



ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

February 20, 1987

GARREY CARRUTHERS
GOVERNOR

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

Attention: Carolyn Purcella

Re: Administrative Order NFL-154

Dear Ms. Purcella:

Reference is made to your application for an Infill Well Finding 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 for the following described well:

Turkey Track Section 3 Unit Well No. 29 located 1650 feet from the North line and 330 feet from the East line (Unit H) of Section 3, Township 19 South, Range 29 East, NMPM, Turkey Track Seven Rivers Queen Grayburg San Andres Pool, Eddy County, New Mexico.

THE DIVISION FINDS THAT:

- (1) 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 in 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 waver of existing well-spacing requirements.
- (2) By Division 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) The well for which a finding is sought is to be completed in the Turkey Track Seven Rivers Queen Grayburg San Andres Pool, and the standard spacing unit in said pool is 40 acres.

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

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- (4) A standard 40-acre oil proration unit comprising the SE/4 NE/4 (Unit H) of Section 3, Township 19 South, Range 29 East, is currently dedicated to the applicant's Turkey Track Section 3 Unit Wells Nos. 9, 19, and 21, all located in Unit H of said Section 3.
- (5) Said unit is <u>not</u> being effectively and efficiently drained by the existing wells on the unit.
- (6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 10,884 MCF of gas from the proration unit which would not otherwise be recovered.
- (7) All the requirements of Division Order No. R-6013 have been complied with, and 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.
- (8) 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 THAT:

- (1) The applicant is hereby authorized to drill the Turkey Track Section 3 Unit Well No. 29 as described above, as an infill well on the existing 40-acre standard oil proration unit comprising the SE/4 NE/4 (Unit H) of Section 3, Township 19 South, Range 29 East, NMPM, Turkey Track Seven Rivers Queen Grayburg San Andres Pool, Eddy County, New Mexico. 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) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely

Michael E. Stogner

Examiner

xc: N.M.O.C.D. - Artesia

Request for Infill Finding on

Turkey Track Sec. 3 Unit #29

in accordance with Administrative

Procedures amended February 8, 1980

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NEXICO OIL CONSERVATION COMMISS WELL LOCATION AND ACREAGE DEDICATION FLAT

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

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Operator MARB	OB ENERGY CO	RP.	TURKEY TRAC	CK SECTION 2	3 UNIT	Well No.
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	 		 		Date Surveyed 10/1 Registered Profes and/or Land Surve	sional Engineer
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Marbob Energy Corporation

Turkey Frack Sec. 3 Unit Well No. 9

1980 FML - 660 FEZ

Sprd: 6/4/44

Turkey Track SA- On - Bridg - SA Completion

Cummulative Production as of 12/31/84

Gas - 13850 MEF

0.1 - 23403 A.D.

Marbob Energy Corporation

Turkey Track Sec. 3 Unit Well No. 19

1650 'FAL - 950 'FEL

Sprd: 12/10/79

Turkey Track SR- On - Gaby - SA Completion

Cummulative Production as of 12/31/84
bos - 76587 MCF
0:1 - 9009 13.0.

