

23. March 07 DATE IN	SUSPENSE	D. Brooks ENGINEER	27. March 07 LOGGED IN	NSL TYPE	PCP0708627237 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Marbols
High Net Fed #1
5604

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] ☒ Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] ☐ Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] ☐ Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] ☐ Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address



2007 MAR 23 AM 8 33

marbob
energy corporation

Certified Receipt Return

March 21, 2007

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

Attention: Mr. Richard Ezeanyim

RE: Unorthodox Location
Administrative Approval Request
High Net Federal #1
100' FNL 2140' FEL
BHL: 2310' FNL & 2310' FEL
Section 2, T-25S R-28E
Eddy County, New Mexico

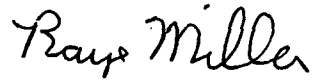
Dear Mr. Ezeanyim:

Marbob Energy Corporation respectfully request administrative approval for the above described unorthodox location of the High Net Federal #1. Attached is an OCD Form C-102 showing the proposed oil well spacing unit along with a map showing the adjoining spacing units. The well is unorthodox to the North boundary which is the SW/4 SE/4 of Section 35 T-24S R-28E. Also enclosed is a directional drilling plan with a schematic showing the horizontal drilling plan. The top of the Delaware formation should be encountered in the vertical hole at about 2610 feet subsurface. This location will permit us to drill a longer horizontal lateral through the formation within the orthodox offsets of 330 feet from the exterior boundaries. It takes about 450 feet to build our curve. We have drilled several wells similar to this proposal in this area. The most recent one was the Scared Hawk State Com #1 in Section 4 T-25S R-28E which was approved under Administrative Order NSL-5444. We do not plan on having any perforations in the vertical section and do not object to the order reflecting that. The offset operator to the northwest is Mewbourne Oil Company. A complete copy of this application has been provided to them with a copy of the notice letter attached. The offset operator to the west is Vernon E. Faulcner. A complete copy of our application has also been sent to them. Yates Petroleum is the offset operator to the south. There are no active wells in the southeast quarter of section 35 T-24S R-28E. We do not find any active lease of record on those minerals. As a result we have

sent a copy of this application to Devon Energy Production Company LP as they are the Fee mineral owner of the affected proration unit. A copy of their notice letter is enclosed. Copies of the fax confirmations are enclosed to evidence our notice. We would request your approval of this unorthodox location.

Thank you for your help with this request. If you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Raye Miller". The signature is written in a cursive style with a large, stylized "M".

Raye Miller
Land Department

RM/na
Attachments

State of New Mexico

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

1301 W. GRAND AVENUE, ARTESHA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name <i>Willow State, Delaware</i>	64453
Property Code	Property Name HIGH NET FEDERAL		Well Number 1
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION		Elevation 2960

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	2	25-S	28-E		100	NORTH	2140	EAST	EDDY

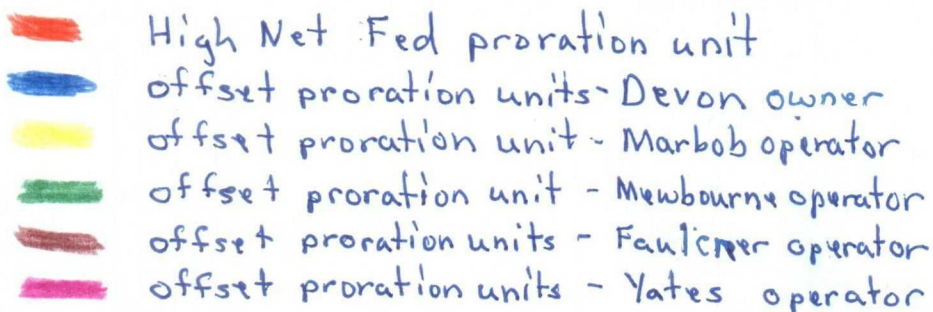
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	2	25-S	28-E		2500	NORTH	2140	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4 DETAIL 2964.4' 2957.7' 600' 600' 2962.0' 2956.5'	LOT 3 SURF. SEE DETAIL 2140' 100' 2500' GRID AZ = 180°10'41" HORIZ. GRID = 2400.0' LOT 2 LOT 1 2140' B.H.	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Nancy Agnew</i> 3/20/07 Signature Date Nancy Agnew Printed Name
GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=424262.7 N X=585880.4 E	BOTTOM HOLE LOCATION Y=421863.3 N X=585872.9 E	SURVEYOR CERTIFICATION 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 belief. JANUARY 1, 2007 Date Surveyed REVISION DATE: 3/15/07 Signature & Seal of Professional Surveyor <i>GARY EIDSON</i> 3/15/07 07.13.0335 Certificate No. GARY EIDSON 12641 RONALD L. EIDSON 3239



