

N.M.O.C.D. COPY

SUBMIT IN "LICATE"  
(Other instructions on  
reverse side)Form approved.  
Budget Bureau No. 42-R1425.UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-015-23773

5. LEASE DESIGNATION AND SERIAL NO.

LC-046044

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

--

7. UNIT AGREEMENT NAME

--

8. FARM OR LEASE NAME

PERRY LEONARD - FEDERAL

9. WELL NO.

5

10. FIELD AND POOL, OR WILDCAT

Loco Hills, G-SA

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREAU-N  
Sec 33-17S-29E

12. COUNTY OR PARISH

Eddy

13. STATE

N. M.

## 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

MARBOB ENERGY CORPORATION ✓

(Ph. 505-746-2422)

3. ADDRESS OF OPERATOR

P. O. Box 304, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

330' FSL &amp; 2310' FWL of Sec. 33-17S-29E

At proposed prod. zone

same

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

18 air miles east-southeast of Artesia, N. M.

15. DISTANCE FROM PROPOSED\*

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

330'

16. NO. OF ACRES IN LEASE

80

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.

660'

19. PROPOSED DEPTH

3000' San Andres

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3537 G. L.

22. APPROX. DATE WORK WILL START\*

5-15-81 (Spud)

23.

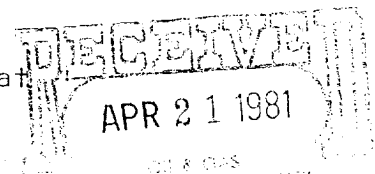
## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8	23 #	300'	Circulate cement to surface
7 7/8"	4 1/2	9.5#	3000'	200 sacks

Well will be drilled to the San Andres zone and all potential zones will be evaluated. If commercial production is indicated, well will be selectively perforated and stimulated.

Attached are:

1. Well Location and Acreage Dedication Plat
2. Ten-Point 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

James A. Knäuf

TITLE Agent

DATE April 17, 1981

(This space for Federal or State office use)

APPROVED

PERMIT NO.

