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

ADMI	NIST	RATIVE	ORDER	
NET	45			

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

Operator Marbob Energy Corp. Well Name and No. N.G. Phillips State Well	1 #25
Location: Unit J Sec. 27 Twp. 175 Rng. 28E 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 qua 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.	lify
(2) That by Order No. R-6013-A, dated February 8, 1980, the Division established an administrat procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.	ive
(3) That the well for which a finding is sought is completed in the Artesia Queen Graybur	rg ·
San Andrespool, and the standard spacing unit in said pool is40 ac	res.
(4) That a 40 -acre proration unit comprising the NW/4 SE/4	· .
of Sec. 27 , Twp. 175 , Rng. 28E , is currently dedicated to the N.G. Philli	 ins_
State Well No. 5 located in Unit J of said section.	<del></del> .
(5) That this proration unit is (X) standard () nonstandard; if nonstandard, said unit was preapproved by Order No.  (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.	viousl
(7) That the drilling and completion of the well for which a finding is sought should result in	ı
the production of an additional 86,863 MCF of gas from the proration unit which would otherwise be recovered.	not
(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 unit.	
(9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved.	t
IT IS THEREFORE ORDERED:	
(1) That the applicant is hereby authorized to drill the well described in Section I above as a 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 4th day of May, 19 82	
DIVISION DIRECTOR EXAMINER	

### **Marbob Energy Corporation**

P. O. DRAWER 217 ARTESIA, NEW MEXICO 88210

March 12, 1982

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

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

Mr. Michael E. Stogner
Petroleum Engineer
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Infill well applications

Dear Mike:

Please find enclosed two applications for infill well rulings. Although we have several to file with you, I wanted to have you review these before I sent more to see if these were complete, correct, and provided you with enough information to make a ruling. I have tried to closely follow the format you recommended.

When you have had a chance to review these please give me a call. Thanks for your help.

Sincerely,

Raye P. Miller

Land Department

RPM

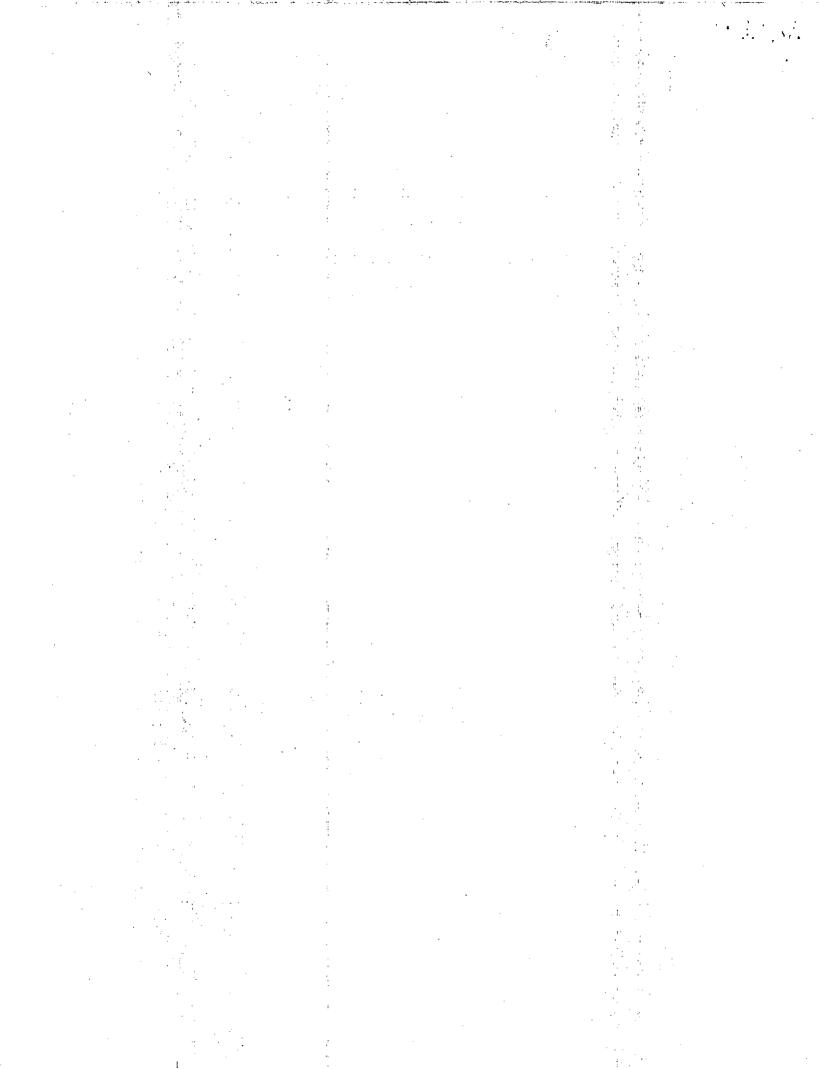
Encl.

