

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

January 30, 1992

Mr. Michael E. Stogner
Chief Hearing Officer
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

HAND-DELIVERED

RECEIVED

JAN 31 1992

Case 10442
OIL CONSERVATION DIVISION

Re: Application of Marbob Energy Corporation for Approval of an Unorthodox
Well Location for its State CF No. 7 Well, Chaves County, New Mexico

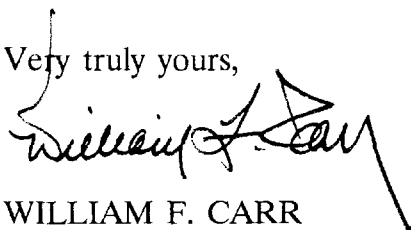
Dear Mr. Stogner:

By letter dated January 23, 1992 Marbob Energy Corporation sought administrative approval of an unorthodox location for the above-referenced well at a point 2263 feet from the South line and 1430 feet from the East line of Section 13, Township 11 South, Range 27 East, N.M.P.M., Chaves County, New Mexico. Marbob has been advised that this matter will need to be set for hearing before an Oil Conservation Division Examiner.

The purpose of this letter is to request that you treat Marbob's January 23, 1992 letter as its application for an Examiner hearing on February 20, 1992.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

cc: Mr. Raye Miller
Marbob Energy Corporation
Post Office Drawer 217
Artesia, New Mexico 88211-0217

New Mexico Commissioner of Public Lands
Post Office Box 1148
Santa Fe, New Mexico 87504-1148

Mr. Jack Ahlen

2/15

CASE 10442

APPLICATION OF MARCOB ENERGY CORPORATION FOR
AN UNORTHODOX OIL WELL LOCATION, CHAVES COUNTY,
NEW MEXICO.

Applicant, in the above-styled case, seeks approval
of an unorthodox oil well location to be drilled 2263 feet
from the South line and 1430 feet from the East line (Unit
J) of Section 13, Township 11 South, Range 27 East,
Chisum-Avonian Pool. Said well to be simultaneously dedicated
with the existing State (F) Well No. 4, located at a standard
oil well location 1980 feet from the South and East lines of
said Section 13, to the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said section being a standard
40-acre oil spacing and production unit in said pool. The
subject unit is located approximately 4 miles south of
U.S. Highway 380 at milemarker No. 175

REPLY TO:

New Mexico Institute of Mining and Technology

Society of Petroleum Engineers of AIME

SPE



OIL CONSERVATION DIVISION
RECEIVED
'92 JAN 23 10 08

January 23, 1992

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

10442

Attention: Mr. Mike Stogner

Dear Mr. Stogner:

Marbob Energy Corporation respectfully requests a hearing with notice for an unorthodox well location on the State CF STATE lease. The well location's legal description is as follows:

State CF No. 7
2263 FSL, 1430 FEL
Section 13, T-11S, R-27E
Chaves County, New Mexico

This well will be completed in the Devonian formation in the Chisum Devonian Pool. Note that this location is no closer than 330 feet to an outer boundary of the lease, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.

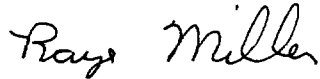
Attached to this application are the following exhibits:

- A.) Well location and acreage dedication plat (form C-102) filed with the Artesia office of the Oil Conservation Division (Exhibit A).
- B.) A plat showing the proposed unorthodox location, the respective proration unit, and the offsetting proration units including their ownership (Exhibit B).
- C.) Copies of the letter of notification sent to operators or owners of proration units offsetting the proration unit containing the proposed unorthodox location (Exhibit C).

The letters attached as Exhibit "C" have been sent to each offset operator by certified mail and they have been requested to notify you if they have any objections. Note that with the exception of the operators notified, Marbob Energy Corporation is the operator of all offsetting proration units.

Thank you very much for your help in this matter. Should you need additional information or have any questions about the material enclosed, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Raye Miller".

