

INFILL DRILLING FINDINGS 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-A

I.

Operator Marbob Energy Corporation Well Name and No. West Artesia Grayburg Ut. Tr. 12 #24  
Location: Unit M Sec. 8 Twp. 18S Rng. 28E Cty. Eddy

II.

THE DIVISION FINDS:

(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find that the infill 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.

(2) That by Order No. R-6013-A, dated February 8, 1980, 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) That the well for which a finding is sought is completed in the Artesia Queen Grayburg  
San Andres Pool, and the standard spacing unit in said pool is 40 acres.

(4) That a 40-acre proration unit comprising the SW/4 SW/4  
of Sec. 8, Twp. 18S, Rng. 28E, is currently dedicated to the West Artesia  
Grayburg Ut Tr 12 Well #16 located in Unit M of said section.

(5) That this proration unit is (X) standard ( ) nonstandard; if nonstandard, said unit was previously approved by Order No. --.

(6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.

(7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 6248 MCF of gas from the proration unit which would not otherwise be recovered.

(8) That all the requirements of Order No. R-6013-A have been complied with, and that 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.

(9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order 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) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on this 21st day of May, 1982.

DIVISION DIRECTOR \_\_\_\_\_ EXAMINER \_\_\_\_\_

# Marbob Energy Corporation

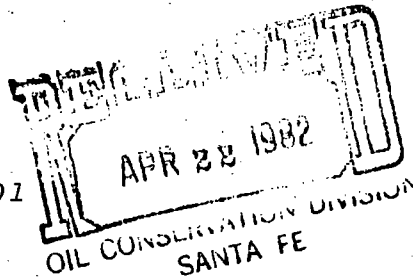
P. O. DRAWER 217  
ARTESIA, NEW MEXICO 88210

April 20, 1982

— OFFICE PHONE —  
(505) 748-3303  
(505) 746-2422

— NIGHT PHONES —  
(505) 746-6197  
(505) 746-6500

Mr. Michael Stogner  
Oil Conservation Div.  
P.O. Box 2088  
Santa Fe, N.M. 87501



Dear Mike:

We are enclosing three infill finding requests on The West Artesia Grayburg Unit #22, 24, and 25. We feel these are in order but if there are questions, please let us know. Thank you.

Very truly yours,

Raye Miller  
Raye Miller  
Land Department

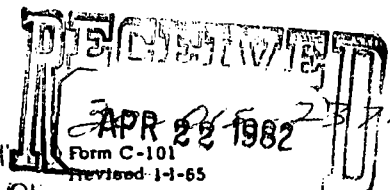
RPM/co

Encl.

*Request for Infill Finding on  
West Artesia Grayburg Unit, Tr. 12, Well #24  
in accordance with Administrative  
Procedures amended February 8, 1980*

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SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	✓

NEW MEXICO OIL CONSERVATION COMMISSION



MAR 25 1981

O. C. D.

ARTESIA OFFICE

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. Type of Work

b. Type of Well

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

c. Name of Operator

Marbob Energy Corp.

d. Address of Operator

P.O. Box 304, Artesia, N.M. 88210

e. Location of Well

UNIT LETTER M

LOCATED 970

FEET FROM THE South

LINE

AND 330

FEET FROM THE West

LINE OF SEC. 8

TWP. 18S

RGE. 28E

NMPM

5A. Indicate Type of Lease

State ☒ Fee ☒

5. State Oil &amp; Gas Lease No.

7. Unit Agreement Name

West Artesia Grbg. Ut.

8. Farm or Lease Name Tr. 12

West Artesia Grbg. Ut.

9. Well No.

24

10. Field and Pool, or Wildcat

Artesia On. Grbg. SA

12. County

Eddy

19. Proposed Depth

2324'

19A. Formation

Grayburg

20. Rotary or C.T.

Rotary

21. Elevations (Show whether DF, RT, etc.)

3612'

21A. Kind &amp; Status Plug. Bond

Statewide active

21B. Drilling Contractor

Stewart Bros. Drllg. Co.

22. Approx. Date Work will start

3/29/81

## PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	500'	Circulate	
7 7/8"	4 1/2"	10.50#	2324'	Attempt to circulate	

We propose to drill to 500', set 8 5/8" 24# casing, drill on to 2324' to test the Grayburg formation then set 4 1/2" 10.50# casing.

