Orris</i>	
Name	Carolyn Orris
Position	Production Clerk
Company	Marbob Energy Corporation
Date	8/29/83
I 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	11/13/82
Registered Professional Engineer and/or Land Surveyor <i>John W. West</i>	
Certificate No. JOHN W. WEST N.M. NO. 676	



Rule 6:

M. Dodd "A" #26

Pool: Grayburg Jackson Seven Rivers Queen Grayburg San Andres

Standard spacing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. M. Dodd A #26 - 2615 FSL 1345 FEL Sec. 22-T17S-R29E
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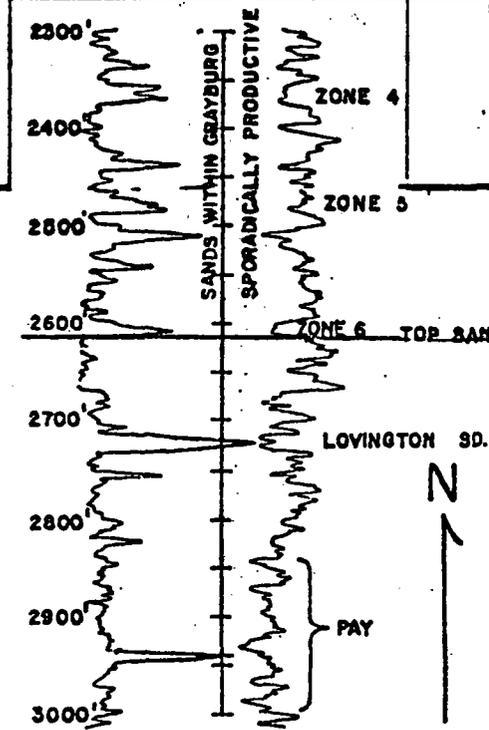
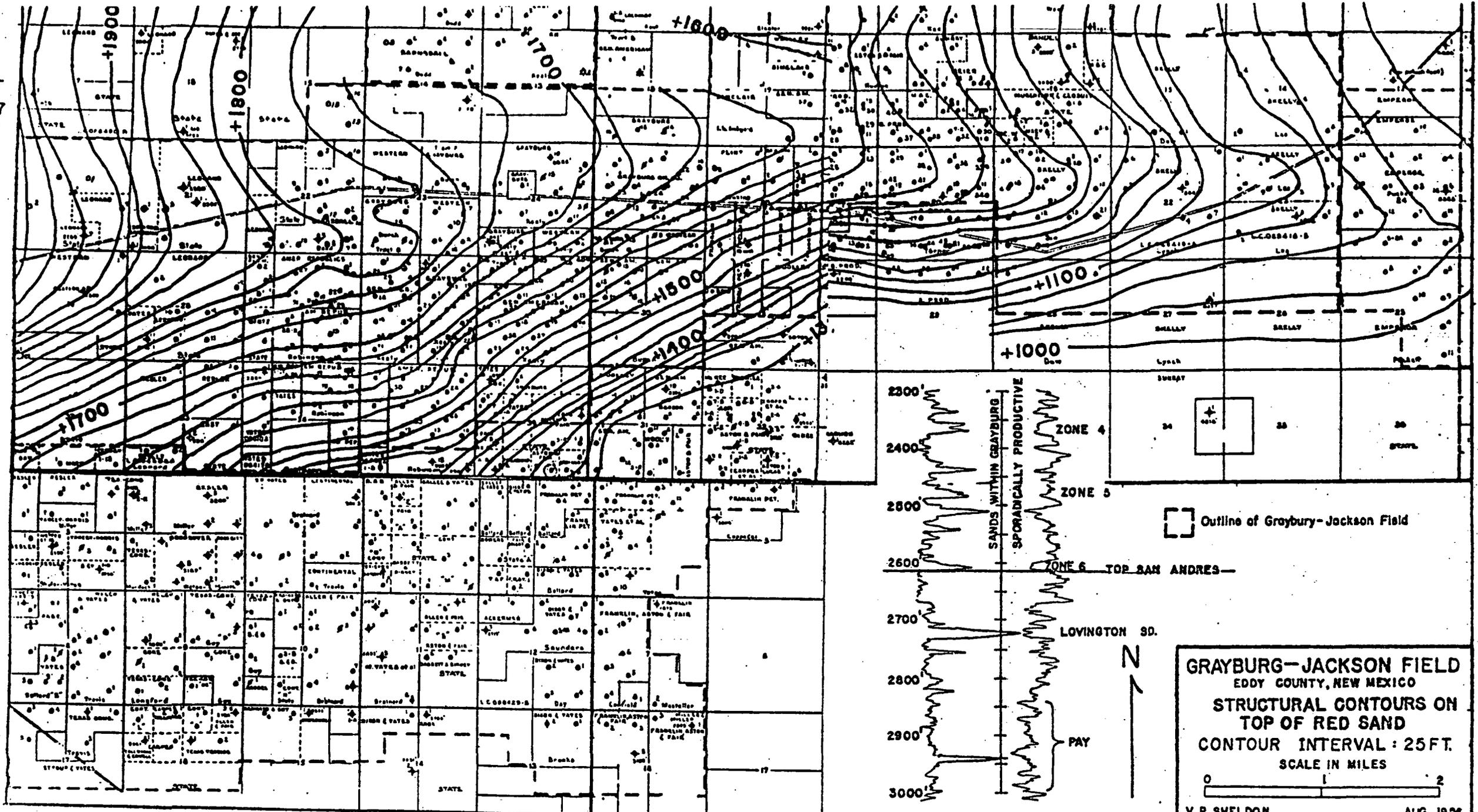
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Rule 9-A

T 17 S

T 18 S



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 EDDY COUNTY, NEW MEXICO
STRUCTURAL CONTOURS ON
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 CONTOUR INTERVAL: 25 FT.
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R 29 E

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Paul G. White
Petroleum Engineer

2-29-84
Date

Rule # 9-B

Rule 11:

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Marbob Energy Corporation

P. O. DRAWER 217
ARTESIA, NEW MEXICO 88210

— OFFICE PHONE —
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February 20, 1984

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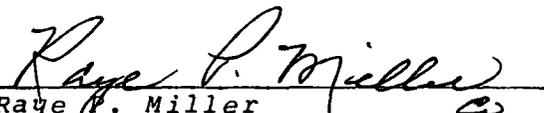
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Ray P. Miller
Land Department

RPM/co

2-20-84