Raye Miller
Land Department

RM/mm
Enclosures

cc: Mr. Bill Carr
Campbell, Carr, Berge, Sheridan
P. O. Box 2208
Santa Fe, NM 87504-2208

OIL CONSERVATION DIVISION

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

MARBOB ENERGY CORPORATION

DISTRICT I
P.O. Box 1800, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

STATE CF #7

EXHIBIT A

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

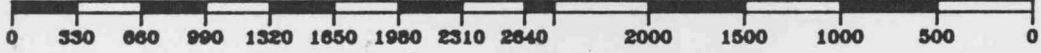
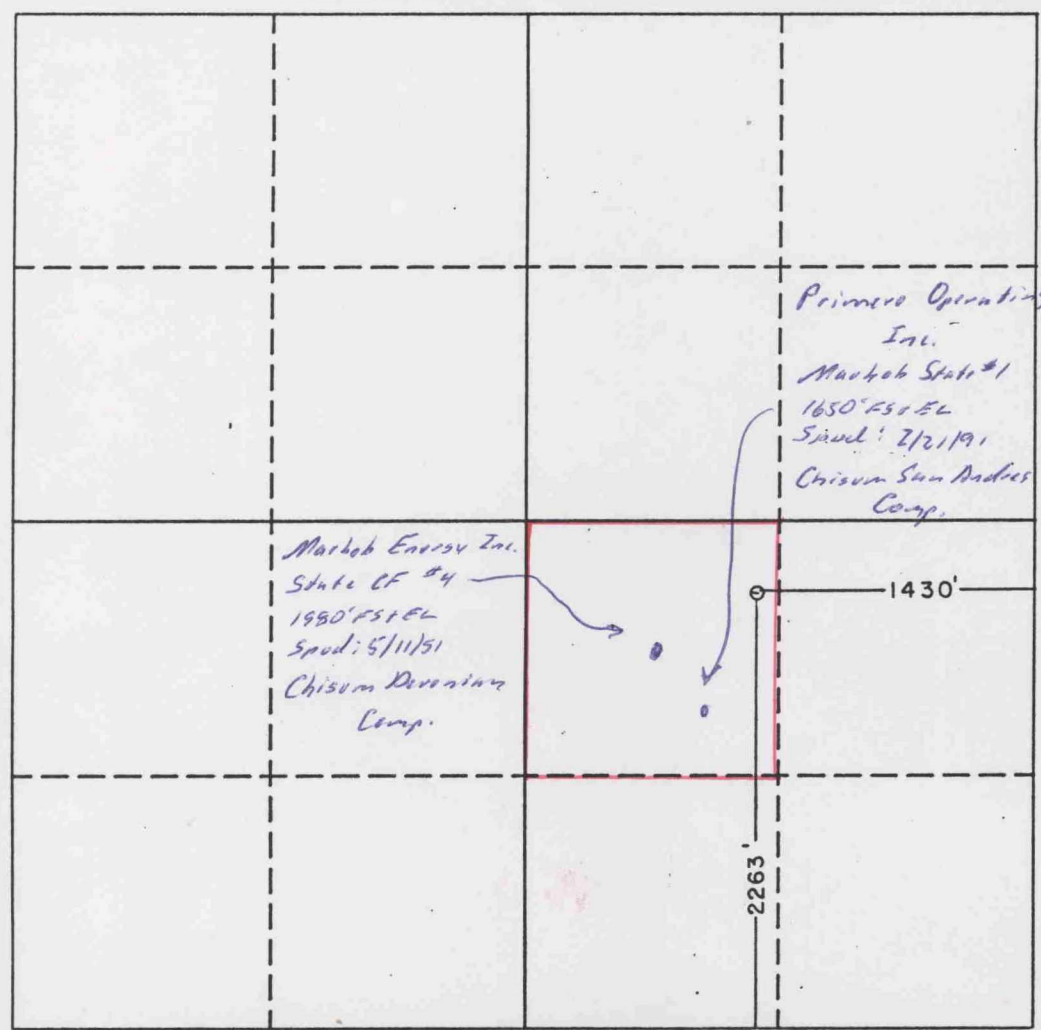
| | | | | | |
|--|---------------------------------|-------------------------|-------------------|--------------------------------|---------------|
| Operator Marbob Energy Corp. | | | Lease State CF | | Well No. 7 |
| Unit Letter J | Section 13 | Township 11 South | Range 27 East | County Chaves | |
| Actual Footage Location of Well: 2263 feet from the South line and 1430 feet from the East line | | | | | |
| Ground Level Elev. 3752.5 | Producing Formation Devonian | Pool Chisum Devonian | | Dedicated Acreage: 40 Acres | |

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: *Rhonda Nelson*
 Printed Name: Rhonda Nelson
 Position: Production Clerk
 Company: Marbob Energy Corporation
 Date: January 23, 1992

