NSL



August 30, 1996



9/23/96

2040 South Pacheco Santa Fe, New Mexico 87505

Oil Conservation Division

Attn: Mr. Michael Stogner

RE: Unorthodox Location Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to NMOCD Rule 104.F.(2), Marbob Energy Corporation respectfully requests, without a formal hearing, the approval of an unorthodox location of the Barnsdall Federal No. 3 as referenced above. Marbob originally staked this well at an orthodox location of 990' FNL and 1650' FWL of Section 27-17S-29E. However, the orthodox location impacted a Double Eagle high - pressure water line that crossed the location from east to west. The only solution, outside of moving the high pressure water line at great expense, is to move the location 100' south of the original staking. At 1090' from the north line, the proposed well location will be 140' from the Double Eagle water line.

The offset operators to this location are as follows: Marbob Energy Corporation; Mack Energy Corporation; and ARCO.

The only offset operator who is not a party to this well is Mack Energy Corporation. If the proposed unorthodox location is approved, the well will be no closer to Mack Energy Corporation's lease line than if the orthodox location were drilled. Mack Energy's lease is to the west of this lease and we are proposing to move the location south 100'.

Thank you for considering this request. Please notify me of any questions that you may have concerning this request.

Sincerely,

David Martin

Land Department

P.O. Box 227 Artesia, New Mexico 88211-0227 (505) 748-3303 Fax (505) 746-2523



Marbob 14 o. 1 El Posa Nati Gry RUD) Little SI L-4200 1770 CA 5 10:43 DeltaWing. Wing froe Marbob 12 17 HOU B. 107 4 2 0 Fed. PHO K 3790 028731 3.M. ø۶ "Contit 1592 (Mack Emer) @ 25 0.10714 G(Chase Chase Chase Oil) Chase Chase Oil Chase Chase Chase Chase Oil Chase Chase Chase Chase Oil Chase Chase Chase Chase Chase Chase Oil Chase Cha @ 17 714 1050 JUBO Ener Chiase Muse 5 Mart Bio 714 Mai 2 - Depco A Chiase Conoco St 6 Chiase Conoco St 7 Chiase Chiase Conoco St 7 Chiase Conoco St 7 Chiase Conoco St 7 Chiase Chiase Conoco St 7 Chiase Chiase Chiase Conoco St 7 Chiase Chiase Chiase Conoco St 7 Chiase Chi (Chase Oil) 5000 B 2823 Marbob (Sun) 20 🗯 0 (0D' 18 65 0 3203 A Sun Ja) (Dilloo A Sun Ja) (Dilloo Jang Dive P/Bigg A Mgrbive P/Bigg A Mgrbive P/Bigg Mock Ener: PHEREN. 1/10012000 049AID 302-121Mil 8-255TD 3053, State 039 mii ____ @ 5i (10.0) 52 (10 50001 (10.0) 66 (11 50001 10.0.066 (11 50001 Dodd-Fro 028731 16 **0** H L Brown., Chase Oil Con151 10:24 017US -#+ -Dodd Fed.43 30 US 35 0 19 0 0 US Chase FIDOOLCIEI Pocol Google Hig Bogle Big Bigs Chase Oil @11747 | (El Paso Nat'l) Marbob 34 036 33 € (7.8 (£.0) 37 33 € (7.8 (£.0) 37 33 € (7.8 (£.0)) (7.8 (£.0)) (7.8 Chase Oil 135 0 4 2 6 39 Bog/EV Farmsetor to Sood O F Mock En, 19 0'st.")**3** ⁴⁰ ο^{θ25} 36 120 @ 35 _1131 82 2 PIGO PSE **g 9** 0³ 213 7.B Mana 2 y i Devilier Marbob. 106 Res. 0/115/2 (DIA 3) 53) Marbob. 107 Marbob. 108 Res. 0/115/2 (DIA 3) 53) Marbob. 109 200 200 200 200 100 50000 100 50000 100 50000 100 200 РĂЗ 028731 211 172 -WI 506 94 34 PIOE 106 Res. 0/11 5/2 /1 22 A Ж bob 🗿 e⁷⁴ Marbob RADURG ACK DON Q107 way 217 0 75 76 0 77 216 0 79 11 85 4A/D A 10 *Burch" 028784 Mach 45 248119 002 Chase Oil · 28 · 44 · 45. 23 27 6 1210 Ø123 (4.4MiB) 124 120 ! @ 122 228 @ 26 341 0 035) 180 040 0⁷ anover Paso Nat.) 0 wing w 226 Pie Mack Ener B. SH B7 (Chose pil) (ARCO) ø Ø₃ 126 0127 (Salar) Geraldine) ٩ 98 - H-1 P59 48Mil ed. 128 o⁸²⁰ 106381 012 PS 172 172 Marbob © 83 170 928784 OPER.) 13828 90 Cont / Store 133 139 🔊 172 82 8169 0 161 0 171 WI WO (11) 10 6733 4314 Q12 6 Phillipsi P 1400 16 168. IGG S/R 122 (2) 5 5 (Tenneco) (Horizon) Chase Oil (Horizon) Chase Oil (Horizon) B-255 B-1266 (Aloka Disc.) B-1266 (Aloka TU12250 WI 666 0 199 1958 67 T05390207 3 GeOrlg. A.R. Calor 173 Mock En.) 3.N.L.O. to 5000 (S 200) 100 20 177 00 021115 4 to 5000, 5 1 208 WI A Mack Frai (Leonard) B-10174 A + 4 5000 57 T 5tate 0/44 19 62 (4.8) 206 5 209 WI eonard - P48 Rebinsen (00) Sec. SDX Res. 14845 Lenneco 12 6 H 107 10 3060 MACK ENER. (OPER) 057459 P/R 1 Vetes Drig. Co. Am Rep. 1069141 12 0 Z Cisco (A.R.Co) 10 32 Vintage Drlg : 3 Roy LOCO UNIT (Kerr 06310002 01 Marbob Energy Corporation 64 \$ 2 5 0 Barnsdall Federal No. 3 SOX (Amoco) D Mach Ener 1090' FNL and 1650' FWL Section 27-17S-29E 030 04.C FOST Leonard Eddy County, New Mexico .eenard 2 Bur B.J. Phillipst Exhibit #4 Marbob 1 Sterer to 3000 Ener. 3 1. 2006 1 1.015 Sterry A 96219 0.5 AR.Co. 106000 Robi**ns**on