Request for Infill Finding on

NG Phillips State #25

in accordance with Administrative

Procedures Amended February 8, 1980



NO. OF COPIES RECEIVED					30-01	15-23640
DISTRIBUTION	NEW	MEXICO OIL CONSE	RYATION COMMISS	-	Form C-101	
SANTÀ FE			~ E-1 / ( ()		Revised 1-1-65	
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U.S.G.S.	<del>  </del>	JAN 2	8 1981		STATE X	
LAND OFFICE	- ·	· .		٥.	.5, State Oil &	1 1
OPERATOR V	الــــا	0. (	** *		B-20	
ADDI ICATION	LEOD DEDUIT TO	APTERIA			IIIIII	
APPLICATION In. Type of Work	FOR PERMIT TO	DRILL, DEEPEN, I	UR PLUG BACK	<del></del>	7. Unit Agreem	ent Name
		(		_	,	
b. Type of Well DRILL		DEEPEN []	PL	UG BACK	8, Farm or Lea	se Name
OIL X GAS WELL	ОТИЕЯ		SINGLE X	MULTIPLE ZONE	NG Phil	lips St.
2. Name of Operator	OTHER		IONE KA	ZONE L	9. Well No.	1103 50.
Marbob Energy Co	rp.				25	
3. Address of Operator						ool, or Wildent
P.O. Box 304, Ar	tesia, N.M. 8	88210			Artesia (	Qn. Grbg. SA
4. Location of Well UNIT LETTE	R Joc	ATED 2185.7 ,	EET FROM THE SOL	ith LINE	MMM	
ĺ		•				
AND 1961.7 FEET FHOM	THE East LIN	1 or sec. 27 T	WP. 175 AGE.	28E NMPM	VIIIIII	
					12. County	
					Eddy	HHHH
HHHHHH	44444444	<i>HHHHH</i>	9. Proposed Depth	19A. Formatio		0. Rotory or C.T.
			2150'	Premie	1	Rotary
21. Elevations (Show whether l) ?,	RT; etc.) 21A. Kind	6 Status Plug. Bond 2	11B. Drilling Contract	1 .		NULALY Date Work will start
3655' GR	l l	the second second	Stewart Bros.		1 2 1	1 1
23.			4		74 191.	
		ROPOSED CASING AND	CEMENT PROGRAM	M 		
SIZE OF HOLE	SIZE OF CASING	1				ÉST. TOP
12½'	8 5/8''	24#	500'	Circul		
7 7/8"	4 1/2''	10.50#	2150'	Accemp	t to circ.	
		ì			1	
		•				
We propose to	drill to 500',	sot 8 5/8" 24	A casing dri	11 on to 3	2150' to t	ost
the Premier f	ownstien est /	ייבו ט ארט אבר ואיי 10 האר אריינו	y casing, ar	LII ON LO 2		COL
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	IOPOSED PROGRAMI IF		DR PLUG BACK, GIVE DA	PERMIT E	KRIDES Z	180 DAYS 29-81
IN ABOVE SPACE DESCRIBE PR TIVE ZONE. GIVE BLOWOUT PREVENT	IOPOSED PROGRAM: IF Er Program, IF any.	PROPOSAL 15 TO DEEPEN C	DR PLUG BACK, GIVE DA	PERMIT EX UNLESS	KRIDES Z	180 DAYS 29-81
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IN ABOVE SPACE DESCRIBE PRIVE ZONE. GIVE BLOWOUT PREVENT I hereby certify that the information Signed Malent	IOPOSED PROGRAM: IF ER PROGRAM, IF ANY. on above is true and com	proposal is to deepen of plete to the best of my k	ne Plug BACK, GIVE DA	PERMIT EX UNLESS	DRILLING UI	DAYS  25-81  NDERWAY

CONDITIONS OF APPROVAL, IF ANY:

Form C-102 Supersedes C-128 (tipetive 1-1-65

All distances must be from the outer boundaries of the Section

MARBOB ENERGY CO	RPORATION	N. G. Phillips ST	ATE	25
J Section 27	17 South		EDDY	
1 Footage Location of Well: 185.7 feet from the d Level Elev.   Produc	. South line on:	1961.7	<del></del>	Tine rates Ameliad:
655	Premier	Artesia Qn. Grbg.	SA	40
If more than one leadinterest and royalty).  If more than one lease	se is dedicated to the we		y the awnership thereo	f (both us to working
this form if necessary. No allowable will be a	)signed to the well until a	scriptions which have actual linterests have been considered, unit, eliminating such in	olidated (by communit	ization, unitization,
		1	CER	TIFICATION
+ - !			Carolyn O	yo Crus
; ; ; ;	6539	1307.8	1/28/81	ergy Corp.
 		150'	under my superv	lai was plotted from field surveys made by me or vision, and that the same rrect to the best of my belief.
 	78/6	, 189/	Peter Surveyed  October 23  Frequenced Fredesignation Long Europe  Other W.	sional Laginger .
#30 660 '90 1320 i6:	00 1940 231C 264D 20C	00 1800 1000 500	Territion	1559

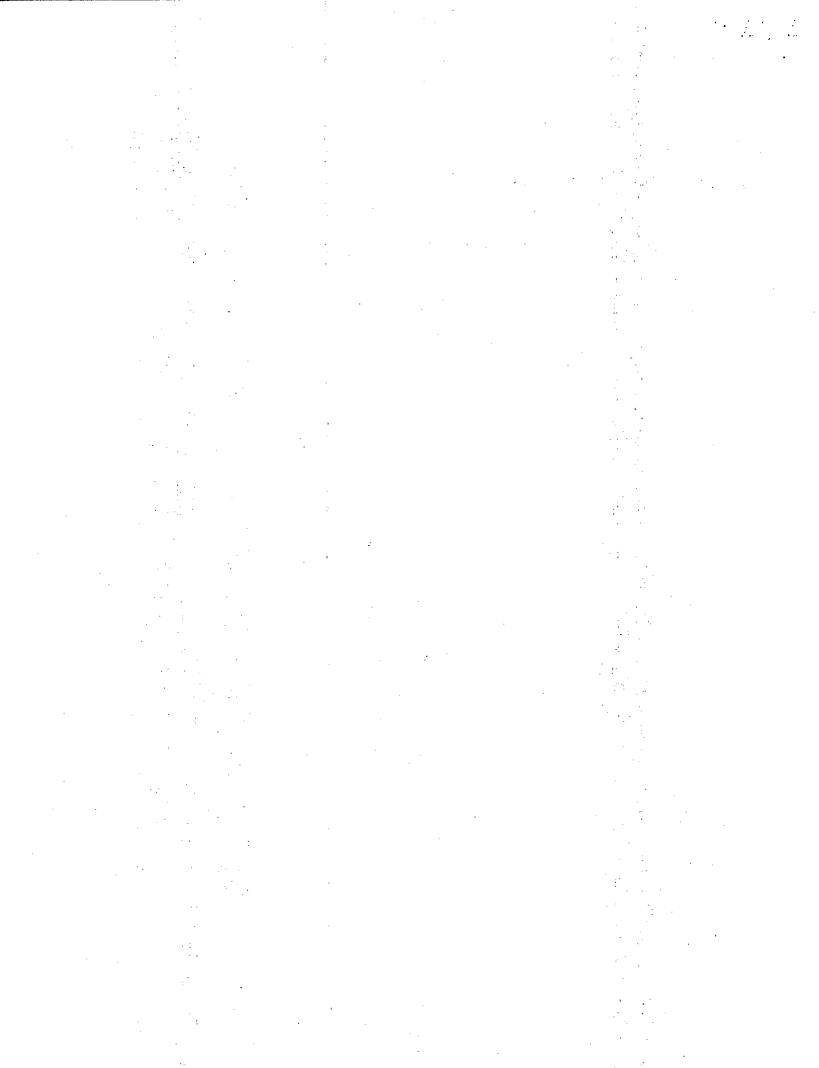
Rule 6:

