

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

ADMINISTRATIVE ORDER
NFL 106

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

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 Macbub Energy Corporation Well Name and No. M. Dodd "B" Well No. 41
Location: Unit H Sec. 14 Twp. 17 South Rng. 29 East Cty. 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.

(3) That the well for which a finding is sought is to be completed in the Craigburg Jackson 40 Pool, and the standard spacing unit in said pool is 40 acres.

(4) That a 40-acre proration unit comprising the SE 1/4 NE 1/4 of Sec. 14, Twp. 17 South, Rng. 29 East, is currently dedicated to the M. Dodd "B" Well No. 2 located in Unit H of said section.

(5) That this proration unit is (☒) 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 27,323 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.

DONE at Santa Fe, New Mexico, on this _____ day of _____, 19____.

Michael E. Hogner
DIVISION DIRECTOR

EXAMINER X

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE PURSUANT TO SECTION 271.305(b) OF THE
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- (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 Grayburg Jackson (7R-O-Gb/SA) Pool, and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the SE/4 NE/4 of Sec. 14, Twp. 17 South Rng. 29 East, is currently dedicated to the M. Dodd "B" Well No. 2 located in Unit H 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 27,323 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.

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

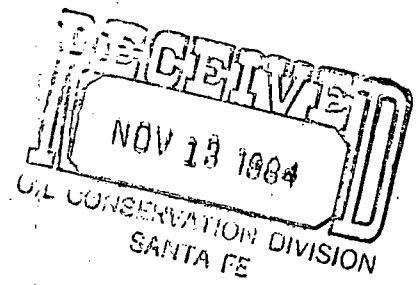
DONE at Santa Fe, New Mexico, on this 3 day of December, 19 84.


DIVISION DIRECTOR EXAMINER X

Request for Infill Finding on

M. Dodd "B" #41

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



Rule 6:

M. Dodd "B" #41

Pool: Grayburg Jackson Seven Rivers Queen Grayburg San Andres

Standard spacing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. M. Dodd "B" #41 - 2615 FNL 330 FEL Sec. 14-T17S-R29E
M. Dodd "B" #2 - 1980 FNL 660 FEL Sec. 14-T17S-R29E
- b. #41 - 8/23/84
#2 - 5/15/40
- c. #41 - 10/9/84
#2 - 6/23/40
- d. None
- e. #41 - 26 bbl oil, 60 mcf gas/day
#2 - Converted to water injection 9/67
- f. None
- g. The M. Dodd "B" #41 was drilled because the low permeability and low quality solution gas recovery mechanism require reduced spacing to efficiently drain the reservoir. The #41 experienced new reservoir type conditions as have other wells that have been drilled recently in this reservoir. The #2 is an injection well and our plans for activating a secondary recovery project will require use of #2 as an injection well and the #41 was drilled to help efficiently drain the oil and gas reservoir in future years.

OPERATOR'S UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

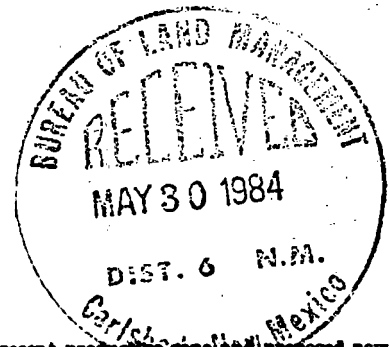
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. LC-028731 (B)	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Marbob Energy Corporation			7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Drawer 217, Artesia, N.M. 88210			8. FARM OR LEASE NAME N. Dodd "B"	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*) At surface 2615 FNL 330 FEL At proposed prod. zone Same			9. WELL NO. 41	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 20 air miles east of Artesia, N.M. 88210			10. FIELD AND POOL, OR WELDCAT Grayburg Jackson	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 330'			11. SEC. T. R. S. OF R.L. AND SURVEY OR AREA Sec. 14-T17S-R29B	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320'			12. COUNTY OR PARISH Eddy 13. STATE N.M.	
21. ELEVATIONS (Show whether DP, BT, GR, etc.) 3616.5'			17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
22. APPROX. DATE WORK WILL START* 6/15/84			20. ROTARY OR CABLE TOOLS Rotary	

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

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

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



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

24. SIGNED Carolyn Orris TITLE Production Clerk DATE 5/30/84
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY Charles J. Dahlen AREA MANAGER
CONDITIONS OF APPROVAL, IF ANY: _____ CARLSBAD RESOURCE AREA DATE 6-6-84

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

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

All distances must be from the outer boundaries of the Section.