VICINITY MAF



SEC. <u>27</u> TWP. <u>17 – S</u> RGE. <u>29 – E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>EDDY</u> DESCRIPTION <u>1090' FNL & 1650' FWL</u> ELEVATION <u>3554</u> OPERATOR <u>MARBOB_ENERGY_CORPORA</u>TION LEASE BARNSDALL_FEDERAL SCALE: 1'' = 2 MILES

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117 LOCALION VERIFICATION MAP



SCALE: 1'' = 2000'

 SEC. ______ TWP. ______ RGE. _____ RGE. _____

 SURVEY ______ N.M.P.M.

 COUNTY ______ EDDY

 DESCRIPTION ______ 1090' FNL & 1650' FWL

 ELEVATION ______ 3554

OPERATOR MARBOB ENERGY CORPORATION

LEASE_____BARNSDALL_FEDERAL

U.S.G.S. TOPOGRAPHIC MAP RED LAKE SE, N.M. CONTOUR INTERVAL: RED LAKE SE - 10'

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117





August 12, 1996

ARCO Post Office Box 1610 Midland, Texas 79702

> RE: Proposed Unorthodox Well Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

and marts

David Martin Land Department

. . . .

DM/mm Enclosures

ARCO has no objection to the proposed unorthodox well.

By:	M.A.	h	<u> </u>
Title:	forlow	<i>D</i>	
Date:	8/16/96		



AUG 20 1996

August 9, 1996

RE: Proposed Unorthodox Well-Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Gentlemen:

Mack Energy Corporation

Artesia, New Mexico 88211

Post Office Box 960

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

matts

David Martin Land Department

DM/mm Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

Hower C. Chan By:

Title: V.P

Date: 8/19/96



OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

September 10, 1996

Marbob Energy Corporation P. O. Box 227 Artesia, New Mexico 88211-0227

Attention: David Martin Land Department

Re:

Application for administrative approval to drill the Barnsdall Federal Well No. 3 at an unorthodox location 1090 feet from the North line and 1650 feet from the West line (Unit C) of Section 27, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

Dear Mr. Martin:

Per your application dated August 30, 1996, please identify the projected depth and target interval for this well, its proposed dedicated acreage, and state in more detail the reason(s) why the "only solution, outside of moving the high pressure water line" was to move south 100 feet - am I to assume all other possible locations within the 330/330 foot square within the Unit "C" was not acceptable for this location (assuming of course this well will be on 40-acre spacing).

Thank you for your cooperation in this matter.