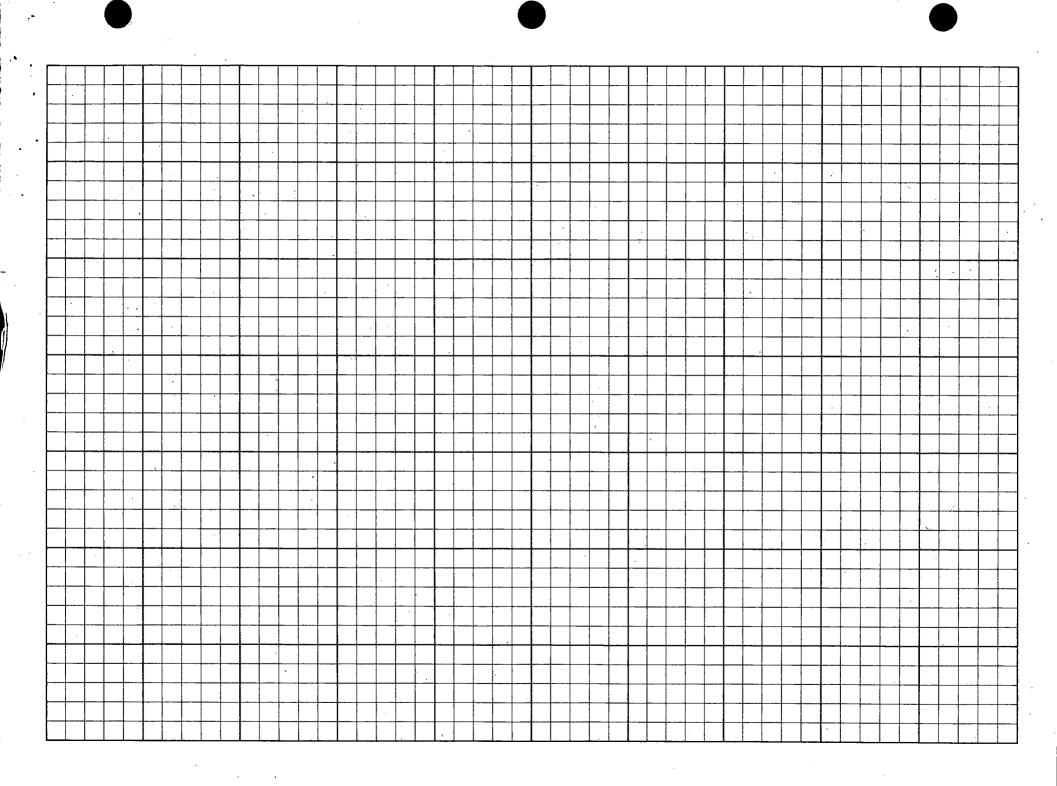
Marbob Energy Corporation

Turky Track Sec. 3 Wand Well No. 21

2310'FAL - 330'FEL

Sout: 3/3/80

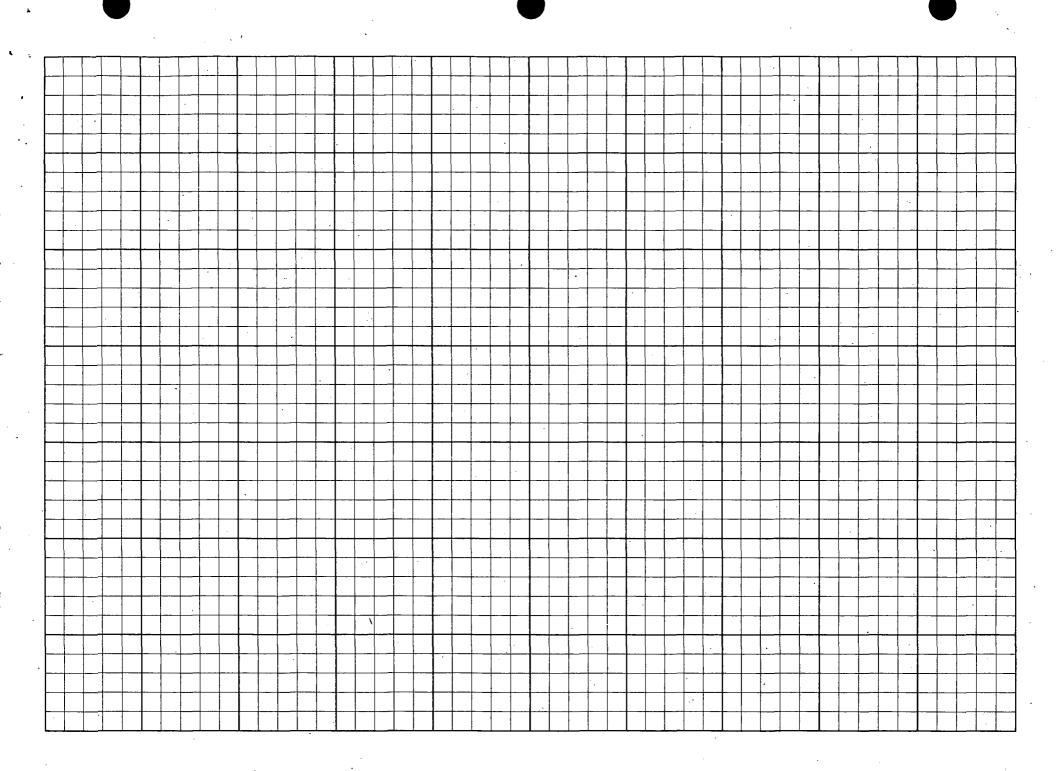
wrky Track SR- an - Grdg - SA Completion
Gas - 55218 MCF
0,1 - 12090 A.O.