APPROVAL DATE

Orig. 301 GEORGE H. STEWART

APPROVED BY

TITLE

DATE

CONDITIONS OF APPLICATION

FOR

JAMES A. GILLHAM  
DISTRICT SUPERVISOR

\*See Instructions On Reverse Side

**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.

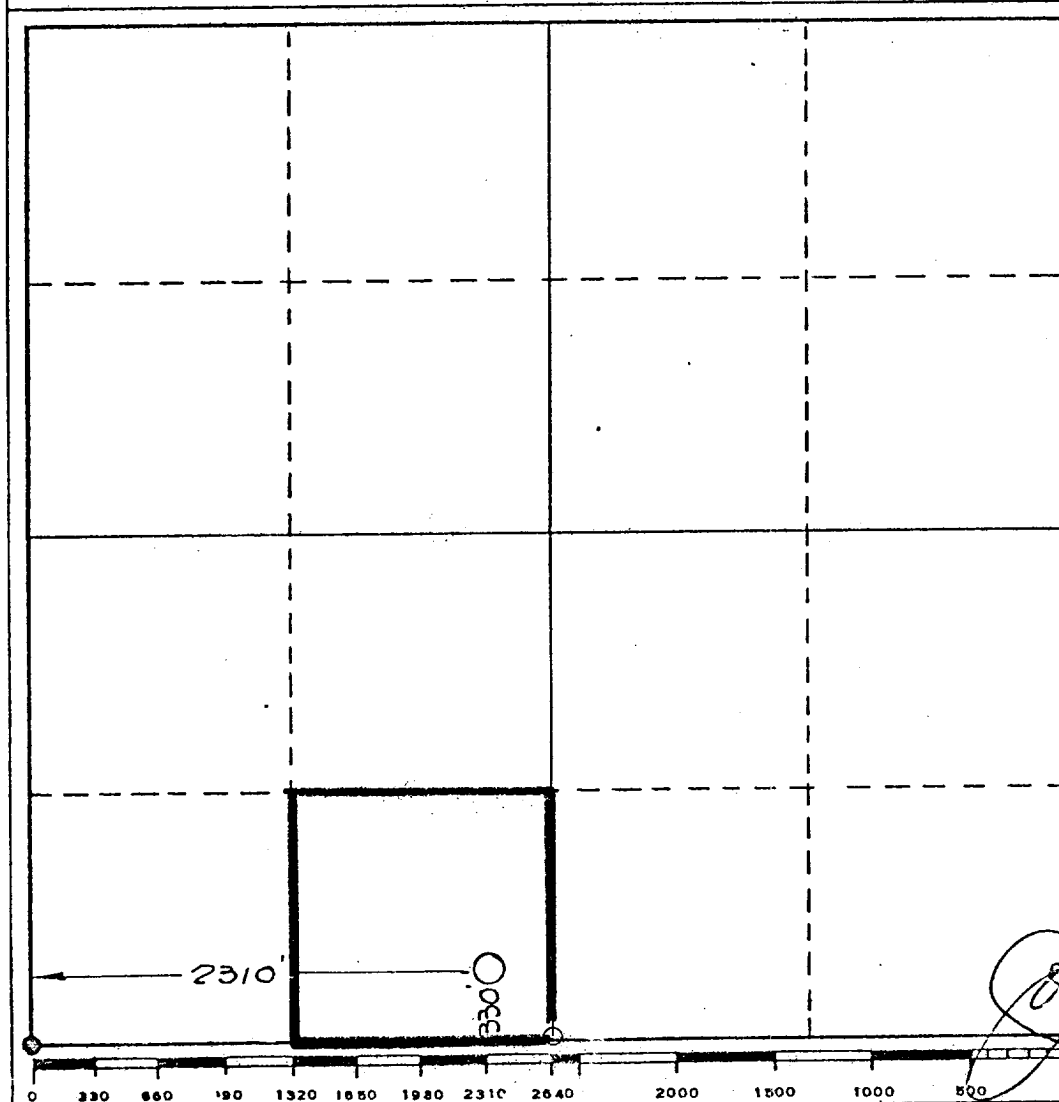
Operator <b>MARBOB ENERGY CORPORATION</b>			Lease <b>PERRY-LEONARD <del>FEDERAL</del></b>		Well No. <b>5</b>
Unit Letter <b>N</b>	Section <b>33</b>	Township <b>17 South</b>	Range <b>29 East</b>	County <b>EDDY</b>	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span><b>330</b> feet from the <b>South</b> line and <b>2310</b> feet from the <b>West</b> line</span> </div>					
Ground Level Elev. <b>3537</b>	Producing Formation <b>Grayburg--San Andres</b>	Pool <b>Loco Hills B-H-S-A</b>		Dedicated Acreage: <b>40</b> 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.



<b>CERTIFICATION</b>	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>James A. Knauf</i>	
Name	James A. Knauf
Position	Agent
Company	MARBOB ENERGY CORPORATION
Date	April 17, 1981
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	March 20, 1981
Registered Professional Engineer and/or Land Surveyor	
<i>John W. Shearn</i>	
Certificate No.	1559

SUPPLEMENTAL DRILLING DATA

MARBOB ENERGY CORPORATION  
WELL #5 PERRY LEONARD-FEDERAL  
330' FSL & 2310' FWL SEC 33-17S-29E

1. SURFACE FORMATION: Quaternary.

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Salt	350'	Queen	1930'
Base Salt	760'	Grayburg	2370'
Yates	930'	San Andres	2790'

3. ANTICIPATED POROSITY ZONES:

Water	Above 180'
Oil	2450 - 3000'

4. CASING DESIGN:

<u>Size</u>	<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>	<u>Condition</u>
8 5/8"	0 - 300'	23 #	X-42	STC	New
4 1/2"	0 - 3000'	9.5#	K-55	STC	New

5. PRESSURE CONTROL EQUIPMENT: Double Ram-Type Preventer (600 Series).

6. CIRCULATING MEDIUM:

0 - 300' Fresh water mud with gel or lime as needed for viscosity control.