Sincerely يرم يعيني وموسعين

Michael E. Stogner Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Artesia
 U. S. Bureau of Land Management - Carlsbad
 Raye Miller - Marbob Energy Corporation, Artesia

NSL 10/15/96



UTTEL TON DIVISION

September 19, 1996

10-2-96 Talked & / Raye Miller, will provide additions I data on drainage /

Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Attention: Michael Stogner

pattern / geology M.S

RE: Unorthodox Location Barnsdall Federal No. 3 1090' FNL and 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to NMOCD Rule 104.F.(2), Marbob Energy Corporation respectfully requests, without formal hearing, the approval of an unorthodox location of the Barnsdall Federal No. 3 as referenced above. The well will be drilled to a depth of 6,100' to test the Yeso formation and all other potential oil or gas bearing rock from the surface to the Yeso formation. The proposed acreage to be dedicated to this well is a standard 40-acre spacing unit.

Marbob originally staked this well at an orthodox location of 990' FNL and 1650' FWL of Section 27-17S-29E. However, the orthodox location impacted a Double Eagle high-pressure water line that crossed the location from east to west. Marbob has also staked a location in the northeast corner of unit letter C at 1650' FEL and 330' FNL, Section 27-17S-29E. In order to fully develop this 40 acres and capture the potential reserves, Marbob needs to drill both proposed locations. Therefore, Marbob Energy proposes to move the Barnsdall Federal No. 3 location 100' south of the orthodox staking in order to avoid the Double Eagle water line and still develop the potential reserves that could not be produced by the other proposed location at 1650' FEL and 330' FNL. An exhibit is attached which identifies Marbob's plan to develop the maximum potential reserves from this acreage.

The offset operators to this location are as follows: Marbob Energy Corporation, Mack

Energy Corporation, and ARCO.

The only offset operator who is not a party to this well is Mack Energy Corporation. If the proposed unorthodox location is approved, the well will be no closer to Mack Energy Corporation's lease line than if the orthodox location were drilled. Mack Energy's lease is to the west of this lease and we are proposing to move the location south 100'. Mack Energy Corporation has been notified by certified mail of Marbob's proposed well.

Thank you for considering this request. If you have any questions, please contact me.

Sincerely,

Aquie Mati

David Martin Land Department

DM/mm Enclosures





Marbob • Wing from Marbob COE! ain Nat 4 EI P L .4200 ate Se THOP DeltaWing. 770 12 5 10:43 12 1273HBU B. 107'4 Fed. K 3790 12 50 1. ji Mack Ener i 12 50 1. ji Mack Ener i 028731 3-W1 PIO Contin 0 25 0 17 5% 0.10714 (Chase Oil) Chase Chase Chase SB 6:1023 Oil) Oilb 255 Bio 714 Mai 12 Jan Bar Sine St, 1 Ener. 26 MESIO 5 Martob (Sun) 18 65 20 22 03'A 40 Mack Ener. Mack En. Mack E TOSUOU' TO 3100 MUSHE 49Aid Du - 2.1 Mil B-255TD 3053, State TD 301 028731 16 . 6 51 H L Brown, Jr Dodd Fed.43 30 U S 45 Chase Oil Contist Tours 11 10 170 8-44--1010.966 36 Maralo Mana2 y I Devilleongiel) (Marbob 1 Charge 92 Maralo Mana2 y I Devilleongiel) (Marbob 2 Charge 9 24 Pico P56 TD 12196 (Marbob 2 Charge 9 24 Marbob 2 Charge 9 25 MWI 6 Charge 9 26 MWI 6 Charge 9 27 MWI 6 Charge 9 28 MWI 6 Charge 9 29 MWI 6 Charge 9 29 MWI 6 Charge 9 20 MWI 6 Charge 9 20 MWI 6 Charge 9 20 MWI 6 Charge 9 21 MWI 6 Charge 9 23 99 MWI 6 Charge 9 24 Marbob 2 Charge 9 25 MWI 6 Charge 9 26 MWI 6 Charge 9 26 Marbob 2 Charge 9 27 MWI 6 Charge 9 28 MWI 6 Charge 9 29 MWI 6 Charge 9 20 MW 10 5000' 223 506 .26 23,79 6 Marbob W (Moran 2 Doda 2 94 Dodd 2 T010880 g11 D/A 4 28 71 028797 75 76 77 216 79 218 248119 118 se •123 •121 · 45 . 23 27 QI • 124 120 232 20 117 233 ● 122 228 ● 40 07 226 U.5 243 12 ·A 1.6 126 128 0820 (Solar) • 252 0130 Seroldine) D6381 12 P55 P12 108 121 14 Fed. 1) Vinlage 125 251 Marbob Burch MACK ENER. Planton 45 Robid sont 1 (OPER.) 13828 90 Cont 1 State 65 Robid sont 1 (Mack Eners) 124 S/R 122 (2) 4 9 2 Drig,5/R 170 Borns T/A 469 · 167 0819 Francia 172 234 171:WI W 2111 TD 6733 XISY (Phillips) P 3400 PWI Gr b Dp. 168. 166 WI 1012250 WI 174. 000 (Mack Ener) 124 5/R 122 (2) (9 (Horizon) Chase Oil (Horizon) Chase Oil (Horizon) B-255 (PB) B-1266 (3.4Mil) 92 1475-24 640 Introge Drig. 205 66 19 -3 176 98 •⁽⁷³ 021115 A" 2013 4 to 5000 5 200100 20 ! Chase e 16-1 ates at 208 WI (Wo) Horizon Vs) Mach Earri (Leonard) B-255 Jug 50001 (St) Isla Leonard 77StateD/A4-1962 P48 Rebin Oil 206 5 209 WI Slale Fondrd Vistare SDX Res. Graham SDX Res 14845 State 103060 10300 103060 10300 103060 10300 103000 10300 00 (00) Rebinson 14 · 1198 Am Rep. 1063141 IW Cisco .. (A.R.C 12 50. 3 1015C 11 01 Hand Bar Vintage Drlg. Royo VADC-1 MACK ENER. (OPER) OLD LOCO UNITI 06510802 01 Marbob Energy Corporation Barnsdall Federal No. 3 F 2 50 SDX (Amoco) D Res. (Amoco) D 1090' FNL and 1650' FWL Mack Ener US. 8 . 5 Section 27-17S-29E 75+ 030 East Leonard Eddy County, New Mexico . conord 2 B J Phillips 1, IF. T Collier-Sti Q 5.420 Exhibit #4 Marbob 1. 3 1. 2006 1 State E.4201 Cherry 4005 2 Synergy Res Leonarde 96219 US AR.Co. Robinson 106000 06072 0000