Pathfinder Energy

Planning Report

Company: Marbob Energy	Date: 3/20/2007	Time: 12:39:55	Page: 2
Field: High Net Federal #1	Co-ordinate(NE) Reference: High Net Federal #1, Grid North		
Site: High Net Federal #1	Vertical (TVD) Reference: SITE 0.0		
Well: High Net Federal #1	Section (VS) Reference: Well (0.00N,0.00E,180.18Azi)		
Wellpath: OH	Plan: Plan #1 3-20-07		

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
1700.00	0.00	0.00	1700.00	0.00	0.00	0.00	0.00	0.00	0.00	
1800.00	0.00	0.00	1800.00	0.00	0.00	0.00	0.00	0.00	0.00	
1900.00	0.00	0.00	1900.00	0.00	0.00	0.00	0.00	0.00	0.00	
2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2100.00	0.00	0.00	2100.00	0.00	0.00	0.00	0.00	0.00	0.00	
2200.00	0.00	0.00	2200.00	0.00	0.00	0.00	0.00	0.00	0.00	
2300.00	0.00	0.00	2300.00	0.00	0.00	0.00	0.00	0.00	0.00	
2400.00	0.00	0.00	2400.00	0.00	0.00	0.00	0.00	0.00	0.00	
2500.00	0.00	0.00	2500.00	0.00	0.00	0.00	0.00	0.00	0.00	
2600.00	0.00	0.00	2600.00	0.00	0.00	0.00	0.00	0.00	0.00	
2700.00	0.00	0.00	2700.00	0.00	0.00	0.00	0.00	0.00	0.00	
2800.00	0.00	0.00	2800.00	0.00	0.00	0.00	0.00	0.00	0.00	
2900.00	0.00	0.00	2900.00	0.00	0.00	0.00	0.00	0.00	0.00	
3000.00	0.00	0.00	3000.00	0.00	0.00	0.00	0.00	0.00	0.00	
3100.00	0.00	0.00	3100.00	0.00	0.00	0.00	0.00	0.00	0.00	
3200.00	0.00	0.00	3200.00	0.00	0.00	0.00	0.00	0.00	0.00	
3300.00	0.00	0.00	3300.00	0.00	0.00	0.00	0.00	0.00	0.00	
3400.00	0.00	0.00	3400.00	0.00	0.00	0.00	0.00	0.00	0.00	
3500.00	0.00	0.00	3500.00	0.00	0.00	0.00	0.00	0.00	0.00	
3600.00	0.00	0.00	3600.00	0.00	0.00	0.00	0.00	0.00	0.00	
3700.00	0.00	0.00	3700.00	0.00	0.00	0.00	0.00	0.00	0.00	
3800.00	0.00	0.00	3800.00	0.00	0.00	0.00	0.00	0.00	0.00	
3900.00	0.00	0.00	3900.00	0.00	0.00	0.00	0.00	0.00	0.00	
4000.00	0.00	0.00	4000.00	0.00	0.00	0.00	0.00	0.00	0.00	
4100.00	0.00	0.00	4100.00	0.00	0.00	0.00	0.00	0.00	0.00	
4200.00	0.00	0.00	4200.00	0.00	0.00	0.00	0.00	0.00	0.00	
4300.00	0.00	0.00	4300.00	0.00	0.00	0.00	0.00	0.00	0.00	
4400.00	0.00	0.00	4400.00	0.00	0.00	0.00	0.00	0.00	0.00	
4500.00	0.00	0.00	4500.00	0.00	0.00	0.00	0.00	0.00	0.00	
4522.54	0.00	0.00	4522.54	0.00	0.00	0.00	0.00	0.00	0.00	KOP @ 4522' MD/TVD
4600.00	9.30	180.18	4599.66	-6.27	-0.02	6.27	12.00	12.00	0.00	
4700.00	21.30	180.18	4695.94	-32.60	-0.10	32.60	12.00	12.00	0.00	
4800.00	33.30	180.18	4784.65	-78.37	-0.24	78.37	12.00	12.00	0.00	
4900.00	45.30	180.18	4861.89	-141.59	-0.44	141.59	12.00	12.00	0.00	
5000.00	57.30	180.18	4924.31	-219.48	-0.69	219.49	12.00	12.00	0.00	
5100.00	69.30	180.18	4969.17	-308.65	-0.96	308.66	12.00	12.00	0.00	
5200.00	81.30	180.18	4994.51	-405.20	-1.27	405.20	12.00	12.00	0.00	
5272.54	90.00	180.18	5000.00	-477.46	-1.49	477.47	12.00	12.00	0.00	EOC @ 5272' MD, 5000' TVD
5300.00	90.00	180.18	5000.00	-504.92	-1.58	504.92	0.00	0.00	0.00	
5400.00	90.00	180.18	5000.00	-604.92	-1.89	604.92	0.00	0.00	0.00	
5500.00	90.00	180.18	5000.00	-704.92	-2.20	704.92	0.00	0.00	0.00	
5600.00	90.00	180.18	5000.00	-804.92	-2.52	804.92	0.00	0.00	0.00	
5700.00	90.00	180.18	5000.00	-904.92	-2.83	904.92	0.00	0.00	0.00	
5800.00	90.00	180.18	5000.00	-1004.92	-3.14	1004.92	0.00	0.00	0.00	
5900.00	90.00	180.18	5000.00	-1104.92	-3.45	1104.92	0.00	0.00	0.00	
6000.00	90.00	180.18	5000.00	-1204.92	-3.77	1204.92	0.00	0.00	0.00	
6100.00	90.00	180.18	5000.00	-1304.92	-4.08	1304.92	0.00	0.00	0.00	
6200.00	90.00	180.18	5000.00	-1404.92	-4.39	1404.92	0.00	0.00	0.00	
6300.00	90.00	180.18	5000.00	-1504.92	-4.70	1504.92	0.00	0.00	0.00	
6400.00	90.00	180.18	5000.00	-1604.92	-5.02	1604.92	0.00	0.00	0.00	
6500.00	90.00	180.18	5000.00	-1704.92	-5.33	1704.92	0.00	0.00	0.00	
6600.00	90.00	180.18	5000.00	-1804.92	-5.64	1804.92	0.00	0.00	0.00	
6700.00	90.00	180.18	5000.00	-1904.92	-5.95	1904.92	0.00	0.00	0.00	