300 - 3000' Salt water mud, conditioned as necessary for control of viscosity and water loss. At 100' above TD, sweep hole with salt water gel, conditioning mud to 36 viscosity.

7. AUXILIARY EQUIPMENT: Drill string safety valve.

8. TESTING, LOGGING AND CORING PROGRAMS: No coring or DST's are planned. Electric logs will include a CNL-FDC w/GR.

9. ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE GAS: None anticipated.

10. ANTICIPATED STARTING DATE:

- A. Road and pad construction: May 11, 1981
- B. Spudding well: May 15, 1981
- C. Duration of drilling and completion operations should be 10 to 30 days.

SURFACE USE PLAN

FOR

DRILLING, COMPLETING AND PRODUCING

MARBOB ENERGY CORPORATION  
WELL #5 PERRY LEONARD-FEDERAL  
330' FSL & 2310' FWL SEC 33-17S-29E  
EDDY COUNTY, NEW MEXICO

LOCATED: 18 air miles east-southeast of Artesia, N. M.

FEDERAL LEASE NUMBER: LC-046044

LEASE ISSUED: 12-31-38 for a primary term of 5 years and is  
in its extended term by production.

RECORD LESSEE: Harold Kersey

OPERATOR'S AUTHORITY: Approved operating agreement.

BOND COVERAGE: Marbob's \$25,000 Statewide Bond

ACRES IN LEASE: 80

SURFACE OWNERSHIP: State of New Mexico

GRAZING PERMITTEE: Bogle Farms, Inc.  
P. O. Box 358, Dexter, New Mexico 88230

WELL SPACING: Loco Hills-Grayburg, San Andres

EXHIBITS:

- A. Portion of Eddy County Road Map
- B. Portion of Red Lake-SE Topo Map
- C. Portion of USGS Lease Maps #11 & #16
- D. Sketch of Well Pad
- E. State Land Restoration Requirements

## ROAD LOG TO PROPOSED DRILLSITE

STARTING POINT is 18 miles east of Artesia, N. M. on Federal Highway US-82 at Mile Post 125.75. This point is  $6\frac{1}{2}$  miles west of Loco Hills, New Mexico.

0.00 On east side of Old Lucas Store Ruins, turn south on county road and proceed in a south-southeasterly direction for a distance of 2.18 miles to the northeast corner of the proposed well pad.

2.18 PROPOSED DRILLSITE (#5 Perry Leonard-Federal)

## THIRTEEN POINT PROGRAM

### 1. EXISTING ROADS:

A. Existing roads, which lead to the proposed drillsite, are shown on Exhibits "A" & "B".

### 2. PROPOSED NEW ROAD:

A. No new roads will be required. The proposed well pad will extend to the existing county road as shown on Exhibit "D".

### 3. LOCATION OF EXISTING WELLS:

A. Existing wells in the vicinity of the proposed drillsite are shown on Exhibit "C".

### 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. This is a producing lease and Marbob has an existing tank battery which is located in the approximate center of the  $S\frac{1}{2}SE\frac{1}{4}$  33-17S-29E.
- B. If the proposed well is productive, the flowline will be laid on top of the ground to the tank battery. It will be approximately 1000' in length.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is not planned to drill a water supply well. Water for leasehold operations will be purchased from a commercial water hauler.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. Material for construction of the well pad will be obtained from a pit located on mineral reserve land in the NW-NE 4-18S-29E.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits.
- D. Oil produced during tests will be produced into temporary test tanks.
- E. Trash, waste paper, garbage, and junk will be buried in a trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "D".
- F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing each drilling and/or completion operation.

8. ANCILLARY FACILITIES:

- A. None anticipated.

9. WELLSITE LAYOUT:

- A. The wellsite has been surveyed, staked and flagged.
- B. The dimensions and relative location of the drill pad, mud pit, and trash pit with respect to the well bore are shown on Exhibit "D". The drill pad has been rotated 110° counterclockwise so that the base of the pad will lay against the road.

