

OIL CONSERVATION DIVISION

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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER

NFL 85

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. 27
Location: Unit P Sec. 22 Twp. 17South Rng. 29 East Cty. Eddy

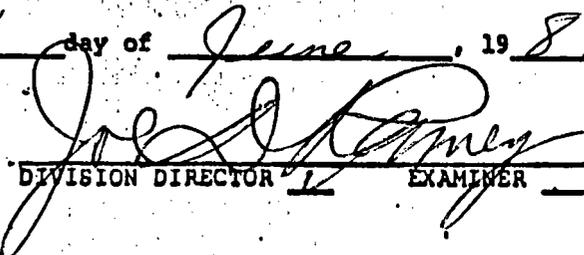
II.
THE DIVISION FINDS:

- (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 SE/4 SE/4 of Sec. 22, Twp. 17South, Rng. 29East, is currently dedicated to the M Dodd "A" Federal Wells Nos. 4 & 7 both located in Unit P of said section.
- (5) That this proration unit is () 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 14,935 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 26 day of June, 19 84.


DIVISION DIRECTOR 1 EXAMINER _____

cc: OCD Artesia
Well File
USBLM Roswell

Request for Infill Finding on
M. Dodd "A" #27
in accordance with Administrative
Procedures amended February 8, 1980

RECEIVED
MAR 07 1984
OIL CONSERVATION DIVISION
SANTA FE

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

30-015-24609

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION 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" Fed.

9. WELL NO.
27

10. FIELD AND POOL, OR WILDCAT
Grbg Jackson SR Qn Grbg SA

11. SEC., T., B., M., OR BLE. AND SURVEY OR AREA
Sec. 22-T17S-R29E

12. COUNTY OR PARISH
Eddy

13. STATE
N.M.

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. Drawer 217, Artesia, N.M. 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
At proposed prod. zone 940 FSL 330 FEL

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

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'

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. 460'

19. PROPOSED DEPTH 3500'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3570.3' GR

22. APPROX. DATE WORK WILL START*
10-1-83

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#	3500'	500 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
MAR 07 1984
OIL CONSERVATION DIVISION
SANTA FE

RECEIVED
AUG 30 9 20 AM '83

Rule #5

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 *Carlynn Davis* TITLE Production Clerk DATE 8-26-83

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY *Amanda A. Lopez* TITLE Chief, Branch of Fluids DATE 9/21/83

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

**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.

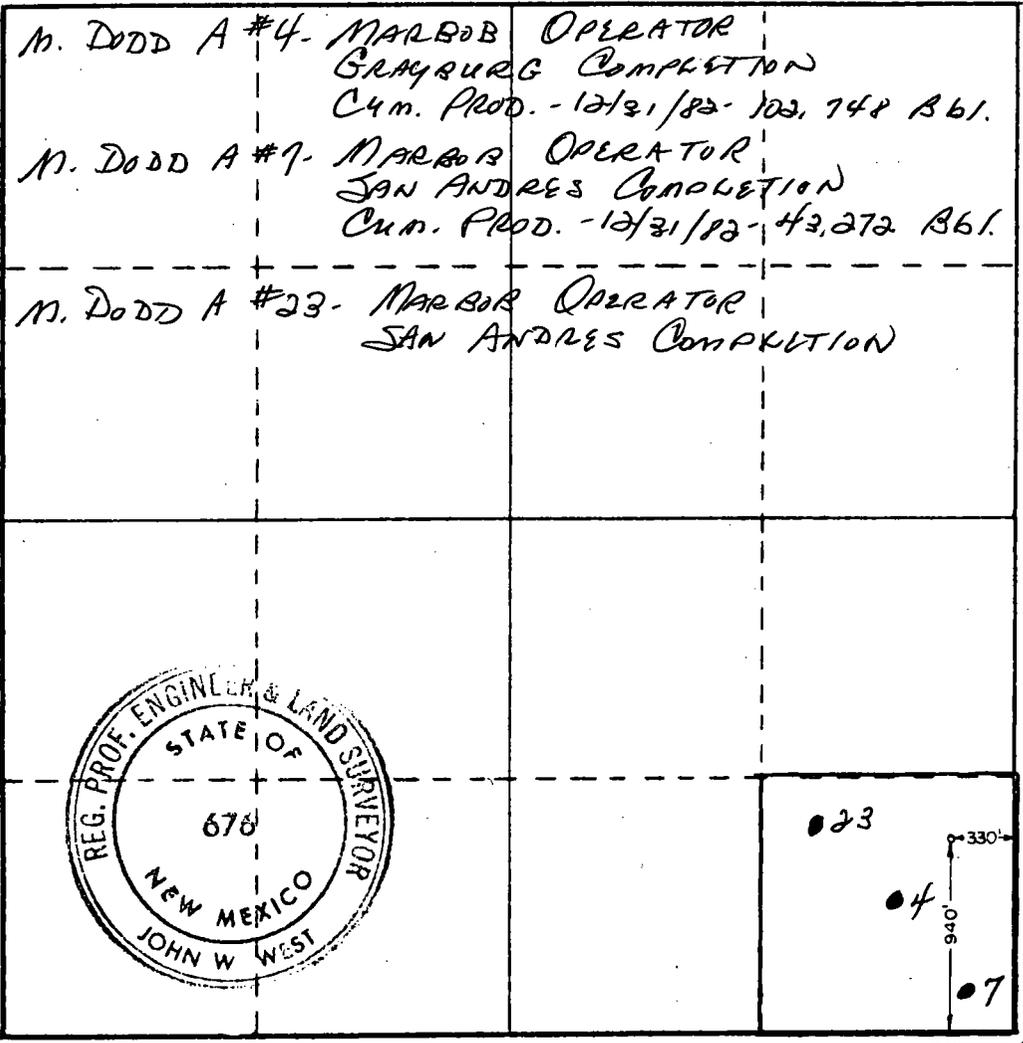
Operator MARBOB ENERGY CORPORATION			Lease M DODD "A" FED.		Well No. 27
Unit Letter P	Section 22	Township 17 SOUTH	Range 29 EAST	County EDDY	
Actual Footage Location of Well: 940 feet from the SOUTH line and 330 feet from the EAST line					
Ground Level Elev. 3570.3	Producing Formation San Andres		Pool Grbg Jackson SR Qn 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