NG Phillips State #25

Pool: Artesia Queen Grayburg San Andres
Standard spacing unit - 40 acres

Rule 7:

NA



a. NG Phillips State #25 - 2185.7 FSL 1961.7 FEL, Sec. 27, T17S-R28E

NG Phillips State #5 - 1650 FSL, 1650 FEL Sec. 27, T17S-R28E

b. #25 - 2/24/81

#5 - 1/12/61

c. #25 - 4/20/81

#5 - 3/15/61

d. #25 - none

#5 - Inone recorded

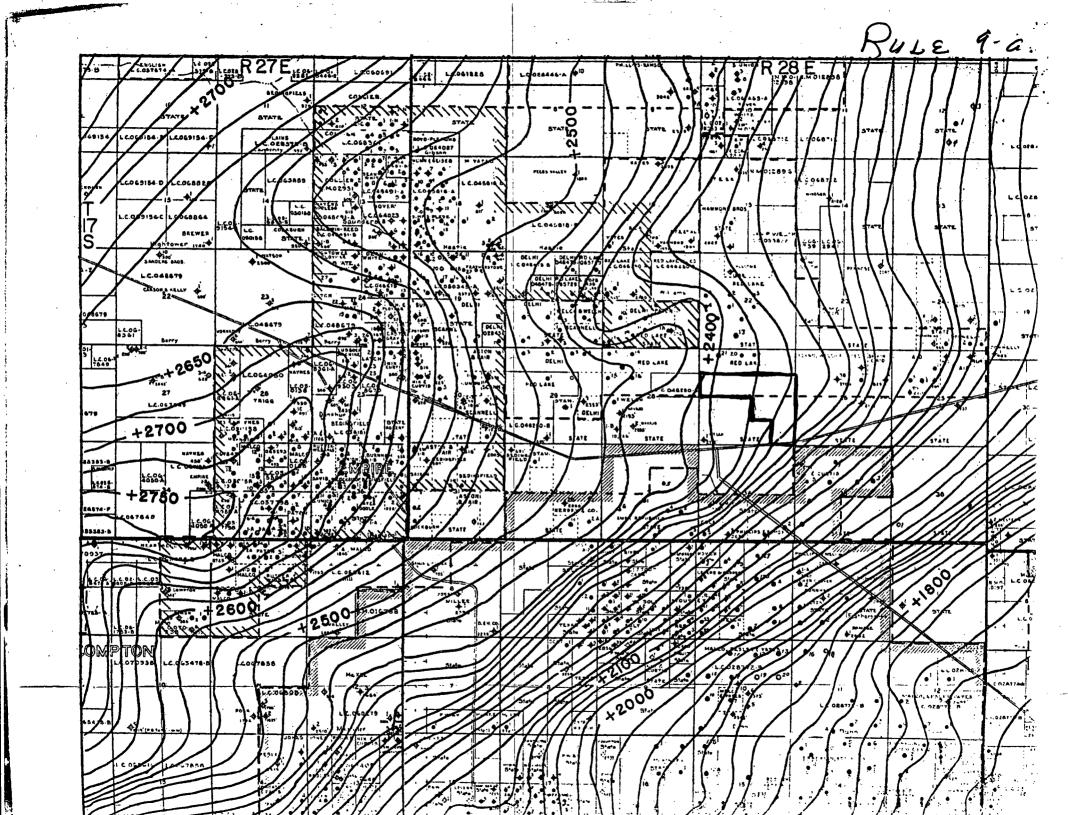
e. #25 - 47.6 mcf/day, 33.8 bb1/day

#5 - -0 - mcf/day, 1 bbl/day

f. #25 - NA

#5 - NA

g. Well #5 has not produced any gas since March 1977. The new well was drilled deeper and opened in a different formation as well as the formation in which #5 was completed. Since #5 will not currently produce any gas although it does still produce some oil, the new well was drilled to drain this reservoir.



#### Rule 9:

b. Volume of increased ultimate recovery expected of 62.3 mmcf is based on a 15 year life and declining in accordance with well histories in this area.

### Rule 11:

Notice of this infill request has been sent to John A. Yates, 211 So. 4th St., Artesia, New Mexico 88210, by certified mail, as the only offset operator.



OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

April 1, 1982

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501

Mr. Raye Miller
MARBOB ENERGY CORP.
P.O. Box 304
Artesia, NM 88210

Dear Raye:

Re: Application for NGPA Infill Well Findings Under Provisions of Order No. R-6013-A NG

Phillips State # 25, J-27-17S-28E,

Eddy County, New Mexico.

rehall E. Stoyner

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner, Petroleum Engineer

MES/dp

P.	:	· · · · · · · · · · · · · · · · · · ·
	•	
A copy of Form C	C-101 must be submitted.	
A copy of Form C	C-102 must be submitted.	
The pool name mu	ust be shown.	
The standard spa	cing unit size for the pool	must be shown.
Give the Divisio	on Order No. which granted th	e non-standard proratio
Please state whe spud date, if an	ether or not the well has beenly.	n spudded and give the
Information relaincomplete.	tive to other wells on the p	roration unit is
		) 
	<del></del>	
	l reservoir data is incomplet	ľ
As per our phone submit a more de		oril 1, 1982, please
As per our phone submit a more de	e conversation on Thursday, And tailed narrative describing led was obtained. Thank you for	oril 1, 1982, please
As per our phone submit a more de recovery expecte	e conversation on Thursday, And tailed narrative describing led was obtained. Thank you for	oril 1, 1982, please
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### **Marbob Energy Corporation**

P. O. DRAWER 217 ARTESIA, NEW MEXICO 88210

April 13, 1982

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

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

Mr. Michael E. Stogner
Petroleum Engineer
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for NGPA Infill
Well Findings Under Provisions
of Order No. R-6013-A
NG Phillips St. #25-J-27-17S-28E
West Artesia Grayburg Unit,
Well #21-E-8-18S-28E

Dear Mike:

I have obtained some help from a consulting engineer in preparing the additional information you needed for rule 9b. If you could please substitute these pages for the current page you have, they should complete the application. If there is still not enough information to satisfy rule 9b please contact me.