SURVEYOR CERTIFICATION

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: January 21, 1992
 Signature & Seal of Professional Surveyor: *Ronald J. Edson*
 Registered Land Surveyor Seal: **REGISTERED LAND SURVEYOR**
 Certificate No. JOHN W. WEST, 676
 RONALD J. EDSON, 3239
 GARY C. JONES, 7977
 W.O. 110089

MARBOB ENERGY CORPORATION

STATE CF #7

EXHIBIT B

1/4
9-1-90
LG-8591
10033

T-11S R-27E

T-11S R-28E

T-1093
D/A 7-35 E
Avalanche
Ranch
TD 2
D/A 1-
L.Mi

D.R. Sylvan
J.Vr. Grigsby, et al
B-1-91 LH-178
135
Robertson
Magnolia
04-8
Mountain States Pet
to 1000'
(Marbob Ener.)
B-8385-2
Kewanee
Mountain States Pet
to 1200'
Hono. - St
Hunt Oil
8731
11-1-91
V-2050
3938
P3
Hunt Oil
11-1-91
V-2050
3938
State

Marbob Ener.
HBP
B-8385-2

Grunberg
Grunberg St.
Santa Fe Ener.
9-1-90
V 1575
45 25

Robertson
White Ranch
TD 1114
D/A 6-14-60
12.80
SA. Disc.
(Avalanche Jrnl)

Robertson
Mag-St.
TD 1103

State

"Ranch"
Exchange O&G
Tenneco, et al
L.E. Minerals | J. White

Amoco (D/R)
Yates Pet, et al
3-1-95
VB. 375
77 95
Slash Four Ent.
Chisote - St.
Marbob Ener.
HBP
B-8385-2
State

Commissioner of
Public Lands
Marbob Energy
Corporation
Proposed
Location
6-CF
5
4-CF
1-CF
3-CF
2-CF
State

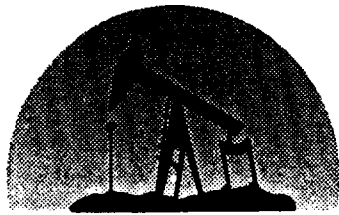
Avalanche Jrnl
Rch
TD 2079
D/A 3-28-63
Stevens
Rancha Blanca
(Magnolia)
(White)
TD 6599
Exchange O&G
Tenneco
J. White Jr. et al | L.E. Min

Marbob Ener.
HBP
B-8385-2
Yates Pet, et al
1-1-93
V-2497
36 66
Woods)
ick - St.
TD 1078
D/A 2-18-58
State

(P/B) Franklin Aston
& Fair
Chisum-Fed.
TD 2460
PB 2050
Fi-Ro Corp.
Chisum-Fed.
TD 520
Hono. Fed. Hinkle
TD 7315
D/A 6-13-50
Maxus Ener.
10593
HBP
(Secan Oil)
10593
Yates
Pet, et al
3-31
36 92
65390
KGS
"Chisum-Fed."
U.S.

N.D.N
White
TD 1144
D/A 7-11
Exchange O&G
Tenneco
L.E. Minerals | J. White

Maxus Ener.



marbob
energy corporation

MARBOB ENERGY CORPORATION

STATE CF #7

EXHIBIT C

January 23, 1992

Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Case 10492

Attention: Jim Baca

RE: Unorthodox Well Location
State CF #7
2263 FSL 1430 FEL
Sec. 13, T-11S, R-27E,
Chaves County, New Mexico

Gentlemen:

Marbob Energy Corporation, as operator of the State CF Lease, hereby notifies you that we have applied to the New Mexico Oil Conservation Division for a hearing on the above referenced location.

You are being notified as an operator or owner of a proration unit offsetting the above referenced unorthodox location in the Chisum Devonian Pool. If you have no objection to the drilling of this well, please sign below and forward one copy to the NMOCD, P. O. Box 2088, Santa Fe, New Mexico, 87501, one copy to this office, and retain one copy for your files.

If you should have an objection, please contact Marbob and the NMOCD before February 18, 1992 and state your objection. The NMOCD has set the hearing date for February 20, 1992. Thank you very much for our help in this matter. Please do not hesitate to contact me should you have any questions.

