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

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER NFL 107

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER MADE PURSUANT TO SECTION 271.305(b) OF THE FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS, NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION ORDER NO. R-6013

I.

Operator	Marbob	Energy	Corporation	Well Name	and No	M. Dodd	"A" Well	No. 33
Location:	Unit A	Sec	22 _{Twp} . 17South _R	ing. 29 Eas	tcty	Eddy		

II.

THE DIVISION FINDS:

(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.

(2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.

That the well for which a finding is sought is to be completed in the Grayburg Jackson (7R-Q-GB/SA)40 Pool, and the standard spacing unit in said pool is acres. -acre proration unit comprising the <u>NE/4</u> NE/4 40 That a (4) M. Dodd "A" 22 , Twp. 17South , Rng. 29 East, is currently dedicated to the of Sec. Well No. 10 located in Unit A of said section.

(5) That this proration unit is (X) standard () nonstandard; if nonstandard, said unit was previously approved by Order No. NA

(6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.

(7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 23,800 MCF of gas from the proration unit which would not otherwise be recovered.

(8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.

(9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED:

(1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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									DIVI	SION D	IRECTOR Z	EXAMINER	<u></u>

Received 11/13/84 Release 12/3/84

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

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT ADMINISTRATIVE ORDER NFL /07

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER MADE PURSUANT TO SECTION 271.305(b) OF THE FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS, NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION ORDER NO. R-6013

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Operator_	Marbob 1	EnergyCo	rporation	_ Well Name and No	. M. Dould	"A" Well No. 3	3
Location:	Unit_A	Sec2	2 Twp. 17 South	Rng. 29 East Cty	. Edely		-
II.							-

THE DIVISION FINDS:

(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.

(2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.

(3) That the well for which a finding is sought is to be completed in the <u>bracking fuction</u> (<u>7R-Q-6b/SA</u>) Pool, and the standard spacing unit in said pool is <u>40</u> acres.
(4) That a <u>40</u> -acre proration unit comprising the <u>NE/4 NE/4</u>
of Sec. <u>22</u>, Twp. <u>17 South</u>, Rng. <u>29 East</u>, is currently dedicated to the <u>M. Dodd "A"</u> Use 11 No. 10 located in Unit <u>A</u> of said section.

(5) That this proration unit is (\checkmark) 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 23,800 MCF of gas from the proration unit which would not otherwise be recovered.

(8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.

(9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED:

(1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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NOV 13 1964 OIL CONSERVATION DIVISION SANTA FE

Request for Infill Finding on

M. Dodd "A" #33

in accordance with Administrative

Procedures amended February 8, 1980

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NE IEXICO OIL CONSERVATION COMMISSI WELL LOCATION AND ACREAGE DEDICATION PLAT

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opetetor Marb	ob Energy Con	poration	Lea	Dodd A			Well No. 33
init Letter	Section	Township		Range	County		·····
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Rule 6:

M. Dodd "A" #33

Pool: Grayburg Jackson Seven Rivers Queen Grayburg San Andres

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Standard spacing unit: 40 acres

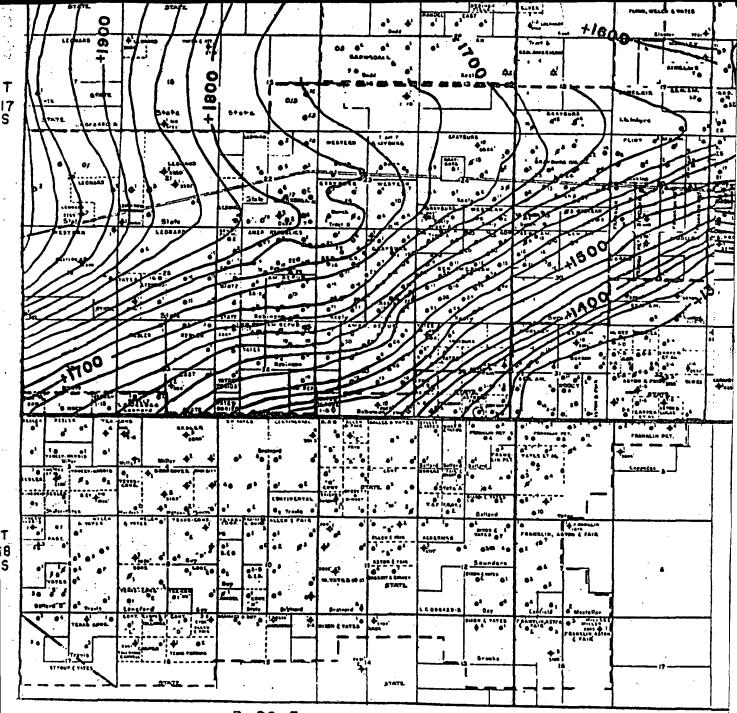
Rule 7:

NA

Rule 8:

a. M. Dodd "A" #33 - 990 FNL 990 FEL Sec. 22-T17S-R29E M. Dodd "A" #10 - 675 FNL 660 FEL Sec. 22-T17S-R29E

- b. #33 9/9/84 #10 - 10/27/55
- c. #33 10/1/84 #10 - 12/9/55
- d. None
- e. #33 20 bbl oil, 55 mcf gas/day #10 - converted to injection 3/66
- f. None
- g. The M. Dodd "A" #33 was drilled because the low permeability and low quality solution gas recovery mechanism require reduced spacing to efficiently drain the reservoir. The #33 experienced new reservoir type conditions as have other wells that have been drilled recently in this reservoir. The #10 is an injection well and our plans for activating a secondary recovery project will require use of #10 as an injection well and the #33 was drilled to help efficiently drain the oil and gas reservoir in future years.