LOCALION VERIFICATION MAP



SCALE: 1" = 2000'

SEC. <u>27</u> TWP. <u>17</u>-S RGE. <u>29-E</u>

SURVEY_____N.M.P.M.

COUNTY____EDDY____

DESCRIPTION 1090' FNL & 1650' FWL

ELEVATION 3554

OPERATOR <u>MARBOB</u> ENERGY CORPORATION LEASE ______BARNSDALL_FEDERAL

U.S.G.S. TOPOGRAPHIC MAP RED LAKE SE, N.M. CONTOUR INTERVAL: RED LAKE SE - 10'

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117

VICINITY MAL



SEC. <u>27</u> TWP. <u>17 – S</u> RGE. <u>29 – E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>EDDY</u> DESCRIPTION <u>1090' FNL & 1650' FWL</u> ELEVATION <u>3554</u> OPERATOR <u>MARBOB_ENERGY_CORPORATION</u>

LEASE_____BARNSDALL_FEDERAL

SCALE: 1'' = 2 MILES

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117



AUG 1 9 1996

August 12, 1996

ARCO Post Office Box 1610 Midland, Texas 79702

RE: Proposed Unorthodox Well Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

Inats

David Martin Land Department

DM/mm Enclosures

ARCO has no objection to the proposed unorthodox well.

By:	L.M.A.	free land
Title:	Loremon	¹ Alexandro de la construcción de la c
Date:	8/16/96	

P.O. Box 227 Artesia, New Mexico 88211-0227 (505) 748-3303 Fax (505) 746-2523



AUG 20 1996

August 9, 1996

Mack Energy Corporation Post Office Box 960 Artesia, New Mexico 88211

RE: Proposed Unorthodox Well Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

David Martin Land Department

DM/mm Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

Colect C. Chan By:

Title: V. P.

Date: <u>8/19/96</u>



September 19, 1996

Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Attention: Michael Stogner

RE: Unorthodox Location Barnsdall Federal No. 3 1090' FNL and 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to NMOCD Rule 104.F.(2), Marbob Energy Corporation respectfully requests, without formal hearing, the approval of an unorthodox location of the Barnsdall Federal No. 3 as referenced above. The well will be drilled to a depth of 6,100' to test the Yeso formation and all other potential oil or gas bearing rock from the surface to the Yeso formation. The proposed acreage to be dedicated to this well is a standard 40-acre spacing unit.