Pathfinder Energy

Planning Report

Company: Marbob Energy Field: High Net Federal #1 Site: High Net Federal #1 Well: High Net Federal #1 Wellpath: OH				Date: 3/20/2007 Time: 12:39:55 Page: 3 Co-ordinate(NE) Reference: High Net Federal #1, Grid North Vertical (TVD) Reference: SITE 0.0 Section (VS) Reference: Well (0.00N,0.00E,180.18Azi) Plan: Plan #1 3-20-07			
---	--	--	--	--	--	--	--

Survey										
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
6800.00	90.00	180.18	5000.00	-2004.92	-6.27	2004.92	0.00	0.00	0.00	
6900.00	90.00	180.18	5000.00	-2104.91	-6.58	2104.92	0.00	0.00	0.00	
7000.00	90.00	180.18	5000.00	-2204.91	-6.89	2204.92	0.00	0.00	0.00	
7100.00	90.00	180.18	5000.00	-2304.91	-7.20	2304.92	0.00	0.00	0.00	
7194.49	90.00	180.18	5000.00	-2399.40	-7.50	2399.41	0.00	0.00	0.00	PBHL

Targets													
Name	Description Dip. Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<--- Latitude --->		<--- Longitude --->				
							Deg	Min	Sec	Deg	Min	Sec	
PBHL		5000.00	-2399.40	-7.50	421863.30	585872.90	32	9	34.253	N	104	3	21.018 W