Sincerely,

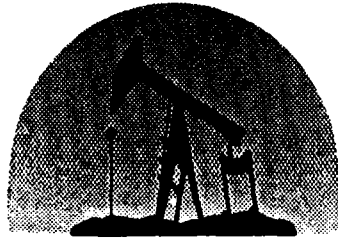
Raye Miller

Raye Miller
Land Department

RM/mm

We do not object to the above proposed location:

By: _____



marbob
energy corporation

OIL CONSERVATION DIVISION
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January 23, 1992

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

Attention: Mr. Mike Stogner

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2263 FSL, 1430 FEL
Section 13, T-11S, R-27E
Chaves County, New Mexico

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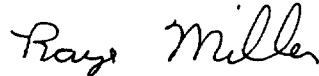
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Raye Miller
Land Department

RM/mm
Enclosures

cc: Mr. Bill Carr
Campbell, Carr, Berge, Sheridan
P. O. Box 2208
Santa Fe, NM 87504-2208

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

MARBOB ENERGY CORPORATION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

STATE CF #7

DISTRICT III
1000 Rio Branco Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

EXHIBIT A

All Distances must be from the outer boundaries of the section

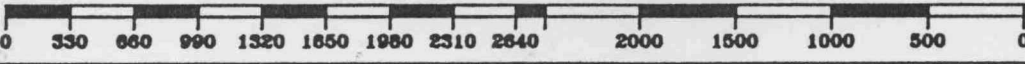
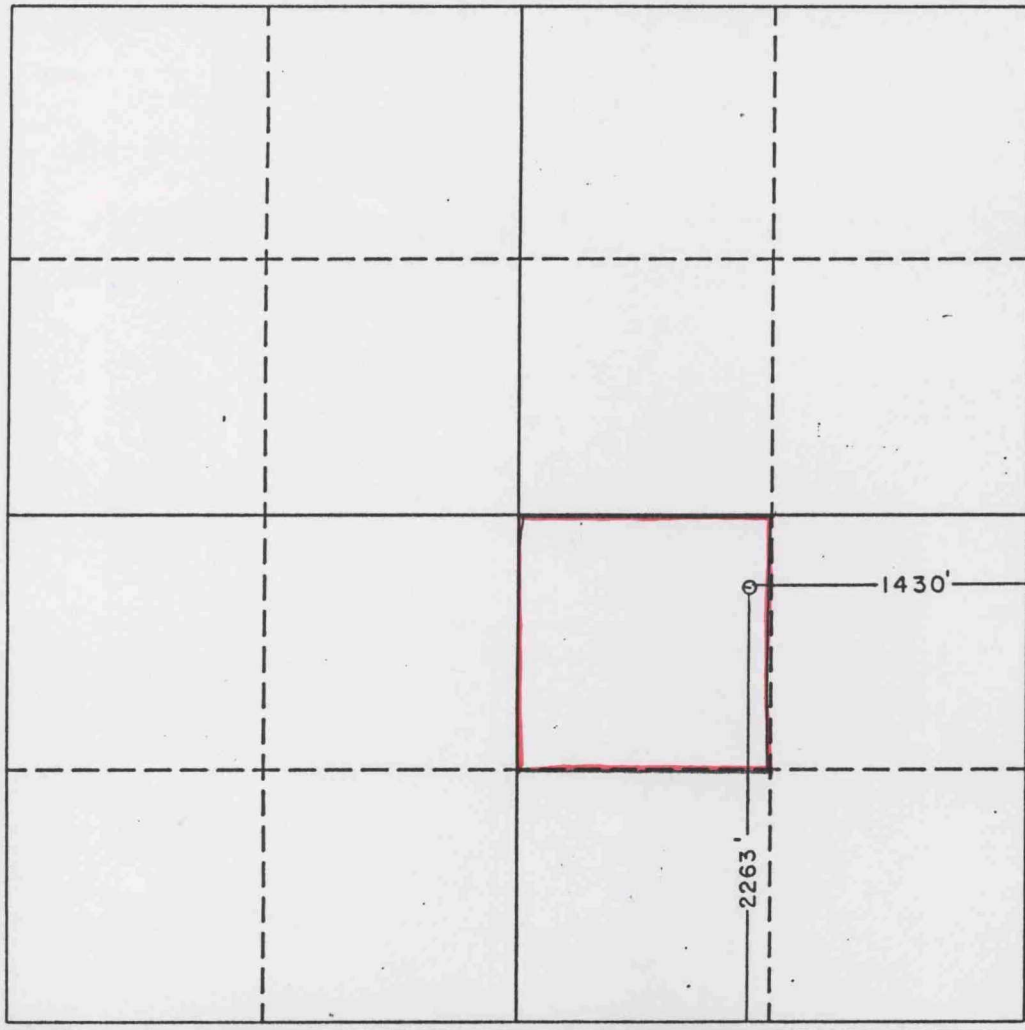
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|-----------------------------------|---------------------------------|------------------------------|------------------|--------------------------------|--|
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| 2263 feet from the South line and | | 1430 feet from the East line | | | |
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I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Rhonda Nelson*