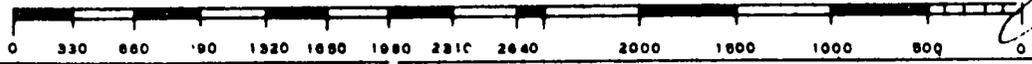
Name	Carolyn Orris
Position	Production Clerk
Company	Marbob Energy Corporation
Date	2/21/83

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.

John W. West #5

Date Surveyed	2/10/83
Registered Professional Engineer and/or Land Surveyor	<i>John W. West</i>

Certificate No	JOHN W. WEST NO. 676
----------------	-----------------------------



Rule 6:

M. Dodd "A" #27

Pool: Grayburg Jackson Seven Rivers Queen Grayburg San Andres

Standard apcing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. M. Dodd A #27 - 940 FSL 330 FEL Sec. 22-T17S-R29E
M. Dodd A #23 - 990 FSL 990 FEL Sec. 22-T17S-R29E
M. Dodd A #7 - 330 FSL 330 FEL Sec. 22-T17S-R29E
M. Dodd A #4 - 660 FSL 660 FEL Sec. 22-T17S-R29E
- b. #27 - 11/2/83
#23 - 6/22/83
#7 - 10/18/48
#4 - 10/17/36
- c. #27 - 12/30/83
#23 - 7/15/83
#7 - 10/18/48
#4 - 12/11/36
- d. None
- e. #27 - 21 bbl oil/15 mcf gas/day
#23 - 45 bbl oil, 200 mcf gas/day
#7 - 10 bbl oil, 1 mcf gas/day
#4 - 1 bbl oil, no gas/day
- f. NA
- g. *The #6 well produces no gas. The #7 well produces a negligible amount of gas. The #23 experienced new reservoir conditions when it was drilled. Likewise, new reservoir conditions have been experienced on the #27. The #27 did not impact the production reservoir of the #23. 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.*

Marbob Energy Corporation
M. Dodd "A" Fed. Well #27
Grayburg Jackson
Eddy County, New Mexico

Engineering Appraisal and Conclusions:

Well No. 27 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 21,336 barrels, recoverable gas reserves will be 14,935 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., of Texas, P.O. Box 3306, Odessa, Texas 79760; Southland Royalty Co., 21 Desta Dr., Midland, Texas 79701; Tenneco Oil Exploration & Production, 6800 Park Ten Blvd., Suite 200 North, San Antonio, Texas 79212; as offset operators.