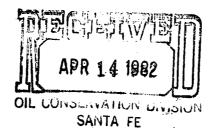
The production clerk is currently preparing about 6 more infill requests and I will forward them to you as soon as they are completed. Thanks for your help.

Sincerely,

Raye Miller Land Department

RPM/co

Encl.



Marbob Energy Corporation Artesia Queen Grayburg San Andres NG Phillips State Well #25

Pertinent Engineering Data and Conclusions:

Well No. 25 was completed in the Artesia Queen Grayburg pool in April 1981. This is an infill well located as per the attached plat.

Effective March 1, 1982, oil reserves recoverable will be 31,644 barrels and gas reserves recoverable will be 86,863 mcf.

Oil reserves were calculated from the attached rate/time curves to an economic limit of approximately 1 BOPD. Gas reserves were estimated using a study of the gas oil ratio performance not only on the specific well but on the entire pool.

My study reveals that as early as 1964 the producing well rate was 3.6 barrels of oil per day per well. The wells in the pool have remained on 40 acre spacing up until the past two years.

From infill well performance it is obvious that well density in this pool has to be increased to recover remaining reserves. The low permeability and low quality solution gas recovery mechanism will required reduced spacing to efficiently produce the reserves.

The daily producing rate for Well No. 25 was 35 BOPD in February 1982. This, of course, indicates that no interference has as yet been experienced from offset wells.

In my opinion the infill wells which increase the density of pattern will produce an amount of oil and gas reserves equal to the older wells in the field.

Therefore, it is my recommendation that well density be increased and it is my conclusion that infill wells will experience new reservoir conditions.

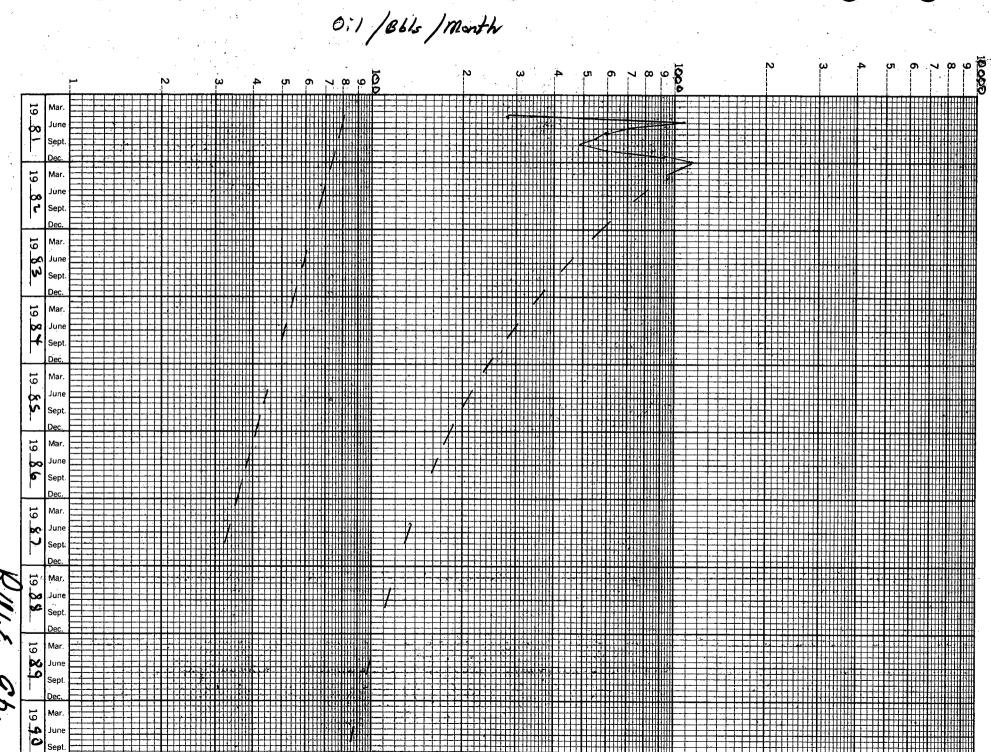
Paul G. White

Petroleum Engineer

PGW/co Encl.

RULE 9-b.

# N.G. PHILLIPS STAT



### Ruleï11:

Notice of this infill request has been sent to John A. Yates, 207 So. 4th St., Artesia, New Mexico 88210, by certified mail, as the only offset operator.



# STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

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

Mr. Raye Miller
Marbob Energy Corporation
P.O. Drawer 217
Artesia, NM 488210

Re: Application for NGPA Infill Well Findings Under Provisions of

Order No. R-6013-A NG Phillips

State Well Nos. (25) 27, 28, 29 and

West Artesia Grayburg Unit Well

Nos. 22, 24, and 25.

Dear Raye:

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner, Petroleum Engineer

MES/dp

						•
			,	•		·
	A copy of Form C-101	must be s	ubmitted.		### ##	
	A copy of Form C-102	must be s	ubmitted.	••		
	The pool name must b	e shown.	,			
	The standard spacing	unit size	for the	pool must b	e shown.	<del>-</del> -
	Give the Division Or unit.	der No. wh	ich grant	ted the non-	-standard	proration
	Please state whether spud date, if any.	or not the	e well ha	as been spud	ided and g	ive the
	Information relative incomplete.	to other w	wells on	the prorati	on unit i	<u> </u>
		*		· · · · · · · · · · · · · · · · · · ·	15 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	· ,
		\$ ! !	· · · · · · · · · · · · · · · · · · ·		1 (1) (1)	
x	The geologic and res			-		
	oil reserves, please	include thi	s calcul	ations.		
		e e	•		1 No.	
	***************************************	# # # # # # # # # # # # # # # # # # #				
	Other:	· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·	100 and 100 an	
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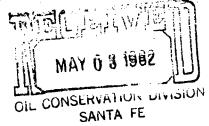
## **Marbob Energy Corporation**

P. O. DRAWER 217 ARTESIA, NEW MEXICO 88210

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

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

April 29, 1982



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

Dear Mike:

Per your request, we are enclosing Paul G. White' calculations on the oil reserves for the NG Phillips St. #25, 27, 28 and 29 and the West Artesia Grayburg Unit #22, 24, 21 and 25.