Marbob originally staked this well at an orthodox location of 990' FNL and 1650' FWL of Section 27-17S-29E. However, the orthodox location impacted a Double Eagle high-pressure water line that crossed the location from east to west. Marbob has also staked a location in the northeast corner of unit letter C at 1650' FEL and 330' FNL, Section 27-17S-29E. In order to fully develop this 40 acres and capture the potential reserves, Marbob needs to drill both proposed locations. Therefore, Marbob Energy proposes to move the Barnsdall Federal No. 3 location 100' south of the orthodox staking in order to avoid the Double Eagle water line and still develop the potential reserves that could not be produced by the other proposed location at 1650' FEL and 330' FNL. An exhibit is attached which identifies Marbob's plan to develop the maximum potential reserves from this acreage.

The offset operators to this location are as follows: Marbob Energy Corporation, Mack

Energy Corporation, and ARCO.

The only offset operator who is not a party to this well is Mack Energy Corporation. If the proposed unorthodox location is approved, the well will be no closer to Mack Energy Corporation's lease line than if the orthodox location were drilled. Mack Energy's lease is to the west of this lease and we are proposing to move the location south 100'. Mack Energy Corporation has been notified by certified mail of Marbob's proposed well.

Thank you for considering this request. If you have any questions, please contact me.

Sincerely,

Daine Martin

David Martin Land Department

DM/mm Enclosures





Marbob Ory R(UD) COL/ o Na I L-4200 ate 2770 Dryp DeltaWing. Wing frog Marbob 1 H B P 10 2770 01 5 10:43 58 12 173HBU B. 107'4 Fed. K 3790 061 PIO Contin i Mack Ener i 5% 8-10714 10 5000 Ener 16 Chase Chase 01/8255 (Chase Oil) Chase Marbob 6-1013 57 . @ \$5. 011) ø¹⁸ 65 810714 1781 Depco A 00'e 20 Marbob Mgrbud P/Bid Start Atoka -640 Mack Ener. Mack En.) 14 105000 - 13100 M Son . Sta and Poly (Moch En. F 0"Å Dodd-Fed 028731 ا6 51 (NO) 52 10 5000 8-255TD 3053 Chase Oil H L Brown. state Con151 18:124 017US ++--Dodd Fed.43 30 US 1010.366 **9**35 🛛 Ig Chase 33 🕫 9595 115 Mack @ Has @ 115 Mack @ Has En.) Ener. 128)**9 40 0⁸²⁵** 10 5000' 119 PZC A" 3 .63 131 028731 211 72 ______ WI ____214 arbob 🗿 22# 34 PIOE 106 Res. 0/ e⁷⁴ Marbob • 101 • 32 • 15 tel Paso Prode 27 Fina O E C 30 - 15 tel Paso Prode 27 ¥ • 75 76 • 77 Zi6 • 79 217 028784 _Burch" _0. BURG 248119 se 110 ACH 45 23 27 @1210 Ø 123 0 28 044 024 © 82 Chase Qil 91 P53 124 120 ●99 (4.4MiB) 月20 @ 122 228 @ 1 26 38 180 h¹841 ● 226 ₩ Pie Mack Eners B. SH 87 (Chose Dil) 07(Chase Dil) AL Sr 10 BMu Mit bob 03 15 57 10 139 034 05 14 0 15 (ARCO) 128 126 Fed. Marbob 0 125 eroldine) P59 48Mil 6381 01 C 170 172 T/A 28784 133 139 🐢 R2 172 217 IV (Phillips) P8 347 Gr p Dp. 168 - 166 52 67 05390 207 Vint geOrla. A.R.Calo 176 <u>9 B</u> 2013 4 to 5000, 5 2000, 18 021715 A ates Chase 208 wi Mack (2001) (Leonard) B-10174 (2001) Mack (2001) (Leonard) St. 125 1.42 50001 (St) 0.77510160/A4 1967 P48 Horizon ¥s 11 (WO) B·255 000 eonard (00) P48 Rebinsen Grahom. SDX Res O/A 5 (Gratham Roy) 10 3060 Cates Drig. Vales Drig. SDX Res. 14845 I WILLING Am Rep. 1062141 Cisco (A.R. 10 203 32 Vintage Drlg. Royo MACK ENER. OPER Yates Orly. .P∕₽ DLOCO UNITI 2 Co. Marbob Energy Corporation 06310802 01 Barnsdall Federal No. 3 F 2 5 0 1090' FNL and 1650' FWL SDX (Amoco) 0201 US Section 27-17S-29E Eddy County, New Mexico Leonard ennord Exhibit #4 Marbob 3 Ener. Ack Ener. to 3000's Perry 4 OL PONOTOR 1 State 1 - 2006 1 96219 AR.Co. C and a second s 06072 Ø DD U 106000 Robinson