2.20-84

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" #27
940 FSL3330 FEL Sec. 22-T17S-R29E
Eddy County, N.M.

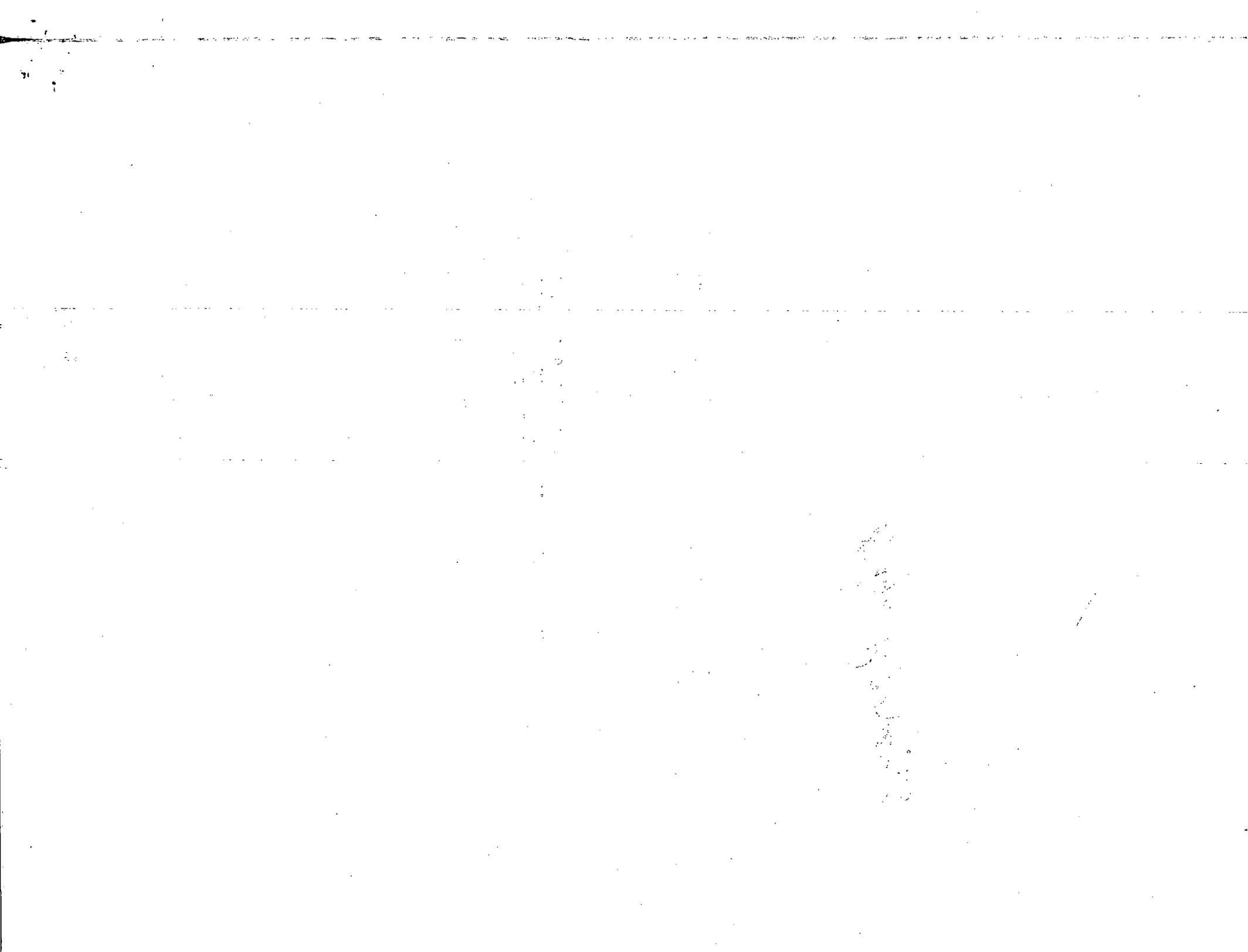
This notice is given pursuant to the Special Rules and Regulations Natural Gas Policy Act Infill Finding Administrative Procedure (amended February 8, 1980). These special rules and regulations shall apply to effective and efficient drainage findings for completed infill wells pursuant to Section 271.305 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 C.O.
Land Department

RPM/co



Request for Infill Finding on

M. Dodd "A" #27

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

(Other Instructions on reverse side)

Budget Bureau No. 42-101425.