Let us know if you need further information.

Very truly yours,

Carolyn Orris
Production Clerk

co

Encl.

Marbob Energy Corp.
NG Phillips St. #25
2185.7 FSL 1961.7 FEL Sec. 27-T175-R28E

		Gross Monthly	Gross Yearly
Year		Oil - bbls.	Oil - bbls.
1982		760	9,120
1983		420	5,040
1984		290	3,480
1985	:	210	2,520
1986	i	160	1,920
1987		132	1,584
1988	į	112	1,344
1989	2	98	1,176
1990		87	1,044
1991	1	78	936
1992		68	816
1993	44 *	58	696
1994		51	612
1995	:	42	504
1996		38	456
1997	!	33	396
	Total (	Oil Remaining	31,644
	Cumula	tive to 1/1/82	_8,417
	<i>Total</i>	Ultimate Reserves	40,061

Gas-Oil Ratio Average - 2745 to 1
Remaining Gas Reserves - 86,863 MCF

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

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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

Operator Marbob Energy Corp. Well Name and No. N.G. Phillips State Well #25
Location: Unit J Sec. 27 Twp. 175 Rng. 28E Cty. Eddy
II.
THE DIVISION FINDS:
(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find that the infill well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit.
(2) That by Order No. R-6013-A, dated February 8, 1980, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
(3) That the well for which a finding is sought is completed in the Artesia Queen Grayburg
San Andrespool, 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. 27 , Twp. 175 , Rng. 28E , is currently dedicated to the Nig. Phillips State Well No. 5 located in Unit J of said section.
(5) That this proration unit is (X) standard ( ) nonstandard; if nonstandard, said unit was previousl 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 86,863 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.
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(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 4th day of May, 19 82
DIVISION DIRECTOR EXAMINER

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

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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.
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(7) That the drilling and completion of the well for which a finding is sought should result in
the production of an additional 86,863 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 4th day of May, 19 82
DIVISION DIRECTOR EXAMINER

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

ADM I	NISTRATIVE	ORDER
NFL	45	

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

Operator _	Marbob Er	nergy	Corp	•	Wel	ll Name	e and No.	N.C	. Phill	ips St	ate W	ell	<b>#2</b> 5
Location:	Unit_J	_Sec	27	Twp	17S	_Rng	28E	_Cty	Eddy				
II. THE DIVISI	ION FINDS:					•							
pursuant t as a new c infill wel by the pro	Section 271 to the Natur onshore prod ll is necess oration unit	ral Gas duction sary to which	Policy well well of effects cannot	y Act'on under So tively a t be so	f 1978 ection and eff draine	provide 103 of ficient and by a	des that, f said Act tly drain any existi	in order t, the D a portion ing well	r for an invision much on of the within the	infill we ust find reservo	ell to that t ir cove	quali he red	-
procedure Division a	by Order No whereby the and find tha	Divisi it an in	ion Di: nfill v	rector a	and the	e Divis sary.	sion Exami	iners are	e empowere	ed to act	t for t	he	
	the well fo							-		11			
	ndrespool,											acre	s.
of Sec	a <u>40</u> 27 <b>Two</b>	17	acr 'S	e prora	.сто <b>и п</b> а	E GOI	mprising t	the	NW/4 SE	/4 ::	<u> </u>	17.	
State	27 , Twp Well No.	·5 — ' ·	100	, mig. cated in	n Unit	<del></del> ,:	current of e	taid sect	caced to ( tion:	ure N.G	<u>Phi</u>	LLip.	S_
(5) That	this prorat	ion uni	it is	KX star	ndard (	) nor	nstandard;	if non:	standard,	said un	it was	previ	ousl
approved h	by Order No.	·		<b></b> •						·			
	said prorat n the unit.		it is	not bei:	ng effe	ctive.	ly and efi	ficientl:	y drained	by the	existin	g	
•	the drillin	_	-					-	-		i i		
the produc otherwise	ction of an be recovere	additic	onal _	86,	863	MCF	of gas fi	rom the ;	proration	unit wh	ich wou	ld no	t
for which	all the req a finding i covered by	is sough	ht is n	necessa	ry to e	effecti	ively and	efficies	ntly drain	n a porti	ion of	the	e
	in order to on should be			ctive a	nd effi	icient	drainage	of said	proration	unit,	the sub	ject	
IT IS THE	REFORE ORDER	ED:		•			•			ŧ, .	1	*	
(1) That infill welfor infill reservoir	the applica ll on the ex l drilling g covered by ing well the	ant is he is the interior is the important of the importa	proraby th	tion un	it desc r is ne	cribed ecessa:	in Section ry to perm	on II(4) mit the d	above. I drainage d	The authors a port	prizati tion of	on the	
	jurisdictio may deem nec					ed for					as the	-	
DONE at Sa	anta Fe, New	√ Mexico	o, on	this	4th	_day of	f May	<u> </u>	, 19	σ Z	1		
										il			
					DIV	/ISION	DIRECTOR		EXAMINER	<del>-  </del>	1		

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

ILMUA	NISTRATIVE	ORDER
NFT.	4 5	

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

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 qualif 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.	
Location: Unit J Sec. 27 Twp. 17S Rng. 28E 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 qualif 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.	‡ <b>2</b> 5
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procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.	-
11 T	)
(3) That the well for which a finding is sought is completed in the Artesia Queen Grayburg	_
San Andrespool, and the standard spacing unit in said pool is 40 acres	i <b>.</b>
(4) That a 40 -acre proration unit comprising the NW/4 SE/4	_
of Sec. 27 , Twp. 175 , Rng. 28E , is currently dedicated to the N.G. Phillips State Well No. 5 located in Unit J of said section.	<b>-</b>
(5) That this proration unit is (X) standard ( ) nonstandard; if nonstandard, said unit was previo approved by Order No.	ous1
(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 86,863 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 4th day of May , 19 82	
DIVISION DIRECTOR EXAMINER	