LOCA'. ION VERIFICATION MAP



SCALE: 1'' = 2000'

SEC. <u>27</u> TWP. <u>17-S</u> RGE. <u>29-E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>EDDY</u> DESCRIPTION <u>1090' FNL & 1650' FWL</u> ELEVATION <u>3554</u> OPERATOR <u>MARBOB_ENERGY_CORPORA</u>TION LEASE <u>BARNSDALL_FEDERAL</u> CONTOUR INTERVAL: RED LAKE SE - 10'

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117

RED LAKE SE, N.M.

U.S.G.S. TOPOGRAPHIC MAP

VICINITY MAF



SCALE: 1'' = 2 MILES

SEC. <u>27</u> TWP. <u>17</u>—S RGE. <u>29</u>—E SURVEY <u>N.M.P.M.</u> COUNTY <u>EDDY</u> DESCRIPTION <u>1090' FNL & 1650' FWL</u> ELEVATION <u>3554</u> OPERATOR <u>MARBOB ENERGY CORPORATION</u> LEASE <u>BARNSDALL FEDERAL</u>

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117



AUG 1 9 1996

August 12, 1996

ARCO Post Office Box 1610 Midland, Texas 79702

RE: Proposed Unorthodox Well Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

Inarts

David Martin Land Department

DM/mm Enclosures

ARCO has no objection to the proposed unorthodox well.

By:	f.M.A.	h
Title:	forlow	Version of the standard sector of the sec
Date:		

P.O. Box 227 Artesia, New Mexico 88211-0227 (505) 748-3303 Fax (505) 746-2523



AUG 20 1996

August 9, 1996

Mack Energy Corporation Post Office Box 960 Artesia, New Mexico 88211

RE: Proposed Unorthodox Well Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

David Martin Land Department

DM/mm Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

By: Title: VP

Date: 8/19/96



September 19, 1996

Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Attention: Michael Stogner

RE: Unorthodox Location Barnsdall Federal No. 3 1090' FNL and 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Dear Mr. Stogner:

ţ,

Pursuant to NMOCD Rule 104.F.(2), Marbob Energy Corporation respectfully requests, without formal hearing, the approval of an unorthodox location of the Barnsdall Federal No. 3 as referenced above. The well will be drilled to a depth of 6,100' to test the Yeso formation and all other potential oil or gas bearing rock from the surface to the Yeso formation. The proposed acreage to be dedicated to this well is a standard 40-acre spacing unit.

Marbob originally staked this well at an orthodox location of 990' FNL and 1650' FWL of Section 27-17S-29E. However, the orthodox location impacted a Double Eagle high-pressure water line that crossed the location from east to west. Marbob has also staked a location in the northeast corner of unit letter C at 1650' FEL and 330' FNL, Section 27-17S-29E. In order to fully develop this 40 acres and capture the potential reserves, Marbob needs to drill both proposed locations. Therefore, Marbob Energy proposes to move the Barnsdall Federal No. 3 location 100' south of the orthodox staking in order to avoid the Double Eagle water line and still develop the potential reserves that could not be produced by the other proposed location at 1650' FEL and 330' FNL. An exhibit is attached which identifies Marbob's plan to develop the maximum potential reserves from this acreage.

The offset operators to this location are as follows: Marbob Energy Corporation, Mack

Energy Corporation, and ARCO.

The only offset operator who is not a party to this well is Mack Energy Corporation. If the proposed unorthodox location is approved, the well will be no closer to Mack Energy Corporation's lease line than if the orthodox location were drilled. Mack Energy's lease is to the west of this lease and we are proposing to move the location south 100'. Mack Energy Corporation has been notified by certified mail of Marbob's proposed well.

Thank you for considering this request. If you have any questions, please contact me.

Sincerely,

Drine Matin

David Martin Land Department

DM/mm Enclosures







LOCALION VERIFICATION MAP



SCALE: 1" = 2000'

SEC. _____ TWP. ____ RGE. _____

SURVEY_____N.M.P.M.