30-015-24609

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. Drawer 217, Artesia, N.M. 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 At proposed prod. zone 940 FSL 330 FEL

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

10. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'

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. 460'

19. PROPOSED DEPTH 3500'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3570.3' GR

22. APPROX. DATE WORK WILL START*
 10-1-83

5. LEASE DESIGNATION 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" Fed.

9. WELL NO.
 27

10. FIELD AND POOL, OR WILDCAT
 Grbg Jackson SR Qn Grbg S

11. SEC., T., B., M., OR BLK. AND SURVEY OR AREA
 Sec. 22-T17S-R29E

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

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#	3500'	500 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 9 26 AM '83

Rule #5

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 *Carlynn Davis* TITLE Production Clerk DATE 8-26-83

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY *Demande A. Lopez* TITLE Chief, Branch of Fluids DATE 9/21/83

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

APPROVAL SUBJECT TO
 GENERAL REQUIREMENTS AND
 SPECIAL STIPULATIONS
 ATTACHED

**(N) 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

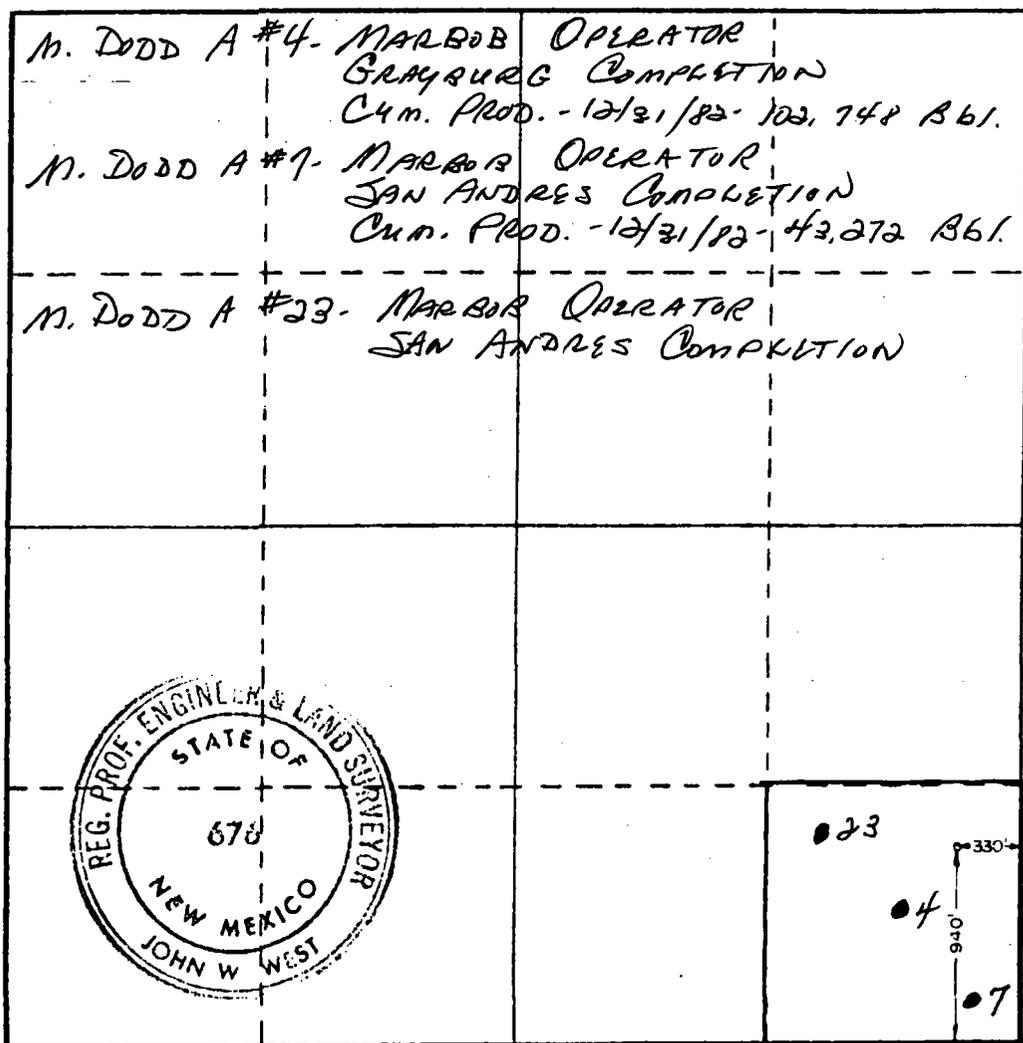
Operator MARBOB ENERGY CORPORATION			Lease M DODD "A" FED.		Well No. 27
Unit Letter P	Section 22	Township 17 SOUTH	Range 29 EAST	County EDDY	
Actual Footage Location of Well: 940 feet from the SOUTH line and 330 feet from the EAST line					
Ground Level Elev. 3570.3	Producing Formation San Andres	Pool Grbg Jackson SR 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
2/21/83

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.