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

ADM I	NISTRA	TIVE	ORDER	
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NFL	47			

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

r.									
Operator	Marbob	Energy	Corp.	Well	Name and No.	. <u>N.</u> C	. Philli	ps State	Well #2
Location:	Unit_J	Sec	27 Twp.		g. 28E	Cty	Eddy		
II.									
THE DIVIS	ION FINDS	<b>:</b> . ;							
pursuant as a new infill we	to the Nationshore points is necessarily	tural Gas roduction essary to	Policy Act well under effectively	of 1978 properties of 1978 prope	y Regulatory ovides that, 3 of said Ac iently drain by any exist	, in orde ct, the D n a porti	r for an in ivision mus	nfill well to st find that reservoir co	o qualify the
procedure	whereby	the Divis.	l3-A, dated ion Directo: nfill well :	r and the D	, 1980, the ivision Exam Y•	Division miners ar	establishe e empowered	ed an admini I to act for	strative the
					is completed			Queen Gra	ayburq
San A	ndrespoo!	l, and the	e standard :	spacing uni	t in said po	ool is	40		acres.
-6 0 -	27 .	1.	70 5	205	comprising _, is curren of				nillips.
(5) That	this prob by Order 1	ration un:	it is (X) s	tandard ( )	nonstandard	i; if non	standard, s	said unit wa	s previous
	said pro		it is not be	eing effect	ively and ef	fficiently	y drained b	y the exist	ing
(7) That	the dril	ling and	completion	of the well	for which a	a finding	is sought	should resu	ılt in
the produ	ction of be recover	an additi ered.	onal 86	,863	MCF of gas f	rom the	proration u	nit which w	ould not
for which	a finding	g is soug	ht is neces	sary to eff	3-A have bee ectively and nnot be so d	d efficie	ntly drain	a portion o	f the
	in order on should			and effici	ent drainage	e of said	proration	unit; the s	ubject
IT IS THE	REFORE OR	DERED:	•		•		٠.		-
infill we for infil reservoir	ll on the	existing g granted by¦said p	proration by this or	unit descri der is nece	rill the well bed in Secti ssary to per nnot be effe	ion II(4) cmit the	above. The drainage of	ne authoriza f a portion	tion of the
	jurisdic may deem				for the enti	_		11	ie .
DONE at S	anta Fe,	New Mexic	o, on this_	4th	y ofMa	У	, 19	5 Z	
		.;							
				DIVIS	ION DIRECTO	Ŕ	EXAMINER		·

## **Marbob Energy Corporation**

P. O. DRAWER 217 ARTESIA, NEW MEXICO 88210

March 12, 1982

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

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

Mr. Michael E. Stogner
Petroleum Engineer
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Infill well applications

Dear Mike:

Please find enclosed two applications for infill well rulings. Although we have several to file with you, I wanted to have you review these before I sent more to see if these were complete, correct, and provided you with enough information to make a ruling. I have tried to closely follow the format you recommended.

When you have had a chance to review these please give me a call. Thanks for your help.

Sincerely,

Raye P. Miller Land Department

RPM

Encl.

No Phillips State #25

Request for Infill Finding on

NG Phillips State #25

in accordance with Administrative

Procedures Amended February 8, 1980

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		•	A.				
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DISTRIBUTION	NEWI	MEXICO OIL CONSER	VATION COMMISSION		Form C-101		£ ,
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U.S.G.S.		JAN 3	3 Page		STATE X	]	] ]
DERATOR		in the second		٠		Gan Lease No.	j
. )	4.J t. 						1111
APPLICATION F	OR PERMIT TO	DRILL, DEEPEN, C	R PLUG BACK		7, Unit Agree	mont Name	7777
DRILL 3		DEEPEN [ ]	PLUG B	ACK []	·		
b. Type of Well	•				8, Furm or Le	l: l	
2. Name of Operator	A. Otore	***************************************	TONE X	1041	NG Phi.	llips St.	
Marbob Energy Corp.	·. · · · · · · · · · · · · · · · · · · ·				25	t Pool, år Wildcat	
P.O. Box 304, Artes	sia. N.M 8	8210				Qn. Grbg.	SA
4. Location of Well	J	2185.7 ,,	South South	LINE			M
AND 1961.7 FEET THOM THE	East		.e. 17S .e.c. 28	BE NUPM			
		mmm			12. County		1114
				4444	Eddy	Hillerm	##;
			2150 t	Premie		20. Rotary or C.T	
21. Elevations (Show whether DF, RT,	etc.) 21A. Kind	6 Status Plug. Bond 21	iB. Drilling Contractor			Rotary	rir t
3655' CR	Statew	ide Active   S	Stewart Bros. Dr	rlg. Co.	2/2	/81	
	PI	ROPOSED CASING AND	CEMENT PROGRAM				
4.5.			T				
SIZE OF HOLE SI	ZE OF CASING			+		EST. TO	3
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122'	8 5/8''	24#	500'	Circul	ate	11	
12½' 7 7/8"  We propose to di	8 5/8" 4 1/2" ill to 500'.	24/ 10.50/ set 8 5/8'' 24/	500' 2150' casing drill	Circul Attemp	ate t to cire		
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12½' 7 7/8"  We propose to di	8 5/8" 4 1/2" ill to 500'.	24/ 10.50/ set 8 5/8'' 24/	500' 2150' casing, drill	Circul Attempt	ate to circ	test	
12½' 7 7/8"  We propose to di	8 5/8" 4 1/2" ill to 500'.	24/ 10.50/ set 8 5/8'' 24/	500' 2150' casing, drill	On to 2	ate to circ	test	
12½' 7 7/8"  We propose to di	8 5/8" 4 1/2" ill to 500'.	24/ 10.50/ set 8 5/8'' 24/	500' 2150' casing, drill	On to 2	ate to circ	test	
12½' 7 7/8"  We propose to di	8 5/8" 4 1/2" ill to 500'.	24/ 10.50/ set 8 5/8'' 24/	500' 2150' casing, drill	On to 2	ate to circ	test	
12½' 7 7/8"  We propose to di the Premier form	8 5/8" 4 1/2" ill to 500'.	24# 10.50# set 8 5/8" 24# ½" 10.50# casin	500' 2150' casing, drill	On to 2	ate to circ	test	PRODUC
We propose to di the Premier form	ill to 500', ation, set 4	24/ 10.50/ set 8 5/8" 24/ ½" 10.50/ casin	casing, drill	On to 2	ate to circ	test	PRODUC
12½' 7 7/8"  We propose to di the Premier form	ill to 500', ation, set 4	24 10.50 1 10.50 1 24 1 24 1 24 1 24 1 24 1 24 1 24 1 2	casing, drill	on to 2	ate to circ	test	PRODUC
We propose to di the Premier form  IN ABOVE SPACE DESCRIBE PROPE TIVE ZONE. GIVE BLOWOUT PREVENTER P	ill to 500', ation, set 4	set 8 5/8" 244 2" 10.50 casin	500' 2150' Casing, drill ng.	on to 2	ate to circ	test	7 PR 20 UC
We propose to dithe Propier form  IN ABOVE SPACE DESCRIBE PROPIETE TORE TORE SLOWGUT PREVENTER P  I hereby certify that the information a	ill to 500', ation, set 4	set 8 5/8" 24 24 2" 10.50 casing the set to the heat of my kn	casing, drill g.	on to 2	ate to circ  150' to	8/81	/ P# 20 u.C
We propose to dithe Propier form  IN ABOVE SPACE DESCRIBE PROPIETE TORE TORE SLOWGUT PREVENTER P  I hereby certify that the information a	ill to 500', ation, set 4	set 8 5/8" 24 24 2" 10.50 casing the set to the heat of my kn	500' 2150' Casing, drill ng.	on to 2	ate to circ	test	/ P# 20 u.C