Annotation		
MD ft	TVD ft	
4522.54	4522.54	KOP @ 4522' MD/TVD
5272.54	5000.00	EOC @ 5272' MD, 5000' TVD

MARBOB

Field: High Net Federal #1
 Site: High Net Federal #1
 Well: High Net Federal #1
 Wellpath: OH
 Plan: Plan #1 3-20-07



SITE DETAILS

High Net Federal #1
 Site Centre Northing: 424262.70
 Easting: 385880.40
 Ground Level: 2960.00
 Positional Uncertainty: 0.00
 Convergence: 0.15

ANNOTATIONS

No.	TVD	MD	Annotation
1	4522.54	4522.54	KOP @ 4522' MD/TVD
2	5000.00	5272.34	EOC @ 5272' MD, 5000' TVD

TARGET DETAILS

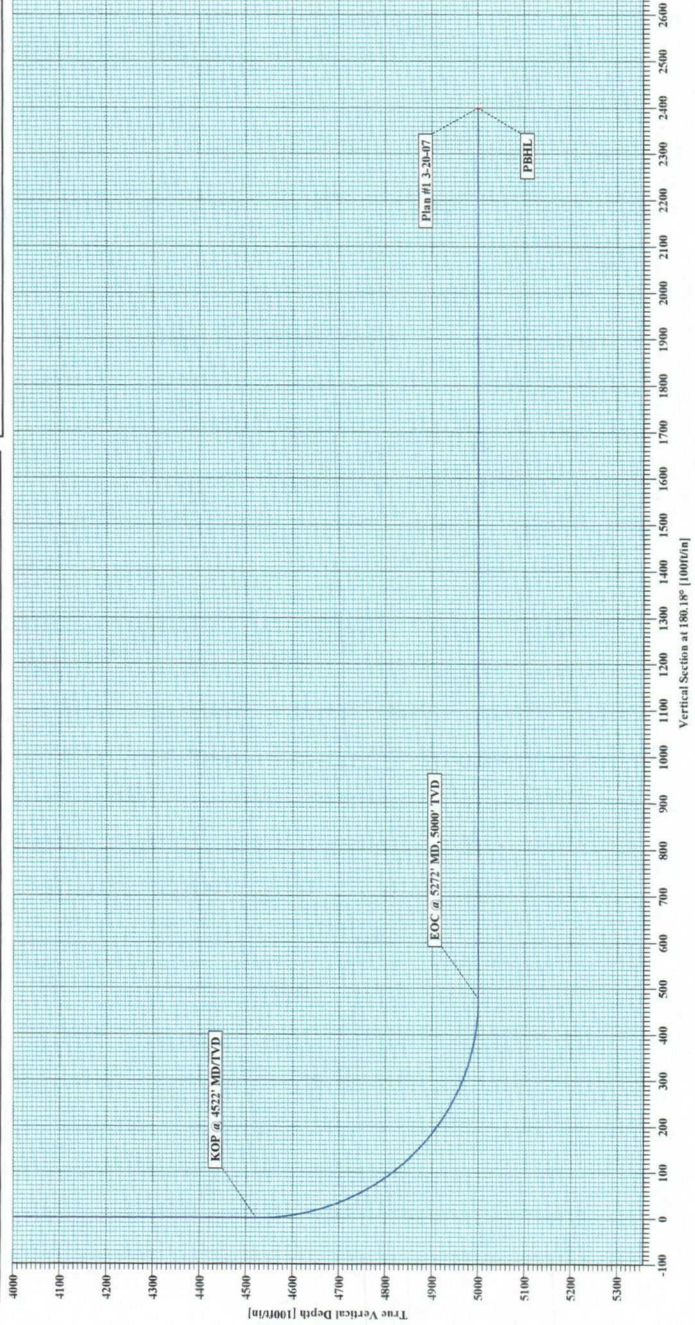
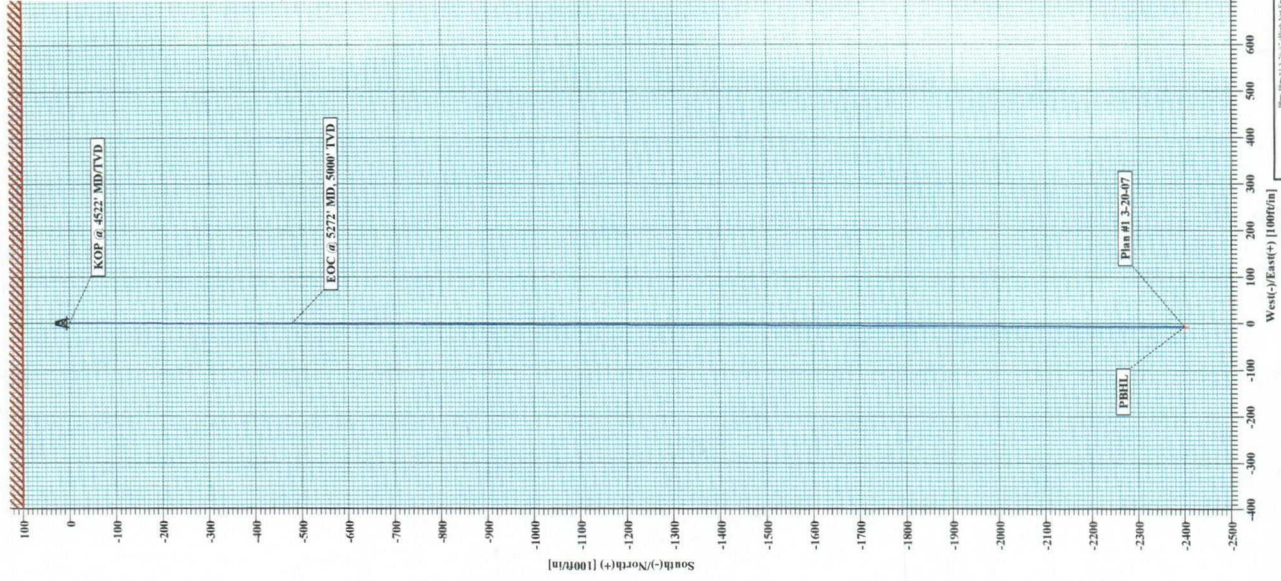
Name	TVD	+N/-S	+E/-W	Shape
PBHL	5000.00	-2399.40	-7.50	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	4522.54	0.00	0.00	4522.54	0.00	0.00	0.00	0.00	0.00	
3	5272.54	90.00	180.18	5000.00	-477.46	-1.49	12.00	180.18	477.47	
4	7194.49	90.00	180.18	5000.00	-2399.40	-7.50	0.00	0.00	2399.41	PBHL