Torkey Track Sec. Unit

1650 'FNL - 330'FEL

Spud: 1/6/84 Turkey Track SA-



Rule 6:

Turkey Track Sec. 3 Unit #29

Pool: Turkey Track Seven Rivers Queen Grayburg San Andres

Standard spacing unit: 40 acres

Rule 7:

NA

Rule 8:

- a. Turkey Track Sec. 3 Unit #29 1650 FNL 330 FEL Sec. 3-T19S-R29E Turkey Track Sec. 3 Unit #9 - 1980 FNL 660 FEL Sec. 3-T19S-R29E Turkey Track Sec. 3 Unit #19 - 1650 FNL 950 FEL Sec. 3-T19S-R29E Turkey Track Sec. 3 Unit #21 - 2310 FNL 330 FEL Sec. 3-T19S-R29E
- b. #29 1/6/85 #9 - 3/4/44 #19 - 12/10/79 #21 - 3/3/80
- c. #29 2/1/85 # 9 - 8/31/44 #19 - 12/29/79 #21 - 3/26/80
- d. None
- e. #29 43 bbl oil, 102 mcf gas/day #9 - 1 bbl oil, 3 mcf gas/day #19 - 2 bbl oil, 23 mcf gas/day #21 - 3 bbl oil, 18 mcf gas/day
- f. None
- g. The #29 well was drilled because the low permeability and low quality solution gas recovery mechanism requires reduced spacing to efficiently drain the reservoir. The existing wells current rate of gas production appear to be unaffected by the new production and draining of the reservoir by the new well. Since the #29 did experience new reservoir type conditions we feel the additional drilling was justified.

Paul G. White Engineering

OIL AND NATURAL GAS

February 25, 1985

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

Pertinent Engineering Data

Turkey Track Section 3 Unit Well No. 29

Turkey Track SR-Q-GR-SA Eddy County, New Mexico

Gentlemen:

The subject well, located 1650' FNL and 330' FEL, Section 3-T19S-R29E, Eddy County, New Mexico was completed on February 1, 1985.

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 27,210 barrels of oil and 10,884 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 Sand Subtraction Petroleum Engineer

Date 2-25-85

PGW/sf

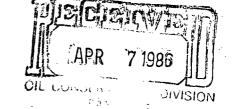


Rule 11:

Notice of this infill request has been sent to Tenneco Oil Exploration & Production Co., 7990 I.H. 10 West, San Antonio, Texas 78230.

Paul G. White Engineering

OIL AND NATURAL GAS



April 4, 1986

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87504-2088

Attn: Mr. Michael Stogner

Re: Marbob Energy Corporation

Well Head Price Ceiling Determination

NGPA of 1978

Dear Mike:

My studies for in-fill drilling and increased density of well bores to properly drain and produce reserves indicated that <u>at least</u> 20 acre spacing was necessary for the subject areas which were filed on.

Actually, the well density in my opinion could go to ten (10) acre spacing if pricing and economics will allow this.

The new wells exhibit starting rates which indicate an undisturbed reservoir even when drilled on the 10 acre proration units. Further, the very low order of permeability requires very large fracture treatments and stimulations for a well to respond and produce any hydrocarbons. None are produced naturally. Thirdly, there has been no evidence of any drainage or communication between the wells when drilled and developed on the 10 acre density.

Please refer to Marbob's application for the Amoco State A Well Nos. 2 and 3 and the Turkey Tract Section 3 Unit Well Nos. 28 and 29. These in-fill wells are characterized by the criteria as set out above. I respectfully request that you therefore, approve Marbob's applications.

Thanks for your help.