I fimitive 1-1-15

All distances must be from the outer houndaries of the Section N. G. Phillips STATE MARBOB ENERGY CORPORATION 2527 17 South 28 East EDDY tunt Foctage Location of Well: 2185.7 South 1961.7 East feet from the ound Level Elev. Preducing Frematic 3655 40 Artesia Qn. Grbg. SA Promier 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 folworking interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners begin consolidated by communitization, unitization, force-pooling, etc? [] Тея [\_\_] 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 the 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 con Carolyn Orris Production Clerk Marbob Energy Corp. 1/28/81 I heraby certify that the well location 6539 0-6539under my supervision, and that the same knowledge and belief Tente Claveyed October 23, 1980 Beginned First-Sidonal Engineer 1559

1320 1650

Rule 6:

NG Phillips State #25

Pool: Artesia Queen Grayburg San Andres

Standard spacing unit - 40 acres

Rule 7:

NA

#### Rule 8:

a. NG Phillips State #25 - 2185.7 FSL 1961.7 FEL, Sec. 27, T17S-R28E

NG Phillips State #5 - 1650 FSL, 1650 FEL Sec. 27, T17S-R28E

b. #25 - 2/24/81

#5 - 1/12/61

c. #25 - 4/20/81

#5 - 3/15/61

d. #25 - none

#5 - none recorded

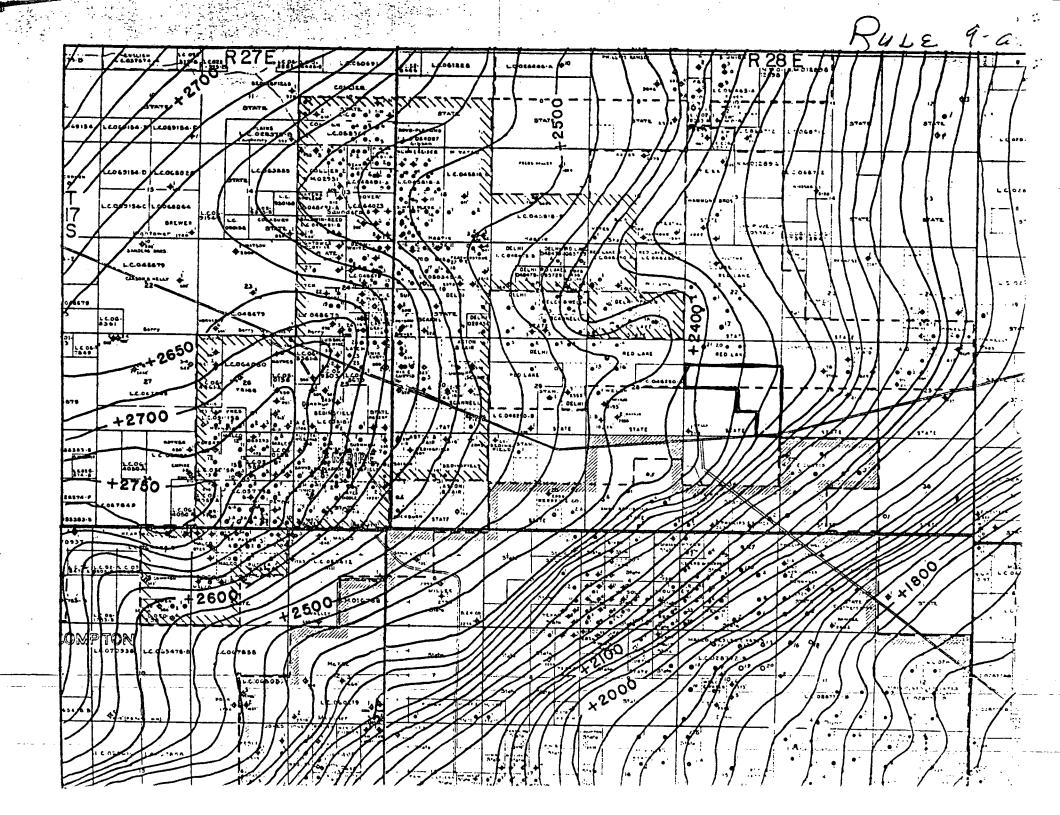
e. | #25 - 47.6 mcf/day, 33.8 bbl/day

#5 - -0 - mcf/day, 1 bb1/day

f. | #25 - NA

#5 - NA

g. Well #5 has not produced any gas since March 1977. The new well was drilled deeper and opened in a different formation as well as the formation in which #5 was completed. Since #5 will not currently produce any gas although it does still produce some oil, the new well was drilled to drain this reservoir.