WELLPATH DETAILS

Ref. Datum:	Rig:	OH
V Section Angle	180.18°	
Origin +N/-S	0.00	0.00
Origin +E/-W	0.00	0.00
Starting From TVD	5000.00	





March 21, 2007

Mewbourne Oil Company
500 West Texas Suite 1020
Midland, TX 79701

Attention: Mr. Paul Hayden

RE: Unorthodox Location
Offset Operator Notice
High Net Federal #1
100' FNL & 2140' FEL
Section 2 T-25S R-28E
Eddy County, New Mexico

Dear Paul:

Mewbourne is the operator of a well northwest of this proposed location. This letter serves as notice of our application for approval of this project. A copy of the full application is enclosed for your review. If you have any objection to this application please timely file your objection with OCD in Santa Fe. If you have any questions regarding our application please contact me.

Sincerely,

Raye Miller
Land Department

RM/na
Attachments



marbob
energy corporation

March 21, 2007

Vernon E. Faulcner
P.O. Box 7995
Tyler, TX 75711

Attention: Ms. Cindy Boatman

RE: Unorthodox Location
Offset Operator Notice
High Net Federal #1
100' FNL & 2140' FEL
Section 2 T-25S R-28E
Eddy County, New Mexico

Dear Cindy:

Faulcner is the operator of a well west of this proposed location. This letter serves as notice of our application for approval of this project. A copy of the full application is enclosed for your review. If you have any objection to this application please timely file your objection with OCD in Santa Fe. If you have any questions regarding our application please contact me.