COUNTY_____EDDY

OPERATOR MARBOB ENERGY CORPORATION

LEASE_____BARNSDALL FEDERAL

U.S.G.S. TOPOGRAPHIC MAP RED LAKE SE, N.M. CONTOUR INTERVAL: RED LAKE SE - 10'

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117

VICINITY MAP



SEC. <u>27</u> TWP. <u>17 – S</u> RGE. <u>29 – E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>EDDY</u> DESCRIPTION <u>1090' FNL & 1650' FWL</u> ELEVATION <u>3554</u> OPERATOR <u>MARBOB ENERGY CORPORATION</u> LEASE BARNSDALL FEDERAL SCALE: 1'' = 2 MILES

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117

.՝



AUG 1 9 1996

August 12, 1996

ARCO Post Office Box 1610 Midland, Texas 79702

RE: Proposed Unorthodox Well Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

marts

David Martin Land Department

DM/mm Enclosures

ARCO has no objection to the proposed unorthodox well.

By:	f.M.A.	h	-			
Title:	forlow					
Date:	8/16/96		-	· · · · ·	n elgene i el nelle	· · · · · · · · · · · · · · · · · · ·

P.O. Box 227 Artesia, New Mexico 88211-0227 (505) 748-3303 Fax (505) 746-2523



AUG 20 1996

August 9, 1996

RE: Proposed Unorthodox Well Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Post Office Box 960 Artesia, New Mexico 88211

Mack Energy Corporation

Gentlemen:

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

David Martin Land Department

DM/mm Enclosures

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

Concert C. Chan By: Title: V.P

Date: 8/19/96



October 4, 1996

Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Attention: Mr. Michael Stogner

RE: Supplemental Information Unorthodox Location Barnsdall Federal No. 3 Eddy County, New Mexico

Dear Mike:

I apologize for our failure to clearly present our request for the unorthodox location on the Barnsdall Federal No. 3. Mike Hanagan has been buried with projects on our current drilling program, and I failed to carefully oversee the information provided to you. Hopefully, the following will provide you the additional information you need to approve the request.

The request for the unorthodox location for the Barnsdall No. 3 is based on reservoir considerations. Marbob proposed to drill the Barnsdall Federal No. 3 at an unorthodox location 1090 feet from the North line and 1650 feet from the West line of Section 27, Township 17 South, Range 29 East, N.M.P.M., Eddy County, New Mexico with the intent of testing the Yeso Formation. The proposed location is orthodox from the west line but is unorthodox from the north line by a distance of 100 feet.

Marbob proposes to dedicate, to the Barnsdall Federal No. 3 well, a standard spacing/proration unit comprised of the NE/4NW/4 of said Section 27.

Marbob is the operator of both, the NE/4NW/4 and SE/4NW/4 as to rights from 3,480 feet subsurface to 6,100 feet subsurface which would include the Yeso formation. As such, we are encroaching on ourselves. These tracts are part of Federal Lease LC-028775-B which covers the following acreage:

Section 27: NE/4, E/2W/2 Section 35: NE/4, E/2NW/2, NE/4SW/4, N/2SE/4 Mack Energy Corporation is the operator of the W/2NW/4 of Section 27 and the SW/4SW/4 of Section 22. The unorthodox location does not encroach upon Mack Energy and a waiver of objection signed by them is enclosed as Exhibit A.

:

Exhibit B is a plat showing the proposed unorthodox well location, the spacing unit for the Barnsdall Federal No. 3, the diagonal and adjoining spacing units, and lease ownership in the affected area. The spacing unit for the proposed well is outlined in red and the affected adjoining spacing unit is outlined in blue.

Q

As there is common ownership, both from working interest ownership and royalty interest ownership standpoints, across the lands affected by the proposed unorthodox location, there would be no encroachment on correlative rights.