#### Rule 9:

b. Volume of increased ultimate recovery expected of 62.3 mmcf is based on a 15 year life and declining in accordance with well histories in this area.

### Rule 11:

Notice of this infill request has been sent to John A. Yates, 211 So. 4th St., Artesia, New Mexico 88210, by certified mail, as the only offset operator.



### STATE OF NEW MEXICO

### ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

April 1, 1982

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

Mr. Raye Miller
MARBOB ENERGY CORP.
P.O. Box 304
Artesia, NM 88210

Dear Raye:

Re: Application for NGPA Infill Well Findings Under Provisions of Order No. R-6013-A NG

Phillips State # 25, J-27-17S-28E,

hael E. Stoyner

Eddy County, New Mexico.

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner, Petroleum Engineer

MES/dp

<u> </u>	A copy of Form C-101 must be submitted.
	A copy of Form C-102 must be submitted.
	The pool name must be shown.
	The standard spacing unit size for the pool must be shown.
	Give the Division Order No. which granted the non-standard proration unit.
	Please state whether or not the well has been spudded and give the spud date, if any.
	Information relative to other wells on the proration unit is incomplete.
X	The geologic and reservoir data is incomplete or insufficient.
	As per our phone conversation on Thursday, April 1, 1982, please
	submit a more detailed narrative describing how the volume of ultimate
	recovery expected was obtained. Thank you for an otherwise complete
-	and readable NFL application.
_	
	Other:
	Other:

## **Marbob Energy Corporation**

P. O. DRAWER 217 ARTESIA, NEW MEXICO 88210

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

April 13, 1982

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

Mr. Michael E. Stogner
Petroleum Engineer
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for NGPA Infill
Well Findings Under Provisions
of Order No. R-6013-A
NG Phillips St. #25-J-27-17S-28E
West Artesia Grayburg Unit,
Well #21-E-8-18S-28E

Dear Mike: .

I have obtained some help from a consulting engineer in preparing the additional information you needed for rule 9b. If you could please substitute these pages for the current page you have, they should complete the application. If there is still not enough information to satisfy rule 9b please contact me.

The production clerk is currently preparing about 6 more infill requests and I will forward them to you as soon as they are completed. Thanks for your help.

Sincerely,

Raye Miller Land Department

RPM/co

Encl.

APR 14 1982

OIL CONSERVATION DIVISION SANTA FE

Marbob Energy Corporation
Artesia Queen Grayburg San Andres
NG Phillips State
Well #25

Pertinent Engineering Data and Conclusions:

Well No. 25 was completed in the Artesia Queen Grayburg pool in April 1981. This is an infill well located as per the attached plat.

Effective March 1, 1982, oil reserves recoverable will be 31,644 barrels and gas reserves recoverable will be 86,863 mcf.

Oil reserves were calculated from the attached rate/time curves to an economic limit of approximately 1 BOPD. Gas reserves were estimated using a study of the gas oil ratio performance not only on the specific well but on the entire pool.

My study reveals that as early as 1964 the producing well rate was 3.6 barrels of oil per day per well. The wells in the pool have remained on 40 acre spacing up until the past two years.

From infill well performance it is obvious that well density in this pool has to be increased to recover remaining reserves. The low permeability and low quality solution gas recovery mechanism will require reduced spacing to efficiently produce the reserves.

The daily producing rate for Well No. 25 was 35 BOPD in February 1982. This, of course, indicates that no interference has as yet been experienced from offset wells.

In my opinion the infill wells which increase the density of pattern will produce an amount of oil and gas reserves equal to the older wells in the field.

Therefore, it is my recommendation that well density be increased and it is my conclusion that infill wells will experience new reservoir conditions.

Paul G. White
Petroleum Engineer

4-13-82

Date

PGW/co Encl.

RULE 9-6.

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### Rule 11:

Notice of this infill request has been sent to John A. Yates, 207 So. 4th St., Artesia, New Mexico 88210, by certified mail, as the only offset operator.

### STATE OF NEW MEXICO

### ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

**BRUCE KING** GOVERNOR LARRY KEHOE SECRETARY

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

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

> Re: Application for NGPA Infill Well Findings Under Provisions of Order No. R-6013-A NG Phillips

> > State Well Nos. (25,) 27, 28, 29 and

West Artesia Grayburg Unit Well

Nos. 22, 24, and 25.

Dear Raye:

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner, Petroleum Engineer

MES/dp

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A copy of Fo	orm C-102 must	be submitted	<b>.</b>	
The pool name	ne must be show	wn.		
The standard	d spacing unit	size for the	pool must	be shown.
Give the Divunit.	vision Order No	o. which gran	ited the no	n-standard pror
Please state spud date, i		ot the well h	as been sp	udded and give
Information incomplete.	relative to of	ther wells on	the prora	tion unit is
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### **Marbob Energy Corporation**

P. O. DRAWER 217 ARTESIA, NEW MEXICO 88210

April 29, 1982

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OIL CONSERVATION DIVISION SANTA FE

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

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

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

Dear Mike:

Per your request, we are enclosing Paul G. White' calculations on the oil reserves for the NG Phillips St. #25, 27, 28 and 29 and the West Artesia Grayburg Unit #22, 24, 21 and 25.

Let us know if you need further information.

Very truly yours,

Carolyn Orris
Production Clerk

CO

Encl.

Marbob Energy Corp.

NG Phillips St. #25
2185.7 FSL 1961.7 FEL Sec. 27-T17S-R28E

<u>Year</u>	Gross Monthly Oil - bbls.	Gross Yearly Oil - bbls.
1982	760	9,120
1983	420	5,040
1984	290	3,480
1985	210	2,520
1986	160	1,920
1987	132	1,584
1988	112	1,344
1989	98	1,176
1990	87	1,044
1991	78	936
1992	68	816
1993	5 <i>8</i>	696
1994	51	612
1995	42	504,
1996	38	456
1997	33	<u>396</u>
	Total Oil Remaining	31,644
	Cumulative to 1/1/82	8,417
	Total Ultimate Reserves	40,061

Gas-Oil Ratio Average - 2745 to 1
Remaining Gas Reserves - 86,863 MCF