Operator MARBOB ENERGY CORP.			Lease M DODD "B"		Well No. 41
Unit Letter H	Section 14	Township 17S	Range 29E	County EDDY	
Actual Footage Location of Well:					
2615 feet from the NORTH line and		330 feet from the EAST line			
Ground Level Elev. 3616.5	Producing Formation San Andres	Pool Grayburg Jackson SR-Q-G-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.

<p><i>M. DODD B #2- WATER INJECTION WELL AS OF 9/67. DRD. IN 6/40 AS OIL WELL.</i></p>		<p align="right">2615'</p> <p align="center">● 2</p> <p align="right">330'</p>
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CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Carolyn Orris

Name
Carolyn Orris

Position
Production Clerk

Company
Marbob Energy Corp.

Date
5/24/84

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
5/22/84

Registered Professional Engineer and/or Land Surveyor

John W. West

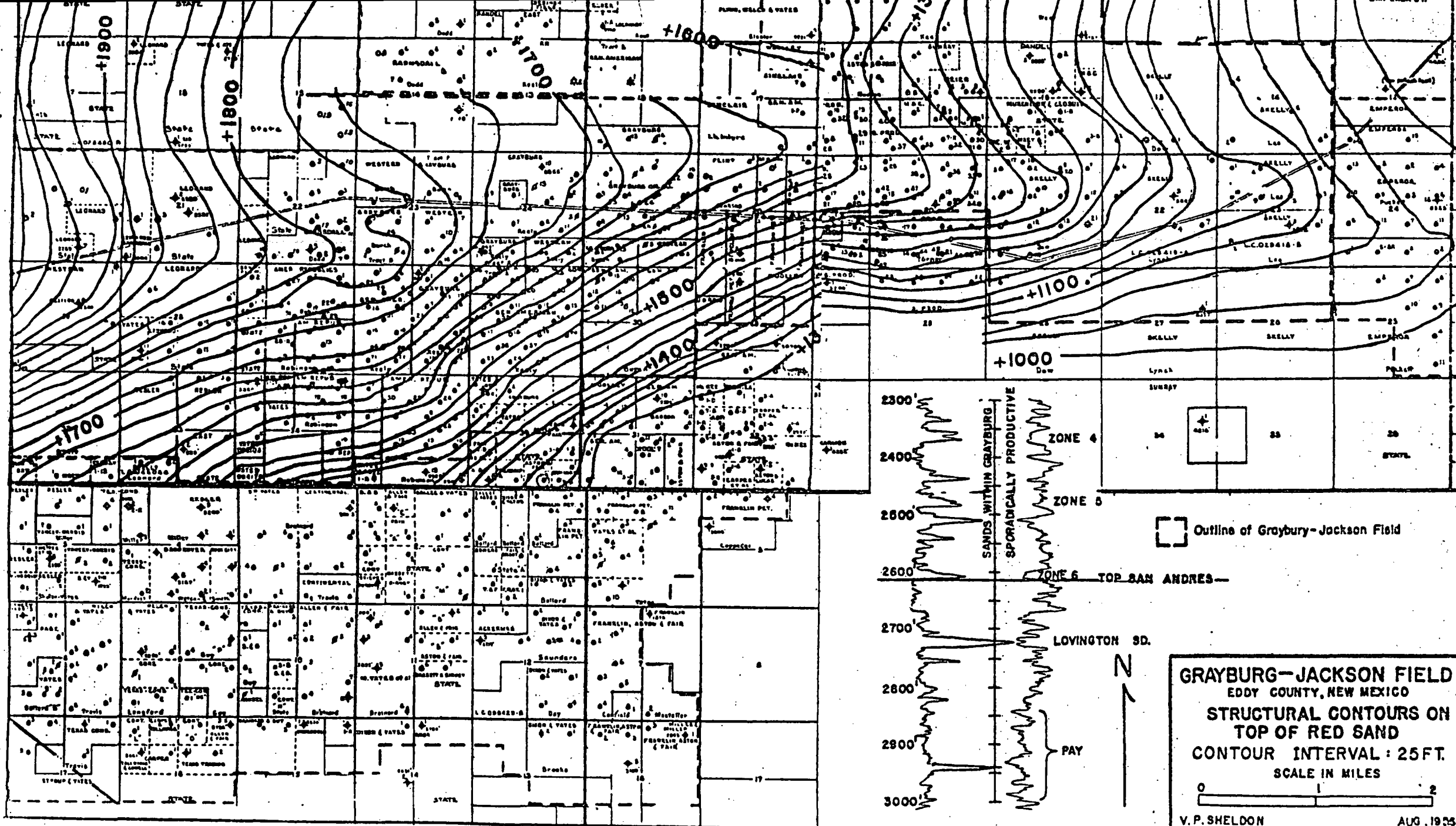
Certificate No. **JOHN W. WEST, 676**

RONALD J. EIDSON, 3239



T
17
ST
18
S

R 29 E



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

V. P. SHELDON

AUG. 1935

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 B No. 41
Grayburg Jackson
Eddy County, New Mexico

Gentlemen:

The subject well, located 2615' FNL and 330' FEL, Section 14-T17S-R29E, Eddy County, New Mexico was completed on October 10, 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 19,412 barrels of oil and 27,323 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.

Signed Paul G. White
Petroleum Engineer

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, as the offset operator.

Marbob Energy Corporation

P. O. DRAWER 217
ARTESIA, NEW MEXICO 88210

November 7, 1984

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

— NIGHT PHONES —
(505) 748-8197
(505) 748-6500

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 "B" #41
2615 FNL 330 FEL Sec. 14-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,


Carolyn Purcella
Land Department

RPM/co