Best regards,

Paul G. White

cc: Marbob Energy Corporation

Mr. Ray Miller

wilder and



ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

February 20, 1987

GARREY CARRUTHERS
GOVERNOR

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

Attention: Carolyn Purcella

Re: Administrative Order NFL-154

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING

SANTA FE, NEW MEXICO 87501

(505) 827-5800

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- (6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 10,884 MCF of gas from the proration unit which would not otherwise be recovered.
- (7) All the requirements of Division Order No. R-6013 have been complied with, and 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.
- (8) 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 THAT:

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- (1) The applicant is hereby authorized to drill the Turkey Track Section 3 Unit Well No. 29 as described above, as an infill well on the existing 40-acre standard oil proration unit comprising the SE/4 NE/4 (Unit H) of Section 3, Township 19 South, Range 29 East, NMPM, Turkey Track Seven Rivers Queen Grayburg San Andres Pool, Eddy County, New Mexico. 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) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Michael E. Stogner

Examiner

N.M.O.C.D. - Artesia



ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

February 20, 1987

GARREY CARRUTHERS
GOVERNOR

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

Attention: Carolyn Purcella

Re: Administrative Order NFL-154

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING

SANTA FE, NEW MEXICO 87501

(505) 827-5800

Dear Ms. Purcella:

Reference is made to your application for an Infill Well Finding 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 for the following described well:

Turkey Track Section 3 Unit Well No. 29 located 1650 feet from the North line and 330 feet from the East line (Unit H) of Section 3, Township 19 South, Range 29 East, NMPM, Turkey Track Seven Rivers Queen Grayburg San Andres Pool, Eddy County, New Mexico.

THE DIVISION FINDS THAT:

- (1) 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 in 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 waver of existing well-spacing requirements.
- (2) By Division 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) The well for which a finding is sought is to be completed in the Turkey Track Seven Rivers Queen Grayburg San Andres Pool, and the standard spacing unit in said pool is 40 acres.

- (4) A standard 40-acre oil proration unit comprising the SE/4 NE/4 (Unit H) of Section 3, Township 19 South, Range 29 East, is currently dedicated to the applicant's Turkey Track Section 3 Unit Wells Nos. 9, 19, and 21, all located in Unit H of said Section 3.
- (5) Said unit is <u>not</u> being effectively and efficiently drained by the existing wells on the unit.
- (6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 10,884 MCF of gas from the proration unit which would not otherwise be recovered.
- (7) All the requirements of Division Order No. R-6013 have been complied with, and 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.
- (8) 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 THAT:

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Sincerely

Michael E. Stogner Examiner

xc: N.M.O.C.D. - Artesia



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ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

February 20, 1987

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GOVERNOR

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- (6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 10,884 MCF of gas from the proration unit which would not otherwise be recovered.
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Michael E. Stogner

Examiner

N.M.O.C.D. - Artesia

Request for Infill Finding on

Turkey Track Sec. 3 Unit #29

in accordance with Administrative

Procedures amended February 8, 1980

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N; MEXICO OIL CONSERVATION COMMISS' WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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Rule 6:

Turkey Track Sec. 3 Unit #29

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

Rule 7:

NA ·

Rule 8:

- a. Turkey Track Sec. 3 Unit #29 1650 FNL 330 FEL Sec. 3-T19S-R29E
 Turkey Track Sec. 3 Unit #9 1980 FNL 660 FEL Sec. 3-T19S-R29E
 Turkey Track Sec. 3 Unit #19 1650 FNL 950 FEL Sec. 3-T19S-R29E
 Turkey Track Sec. 3 Unit #21 2310 FNL 330 FEL Sec. 3-T19S-R29E
- b. #29 1/6/85 #9 - 3/4/44 #19 - 12/10/79 #21 - 3/3/80
- c. #29 2/1/85 # 9 - 8/31/44 #19 - 12/29/79 #21 - 3/26/80
- d. None
- e. #29 43 bbl oil, 102 mcf gas/day
 #9 1 bbl oil, 3 mcf gas/day
 #19 2 bbl oil, 23 mcf gas/day
 #21 3 bbl oil, 18 mcf gas/day
- f. None
- g. The #29 well was drilled because the low permeability and low quality solution gas recovery mechanism requires reduced spacing to efficiently drain the reservoir. The existing wells current rate of gas production appear to be unaffected by the new production and draining of the reservoir by the new well. Since the #29 did experience new reservoir type conditions we feel the additional drilling was justified.