R 29 E

Paul G. White Engineering

OIL AND NATURAL GAS

November 5, 1984

Marbob Energy Corporation P.O. Drawer 217 Artesia, New Mexico 88210

Re: Pertinent Engineering Data M. Dodd A No. 33 Grayburg Jackson Eddy County, New Mexico

Gentlemen:

The subject well, located 990' FNL and 990' FEL, Section 22-T17S-R29E, Eddy County, New Mexico was completed on October 2, 1984.

I have estimated the oil and gas reserves for the subject well based on a 20 acre well density. From the electrical log and analagous well studies I have estimated that the well will recover 18,614 barrels of oil and 23,800 MCF of gas.

A study of nearby producing well rates and initial potentials reveals that wells will have to be drilled on a 20 acre spacing to properly and adequately recover the oil and gas reserves in this field.

Therefore, it is my recommendation that in-fill wells be drilled and the well density be increased to at least 20 acre spacing.

From my study the in-fill wells will characteristically exhibit new reservoir conditions.

Petroleum Engineer Signed

Date 11 - 5 - 84

PGW/sf

Rule 11:

Notice of this infill request has been sent to Phillips Oil Co., 4001 Penbrook, Odessa, Texas 79762.

Request for Infill Finding on

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M. Dodd "A" #33 in accordance with Administrative Procedures amended February 8, 1980

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

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Attached are: 1. Location & acreage dedication plat

2. Supplemental drilling data

3. Surface use plan

IN ADOVE SPACE DESCRIPE PROFESSION FROMANT: If proposal is to deepen or plug back, give data on present productive some and proposal is to drill or deepen directionally, give pertibent data on subsurface locations and measured and true vertical depths. ned no V Broductly Gime blogson proventer program, if any.

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WELL LOCATION AND ACREAGE DEDICATION PLAT

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Form C-102 Supersedes C-128 Effective 1-1-65

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Rule 6:

M. Dodd "A" #33

Pool: Grayburg Jackson Seven Rivers Queen Grayburg San Andres Standard spacing unit: 40 acres

Rule 7:

NA

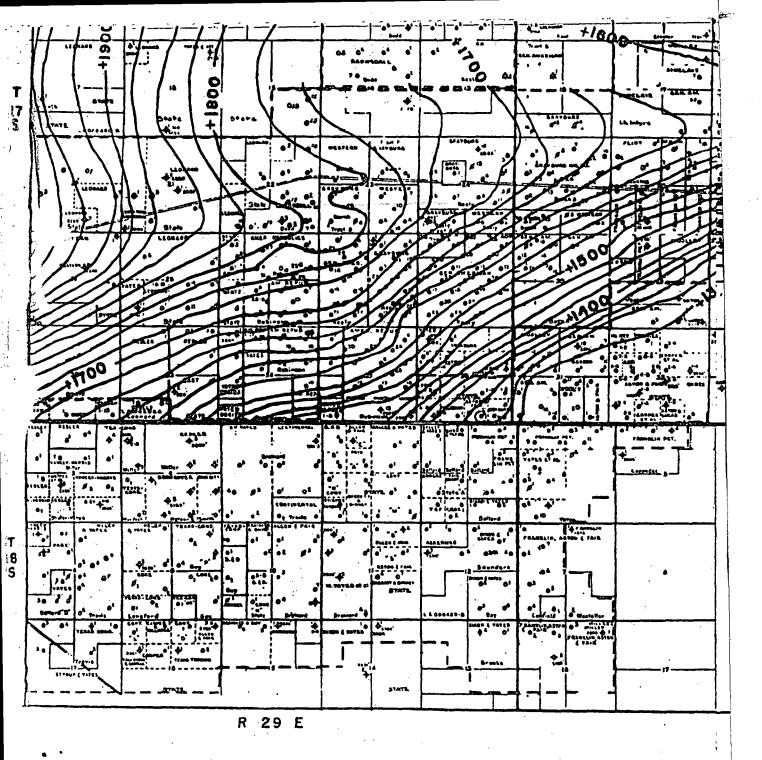
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a. M. Dodd "A" #33 - 990 FNL 990 FEL Sec. 22-T17S-R29E M. Dodd "A" #10 - 675 FNL 660 FEL Sec. 22-T17S-R29E
b. #33 - 9/9/84 #10 - 10/27/55
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d. None
e. #33 - 20 bbl oil, 55 mcf gas/day #10 - converted to injection 3/66

f. None

g. The M. Dodd "A" #33 was drilled because the low permeability and low quality solution gas recovery mechanism require reduced spacing to efficiently drain the reservoir. The #33 experienced new reservoir type conditions as have other wells that have been drilled recently in this reservoir. The #10 is an injection well and our plans for activating a secondary recovery project will require use of #10 as an injection well and the #33 was drilled to help efficiently drain the oil and gas reservoir in future years.

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Paul G. White Engineering OIL AND NATURAL GAS

November 5, 1984

Marbob Energy Corporation P.O. Drawer 217 Artesia, New Mexico 88210

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A study of nearby producing well rates and initial potentials reveals that wells will have to be drilled on a 20 acre spacing to properly and adequately recover the oil and gas reserves in this field.

Therefore, it is my recommendation that in-fill wells be drilled and the well density be increased to at least 20 acre spacing,

From my study the in-fill wells will characteristically exhibit new reservoir conditions.

Signed Petroleum Engineer

11-5-84 Date

PGW/sf

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Rule 11:

Notice of this infill request has been sent to Phillips Oil Co., 4001 Penbrook, Odessa, Texas 79762.