Request for Infill Finding on

M. Dodd "B" #41

in accordance with Administrative
Procedures amended February 8, 1980

Rule 6:

M. Dodd "B" #41

Pool: Grayburg Jackson Seven Rivers Queen Grayburg San Andres

Standard spacing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. M. Dodd "B" #41 - 2615 FNL 330 FEL Sec. 14-T17S-R29E
M. Dodd "B" #2 - 1980 FNL 660 FEL Sec. 14-T17S-R29E
- b. #41 - 8/23/84
#2 - 5/15/40
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UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN DUPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-B142

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

Narbob 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

2615 PNL 330 FEL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

20 air miles east of Artesia, N.M. 88210

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

1480

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.

1320'

19. PROPOSED DEPTH

3450'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DV, BT, GR, etc.)

3616.5'

22. APPROX. DATE WORK WILL START*

6/15/84 /

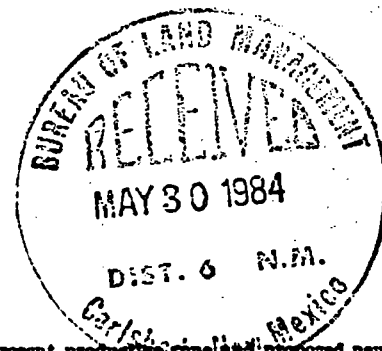
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24.

SIGNED

TITLE

Production Clerk

DATE

5/30/84

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED

CONDITIONS OF APPROVAL, IF ANY:

TITLE

AREA MANAGER
CARLSBAD RESOURCE AREA

DATE

6-6-84

*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

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<p>M. DODD B #2- WATER INJECTION WELL AS OF 9/67. DED. IN 6/40 AS OIL WELL.</p>			



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Company
Marbob Energy Corp.

Date
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Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239



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November 5, 1984

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November 7, 1984

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Land Department

RPM/co