- C. Except for small hummocks which need leveling, the well pad is nearly flat.
- D. The well pad will be surfaced with caliche.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment, all equipment, trash and junk will be removed and the location cleaned.

11. OTHER INFORMATION:

- A. Topography: The terrain around the drillsite is level except for small 2-4' hummocks. Local slope is to the southeast with regional slope to the southwest.
- B. Soil: Loamy sand
- C. Flora and Fauna: The vicinity surrounding the drillsite is semi-arid desert rangeland. Vegetative cover is sparse. Flora consists of mesquite, hucca, sage and very little grass. No wildlife was observed, but fauna for this type of habitat consists mostly of quail, dove, rabbits, rodents, coyotes, and skunks.
- D. Ponds and Streams: None.
- E. Residences and Other Structures: Nearest occupied dwelling is 1 mile to the north. Nearest water well is 1 mile to the north.
- F. Archaeological, Historical and Other Cultural Sites: An archaeological reconnaissance of the 400' x 400' area was made on April 7, 1981 by the New Mexico Archaeological Services, Inc. who recommended clearance from the Bureau of Land Management.
- G. Land Use: Grazing and occasional hunting.

12. OPERATOR'S REPRESENTATIVE:

Representative responsible for assuring compliance with the approved Surface Use Plan:

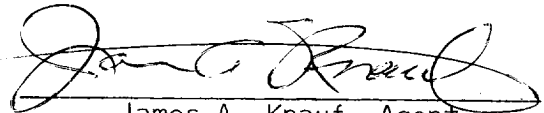
Mack Chase  
P. O. Box 304  
Artesia, New Mexico 88210  
Office 505-746-2422  
Home 505-746-4877

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by MARBOB ENERGY CORPORATION and its sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