APPROVED BY 180 DATE 9-26-81  
PERMIT EX. 110  
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Carolyn Quis Title Production Clerk

Date 3/25/81

(This space for State Use)

APPROVED BY W. J. Green TITLE SUPERVISOR, DISTRICT II

DATE MAR 26 1981

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION  
 WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
 Supersedes C-128  
 Effective 1-1-85

All distances must be from the outer boundaries of the Section

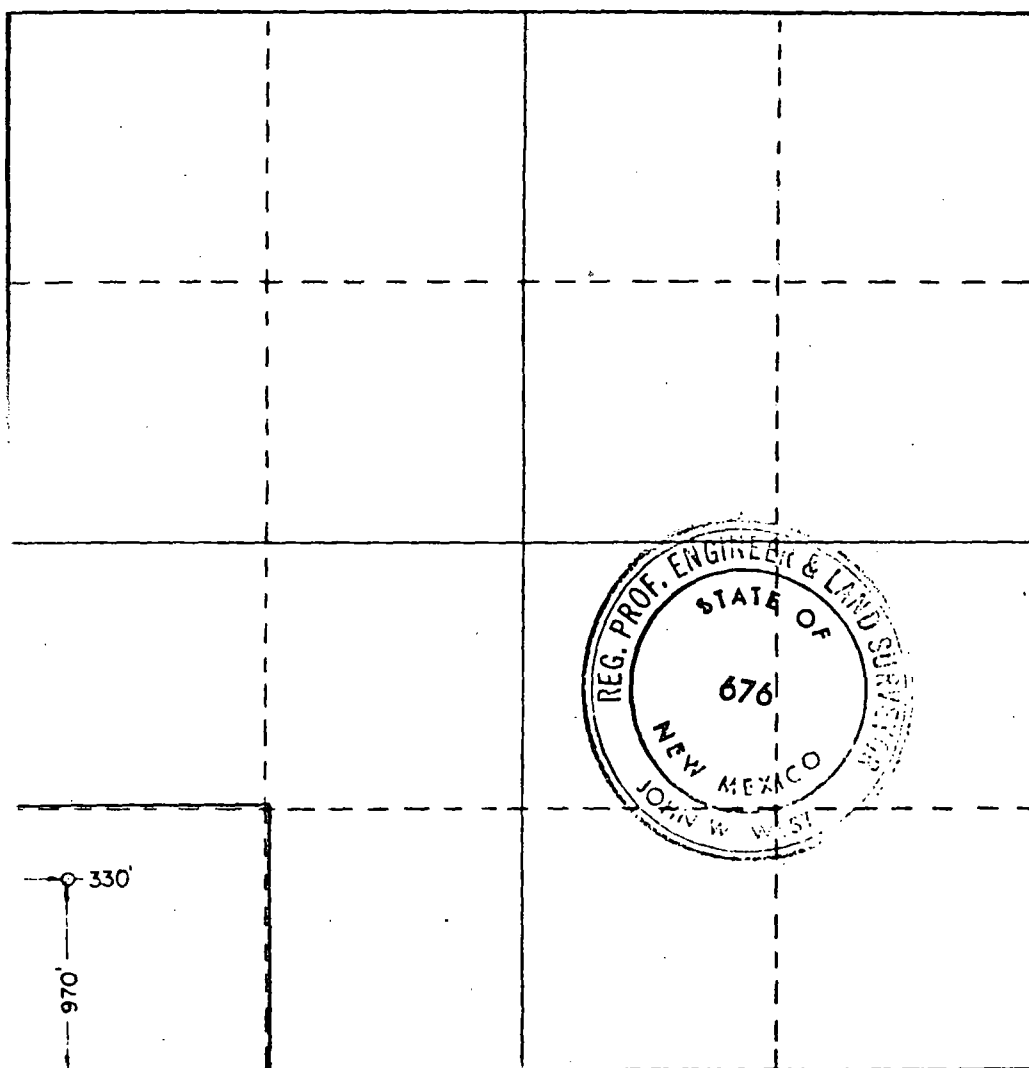
Operator Marbob Energy Corp.			Lease West Artesia Grayburg Unit Tr. 3219824		
Unit Letter M	Section 8	Township 18 South	Range 28 East	County Eddy	
Actual Footage Location of Well: 970 feet from the south line and 330 feet from the west line					
Ground Level Elev. 3612.0	Producing Formation Grayburg		Pool Artesia Qn. Grbg. SA	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.



CERTIFICATION

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

*Carolyn Orris*

Name

Carolyn Orris

Position

Production Clerk

Company

Marbob Energy Corp.

Date

3/25/81

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

3-19-81

Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. JOHN W. WEST 676  
 PATRICK A. ROMERO 8888  
 Ronald J. Eldson 3239

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

Rule 6:

West Artesia Grayburg Unit, Tr. 12, Well #24

Pool: Artesia Queen Grayburg San Andres

Standard spacing unit - 40 acres.

Rules 7:

NA

Rule 8:

- a. West Artesia Grayburg Unit, Tr. 12, