

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

SEP 14 2007 OCD-AKIESIA Mark E. Fesmire, P.E.
Director
Oil Conservation Division

ADMINISTRATIVE ORDER SWD-1085-A

APPLICATION OF MARBOB ENERGY CORPORATION FOR PRODUCED WATER DISPOSAL, EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), MARBOB ENERGY CORPORATION (OGRID 14049) made application to the New Mexico Oil Conservation Division for permission to reenter and utilize for produced water disposal its South Malaga I-2-25-28 SWD Well No. 1 (API No. 30-015-28002) located 1980 feet from the South line and 660 feet from the East line of Section 2, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. This order was approved on June 14, 2007. On August 17, 2007, Marbob applied to the Division to amend the existing injection order to extend the injection interval to a maximum depth of 6484 feet.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant is hereby authorized to re-enter and utilize for produced water disposal its South Malaga I-2-25-28 SWD Well No. 1 (API No. 30-015-28002) located 1980 feet from the South line and 660 feet from the East line of Section 2, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of produced water

115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator received by the Division prior to the termination date, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on September 2, 2007.

MĄŔK E. FESMIRE, P.E.

Director

MEF/wvjj

cc: Oil Conservation Division – Artesia

State Land Office - Oil, Gas, and Minerals Division