4-17-81

Date



James A. Knauf, Agent  
MARBOB ENERGY CORPORATION



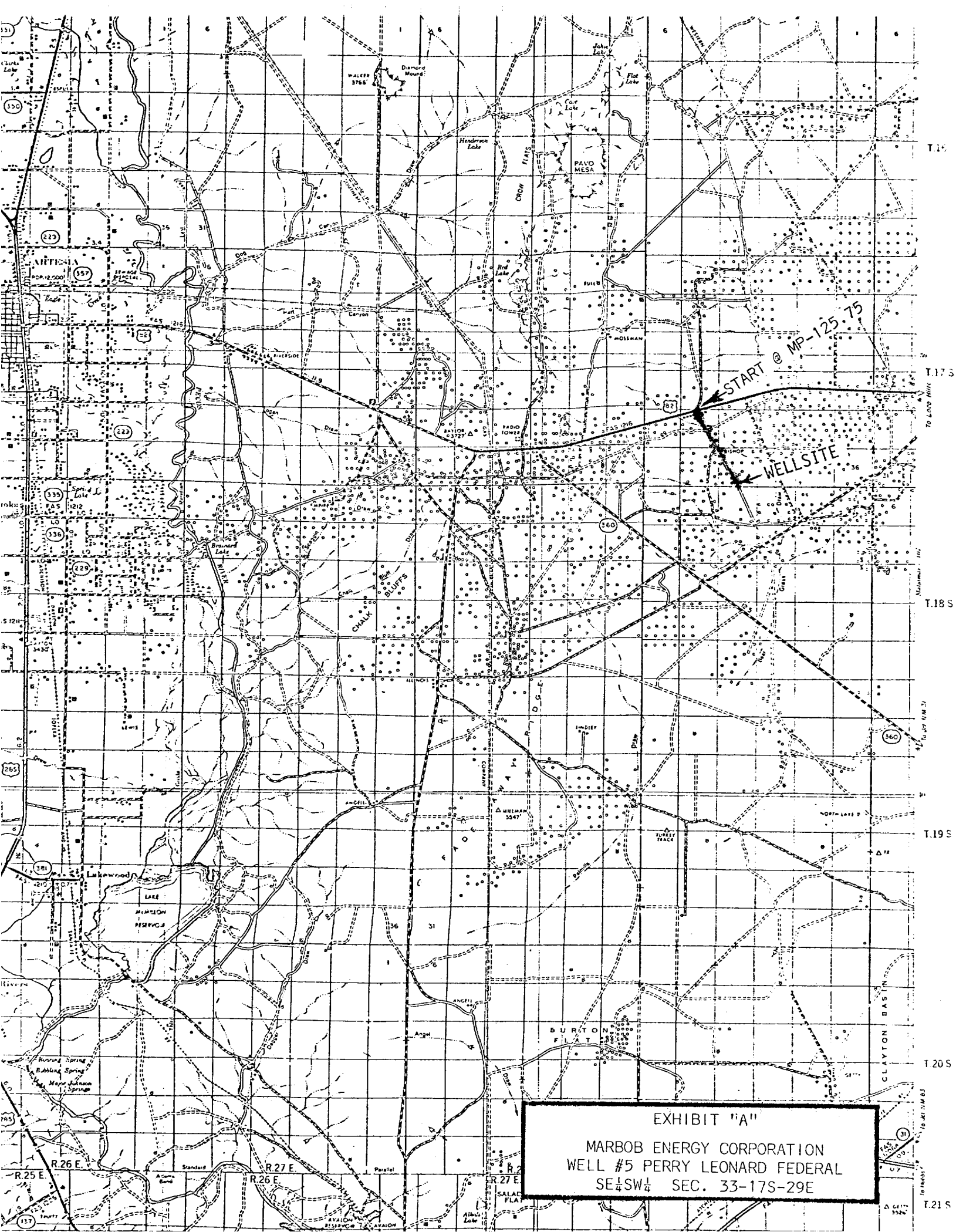


EXHIBIT "A"