Paul G. White Engineering

OIL AND NATURAL GAS

February 25, 1985

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

Re: Pertinent Engineering Data

Turkey Track Section 3 Unit Well No. 29

Turkey Track SR-Q-GR-SA Eddy County, New Mexico

Gentlemen:

The subject well, located 1650' FNL and 330' FEL, Section 3-T19S-R29E, Eddy County, New Mexico was completed on February 1, 1985.

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 27,210 barrels of oil and 10,884 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.

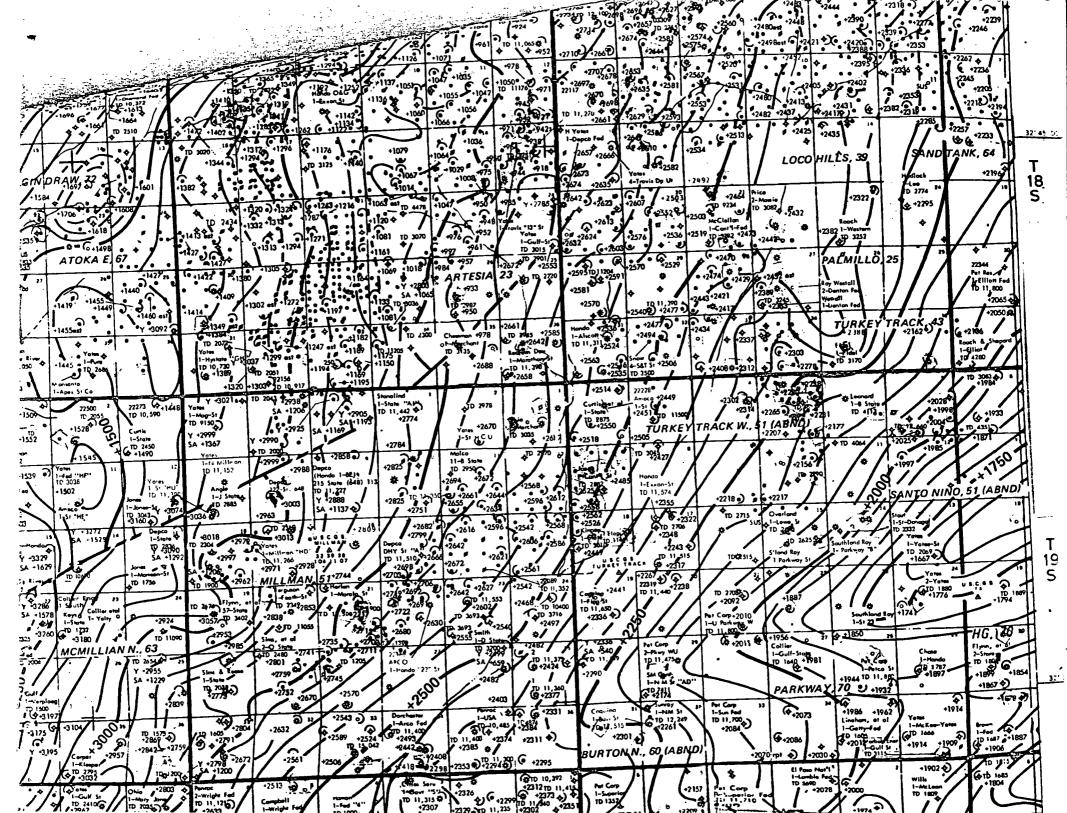
Therefore, it is my recommendation that in-fill wells be drilled and the well density be increased to at least 20 acre spacing.

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

Signed Sand Substitute
Petroleum Engineer

Date 2-25-85

PGW/sf



Rule 11:

Notice of this infill request has been sent to Tenneco Oil Exploration & Production Co., 7990 I.H. 10 West, San Antonio, Texas 78230.