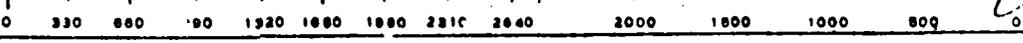
John W. West #5

Date Surveyed
2/10/83

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No
JOHN W. WEST NO. 676



Rule 6:

M. Dodd "A" #27

Pool: Grayburg Jackson Seven Rivers Queen Grayburg San Andres

Standard apcing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. M. Dodd A #27 - 940 FSL 330 FEL Sec. 22-T17S-R29E
M. Dodd A #23 - 990 FSL 990 FEL Sec. 22-T17S-R29E
M. Dodd A #7 - 330 FSL 330 FEL Sec. 22-T17S-R29E
M. Dodd A #4 - 660 FSL 660 FEL Sec. 22-T17S-R29E

- b. #27 - 11/2/83
#23 - 6/22/83
#7 - 10/18/48
#4 - 10/17/36

- c. #27 - 12/30/83
#23 - 7/15/83
#7 - 10/18/48
#4 - 12/11/36

- d. None

- e. #27 - 21 bbl oil/15 mcf gas/day
#23 - 45 bbl oil, 200 mcf gas/day
#7 - 10 bbl oil, 1 mcf gas/day
#4 - 1 bbl oil, no gas/day

- f. NA

- g. The #6 well produces no gas. The #7 well produces a negligible amount of gas. The #23 experienced new reservoir conditions when it was drilled. Likewise, new reservoir conditions have been experienced on the #27. The #27 did not impact the production reservoir of the #23. 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.

Marbob Energy Corporation
M. Dodd "A" Fed. Well #27
Grayburg Jackson
Eddy County, New Mexico

Engineering Appraisal and Conclusions:

Well No. 27 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 21,336 barrels, recoverable gas reserves will be 14,935 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., of Texas, P.O. Box 3306, Odessa, Texas 79760; Southland Royalty Co., 21 Desta Dr., Midland, Texas 79701; Tenneco Oil Exploration & Production, 6800 Park Ten Blvd., Suite 200 North, San Antonio, Texas 79212; as offset operators.

2.20-84

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that this is essential for ensuring the integrity and reliability of the financial data. The text notes that without proper record-keeping, it would be difficult to identify discrepancies or errors in the accounts.

2. The second part of the document outlines the various methods used to collect and analyze financial data. It describes how data is gathered from different sources and how it is processed to generate meaningful insights. The text highlights the use of advanced software tools and techniques to streamline these processes and improve the accuracy of the results.

3. The third part of the document focuses on the role of management in overseeing the financial operations. It discusses how management should ensure that all financial activities are conducted in accordance with established policies and procedures. The text also mentions the importance of regular communication and reporting to keep management informed of the current financial status and any potential risks.

4. The fourth part of the document addresses the challenges faced in the financial management process. It identifies common issues such as data inconsistency, incomplete records, and lack of transparency. The text provides suggestions for how these challenges can be overcome through better planning, training, and the implementation of robust internal controls.

5. The final part of the document concludes by summarizing the key points discussed and reiterating the importance of a proactive and systematic approach to financial management. It encourages the organization to continuously monitor and improve its financial practices to ensure long-term success and stability.

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:

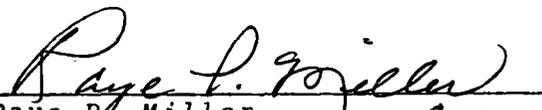
Notice is hereby given to you as an offset operator to the request of Marbob Energy Corporation to the New Mexico Oil Conservation Division for an infill finding on the following well:

M. Dodd "A" #27
940 FSL 330 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 C.O.
Land Department

RPM/co

1948

1949

1950

1951

1952

1953

1954

1955

1956

1957