MARBOB ENERGY CORPORATION  
WELL #5 PERRY LEONARD FEDERAL  
SE 1/4 SW 1/4 SEC. 33-17S-29E

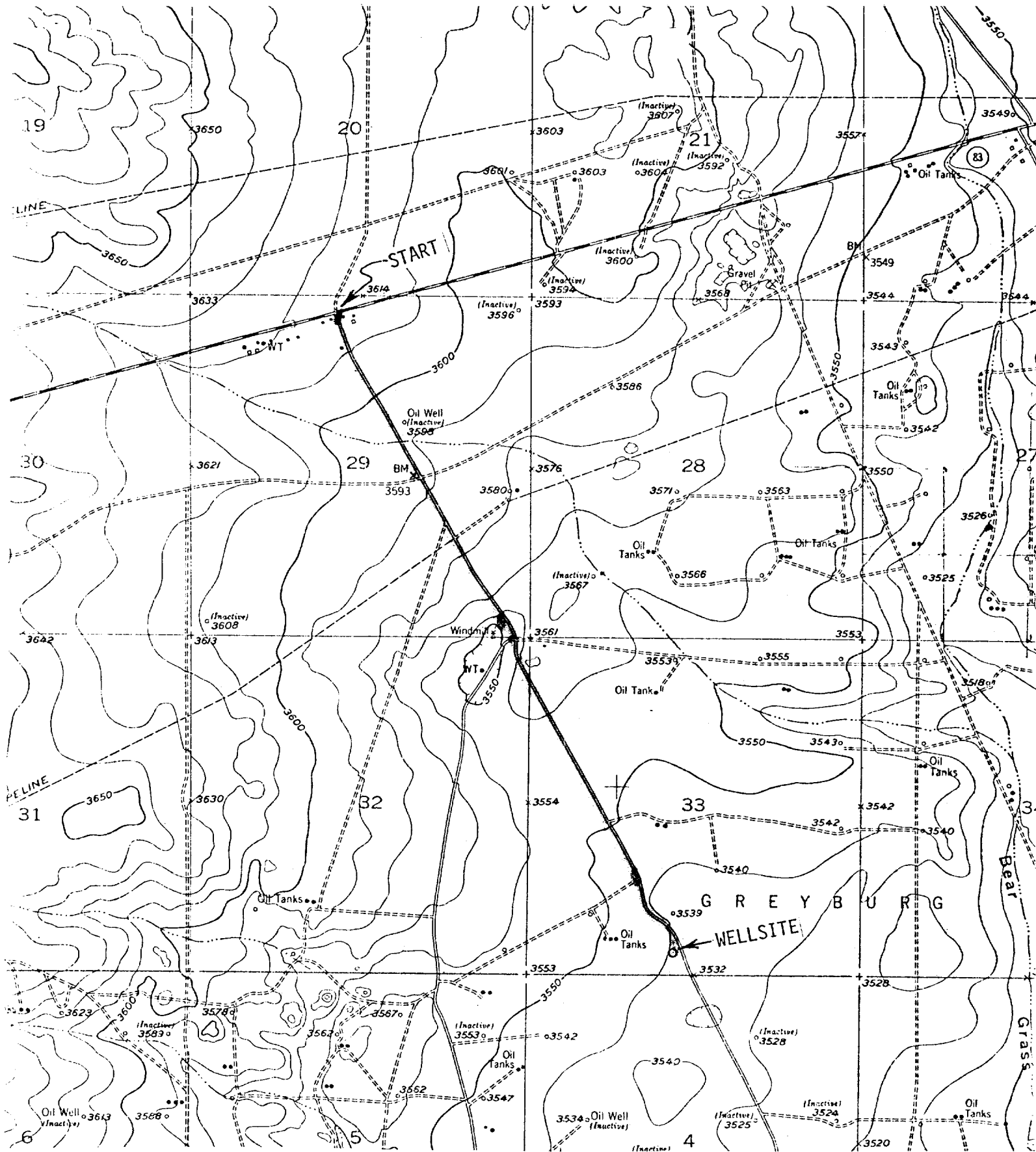
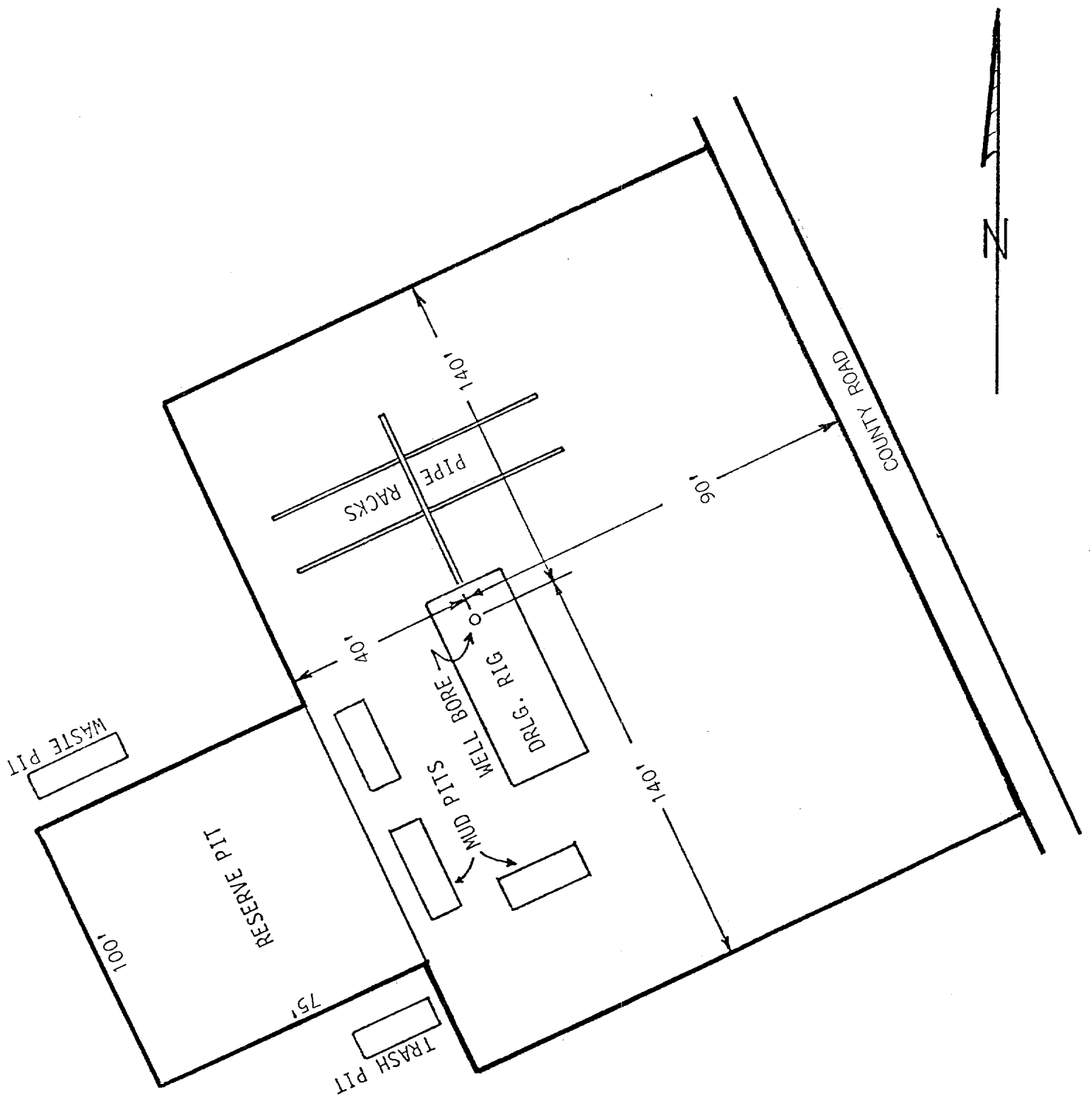