Exhibit C shows the spacing pattern which Marbob Energy Corporation has employed on recently drilled wells in the Burch Keely Unit adjacent to these leases. Well numbers 228, 232, 233, 227, 243, 253, 254, 240, 251, and 252 have been drilled with approximately 900 to 933 feet being between adjacent wells. These wells have been drilled to the Yeso formation which is included in the unit depths and been completed there. No apparent offsetting depletion has been observed by drilling in this tight spacing pattern. Currently, we do not know if economic reserves will extend into Section 27 in this formation, but we have attempted to begin development to maximize the potential if it does exist. The Barnsdall Federal No. I well is currently being drilled at a location 330 feet from the north line and 1650 feet from the east line as shown on Exhibit C. Approval has also been obtained from the BLM for drilling the #2location. As you will note, there are several additional locations shown in Section 27. The locations which fall 990 feet from the north and east and 990 feet from the north and 2310 feet from the east fall in areas of surface archaeology problems. As such, we staked the #3 location to test whether there are sufficient economic reserves to mitigate the offsetting locations. Unfortunately, the orthodox location fell near a waterline. The alternate location 100 feet south of the orthodox location should not severely impact the spacing of the other locations and yet would allow us to test whether the problem locations have sufficient reserves to justify drilling. The other alternative which would have kept the #3 orthodox would have required us to move the location to 810 feet from the north and 1650 feet from the east. This would have reduced the distance to the other possible location in the proration unit to 816 feet. At this proposed unorthodox location, we would have a distance of 865 feet to the nearest possible location in the SE/4NW/4. Additionally, we can slide that location a few feet south and increase our distance to an acceptable level while the location 2310 feet from the west and 330 feet from the north cannot slide north without encroaching on a different federal lease with different overriding royalty owners.

Based on the information contained herein, Marbob requests that the exception be granted without notice and hearing.

I hope this supplemental information will provide you with the additional material which was absent from our initial request.

Sincerely,

Rays Miller

Raye Miller Attorney-in-Fact

RM/mm Enclosures

:

cc: Mr. Tim Gum Oil Conservation Division Artesia, NM 88210



AUG 20 1996

August 9, 1996

RE: Proposed Unorthodox Well Barnsdall Federal No. 3 1090' FNL & 1650' FWL Section 27-17S-29E Eddy County, New Mexico

Gentlemen:

Mack Energy Corporation

Artesia, New Mexico 88211

Post Office Box 960

Enclosed please find an application for a proposed unorthodox well located in Section 27, Township 17 South, Range 29 East, Eddy County, New Mexico. If you have any questions regarding this application, please contact me at 505/748-3303.

If you have no objection to the proposed unorthodox well, please sign below and return one copy of this letter to Marbob Energy Corporation.

Sincerely,

matts

Exhibit A

David Martin Land Department

DM/mm Enclosures

5

MACK ENERGY CORPORATION has no objection to the proposed unorthodox well.

Concert C. Chan By:

Title: VP

Date: 8/19/96

P.O. Box 227 Artesia, New Mexico 88211-0227 (505) 748-3303 Fax (505) 746-2523





.

CMD : OG6CLOG	C105-WE]	ONGA		CASING LOC	10/09/96 13:35:38 G OGOMES -EME2
Prop Identif API Well Ide Surface Locn	fier : 140 ier : 194 ntifier : 30 - UL : C (S/M/C) : N : r Record:	185 BARNSDAL 15 29148 Sec : 27 Twy TVD Depth	L FEDERAL	ge : 29E Lo	
S Size (inches)	5	-	-		Cement TOC (Sacks) (feet) Code

E000	4: No matchir	ig record four	d. Enter dat	a to create.	
PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 COMMENT	PF10 TLOG	PF11	PF12

10/09/96 13:35:47 CMD : ONGARD OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -EME2 OGRID Idn : 14049 API Well No: 30 15 29148 APD Status(A/C/P): A Opr Name, Addr: MARBOB ENERGY CORP Aprvl/Cncl Date : 09-04-1996 PO BOX 227 ARTESIA, NM 88211-0227 Prop Idn: 19485 BARNSDALL FEDERAL Well No: 3 U/L Sec Township Range Lot Idn North/South East/West Surface Locn : C 27 17S 29E FTG 1090 F N FTG 1650 F W OCD U/L : C API County : 15 Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : R Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3554 State Lease No: Multiple Comp (Y/N) : N

Prpsd Depth : 6100 Prpsd Frmtn : YESO

10/09/96 13:35:58 CMD : ONGARD C102-WELL LOCATION, DEDICATED ACREAGE PLAT OGOMES - EME2 OG6C102 API Well No : 30 15 29148 Well No : Eff Date : Pool Idn : Prop Idn : OGRID Idn : GL Elevation : U/L Sec Township Range North/South East/West Prop/Act(P/A) ____ ___ _____ B.H. Locn FTG F FTG F : OCD U/L : Lot Identifier: API County : If more than 1 lease of different ownership is dedicated to the well, have the interest of all owners been consolidated? (Y/N) : Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) : E9100: This field is mandatory PF03 EXIT PF04 GoTo PF05 PF01 HELP PF02 PF06 CONFIRM

PF09 PRINT PF10 NEXT-WC PF11 HISTORY PF12 ACRE

PF08

PF07