Sincerely,

Raye Miller
Land Department

RM/na
Attachments



March 21, 2007

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Attention: Mrs. Janet Richardson

RE: Unorthodox Location
Offset Operator Notice
High Net Federal #1
100' FNL & 2140' FEL
Section 2 T-25S R-28E
Eddy County, New Mexico

Dear Janet:

Yates is the operator of a well south of this proposed location. This letter serves as notice of our application for approval of this project. A copy of the full application is enclosed for your review. If you have any objection to this application please timely file your objection with OCD in Santa Fe. If you have any questions regarding our application please contact me.

Sincerely,

Raye Miller
Land Department

RM/na
Attachments



March 21, 2007

Devon Energy Production Company LP
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

Attention: Mr. Ken Gray

RE: Unorthodox Location
Offset Owner Notice
High Net Federal #1
100' FNL & 2140' FEL
Section 2 T-25S R-28E
Eddy County, New Mexico

Dear Ken:

Devon owns the minerals in the Southeast quarter of Section 35 T-24S R-28E which are the north offset to the proposed location. It appears that there is no current active oil and gas lease on this tract. This letter serves as notice of our application for approval of this project. A copy of the full application is enclosed for your review. If you have an objection to this application please timely file your objection with OCD in Santa Fe. If you have any questions regarding our application please contact me.

Sincerely,

Raye Miller
Land Department

RM/na
Attachments

TRANSACTION REPORT

P. 01

MAR-21-2007 WED 07:59 AM

FOR: MARBOB ENERGY CORP

15057462523

SEND

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAR-21	07:57 AM	14326854170	2' 02"	14	FAX TX	OK	362	

TOTAL : 2M 2S PAGES: 14



FAX COVER SHEET

To:	Mr. Paul Hayden	From:	Nancy Agnew
Company:	Mewbourne Oil Company	Date:	March 21, 2007
Fax No.:	432-685-4170	Pages:	14
Re:	High Net Federal #1 Section 2, T-25S R-28E Eddy County, New Mexico		

If you have trouble receiving this fax, please call
Nancy at 505-748-3303.

P.01
TRANSACTION REPORT

MAR-21-2007 WED 08:02 AM

FOR: MARBOB ENERGY CORP

15057462523

SEND

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAR-21	08:00 AM	19035815072	2' 34"	14	FAX TX	OK	363	

TOTAL : 2M 34S PAGES: 14



FAX COVER SHEET

To:	Ms. Cindy Boatman	From:	Nancy Agnew
Company:	Vernon E Faulcner	Date:	March 21, 2007
Fax No.:	903-581-5072	Pages:	14
Re:	High Net Federal #1 Section 2, T-25S R-28E Eddy County, New Mexico		

If you have trouble receiving this fax, please call
Nancy at 505-748-3303.

TRANSACTION REPORT

MAR-21-2007 WED 08:04 AM

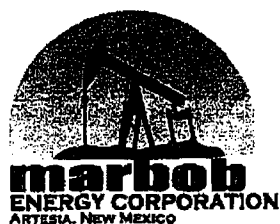
FOR: MARBOB ENERGY CORP

15057462523

SEND

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAR-21	08:03 AM	7484572	1' 45"	14	FAX TX	OK	364	

TOTAL : 1M 45S PAGES: 14



FAX COVER SHEET

To:	Mrs. Janet Richardson	From:	Nancy Agnew
Company:	Yates Petroleum Corporation	Date:	March 21, 2007
Fax No.:	748-4572	Pages:	14
Re:	High Net Federal #1 Section 2, T-25S R-28E Eddy County, New Mexico		

If you have trouble receiving this fax, please call
Nancy at 505-748-3303.

TRANSACTION REPORT

MAR-21-2007 WED 08:07 AM

FOR: MARBOB ENERGY CORP

15057462523

SEND

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAR-21	08:05 AM	14055528113	2' 17"	14	FAX TX	OK	365	

TOTAL : 2M 17S PAGES: 14



FAX COVER SHEET

To:	Mr. Ken Gray	From:	Nancy Agnew
Company:	Devon Energy Prod. Co. LP	Date:	March 21, 2007
Fax No.:	405-552-8113	Pages:	14
Re:	High Net Federal #1 Section 2, T-25S R-28E Eddy County, New Mexico		

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Nancy at 505-748-3303.