EXHIBIT "B"

MARBOB ENERGY CORPORATION  
 WELL #5 PERRY LEONARD FEDERAL  
 SE  $\frac{1}{4}$  SW  $\frac{1}{4}$  SEC. 33-17S-29E





Drillpad has been rotated 110° counterclockwise so that base of pad lays along the county road.

EXHIBIT "D"  
 MARBOB ENERGY CORPORATION  
 WELL #5 PERRY LEONARD-FEDERAL  
 330' FSL & 2310' FWL SEC 33-17S-29E

ARTHUR R. BROWN  
101 E. Marland  
Hobbs, New Mexico 88240  
Office (505) 397-2767  
Home (505) 392-5642

**PETROLEUM**  
**ENGINEERING & REGULATORY**  
**SERVICES**

1501 W. Missouri  
Artesia, New Mexico 88210

JAMES A. KNAUF  
1501 W. Missouri  
Artesia, New Mexico 88210  
Phone (505) 746-4138

April 17, 1981

District Oil & Gas Supervisor  
U. S. Geological Survey  
P. O. Drawer 1857  
Roswell, New Mexico 88201

Re: Federal APD on Non-Federal Land

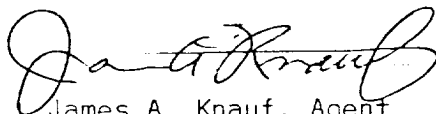
Dear Sir:

This refers to MARBOB ENERGY CORPORATION'S Application For Permit to Drill Well No. 5 PERRY LEONARD-FEDERAL in the SE $\frac{1}{4}$ SW $\frac{1}{4}$  Sec. 33, T. 17 S., R. 29 E., Eddy County, New Mexico under Federal oil and gas lease LC-046044.

The well location is on mineral reserve land which is owned by the State of New Mexico. Mr. Roy Renfro with the New Mexico State Land Office at Carlsbad, New Mexico was contacted on April 16, 1981, concerning the drilling of this well.

Mr. Renfro advised that they have no "special" restoration requirements for this area. General surface requirements for abandoning oil and gas wells on New Mexico rangeland is that the well pad and any dead-end roads be ripped and that all pits be filled.

Sincerely,



James A. Knauf, Agent  
Marbob Energy Corporation

EXHIBIT "E"

MARBOB ENERGY CORPORATION  
WELL #5 PERRY LEONARD FEDERAL  
SE $\frac{1}{4}$ SW $\frac{1}{4}$  SEC. 33-17S-29E