Printed Name: Rhonda Nelson

Position: Production Clerk

Company: Marbob Energy Corporation

Date: January 23, 1992

SURVEYOR CERTIFICATION

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: January 21, 1992

Signature & Seal of Professional Surveyor: *Ronald J. Edson*

REGISTERED LAND SURVEYOR

Certificate No. JOHN W. WEST, 678
RONALD J. EDSON, 3239
GARY S. JONES, 7977

W. O. 92 J 1 0089

MARBOB ENERGY CORPORATION

STATE CF #7

EXHIBIT B

1/4
9-1-90
LG-0591
10033

T-11S R-27E

T-11S R-28E

TD 2093
D/A 7-35-83
Avalanche
Ranch
TD 20
D/A 1-
L. Mi

D.R. Sylvan
J.W. Grigsby, et al
B-1-91 LH-178
13529
Robertson
Magnolia 04-8
Mountain States Pet
(Marbob Ener.)
B-8385-2
Kewanee
Hunt Oil
V-2-91
3938
State
Hunt Oil
V-2-91
3938

Marbob Ener.
HBP
B-8385-2

Grunberg
Grunberg-St.
Santa Fe Ener.
9-1-90
V 1575
4525

Robertson
White Rch.
TD 1114
D/A 6-14-60
P37 S.A. Disc.
(Avalanche Jrn)

12

22.76

7

Robertson
Mag-St.
TD 103

"Ranch"
Exchange O&G
Tenneco, et al
L.E. Minerals J. White

State

Amoco (R)
Yates Pet, et al
3-1-95
VB. 375
7795
Slash Four Ent.
Chisote-St.
Marbob Ener.
HBP
B-8385-2

Commissioner of
Public Lands

Marbob Energy
Corporation

Avalanche Jrn
Rch
TD 2070
D/A 3-28-63
Stevens
Rancha Blanco
(Magnolia)
(White)
TD 6599

6-CF

3

22.66

18

Proposed location
4-CF
1-CF
2-CF
3-CF

22.62

Exchange O&G
Tenneco
J. White Jr. et al L.E. Min

State

Marbob Ener.
HBP
B-8385-2
Yates Pet, et al
1-1-93
V-2497
3666
Woods)
ick-St.
TD 1078
D/A 9-19-58

(P/B) Franklin Aston
& Fair
Chisum-Fed.
TD 2460
PB 2050
Fi-Ro Corp.
Chisum-Fed.
TD 520
Hono.
Fed. Hinkle
TD 7315
D/A 6-13-50
Maxus Ener.
10593
HBP
(Secan Oil)
10593
Yates
Pet, et al
3-31
3692
65390
KGS
"Chisum-Fed."
U.S.

N.D.N.
White
TD 1144
D/A 7-11

22.59

22.65

22.71

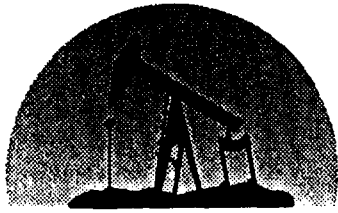
22.71

Exchange O&G
Tenneco
L.E. Minerals J. White

Maxus Ener.

19

Exchange O&G
Tenneco
L.E. Minerals J. White



marbob
energy corporation

MARBOB ENERGY CORPORATION

STATE CF #7

EXHIBIT C

January 23, 1992

Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Attention: Jim Baca

RE: Unorthodox Well Location
State CF #7
2263 FSL 1430 FEL
Sec. 13, T-11S, R-27E,
Chaves County, New Mexico

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Sincerely,
Raye Miller
Raye Miller
Land Department

RM/mm

We do not object to the above
proposed location:

By: _____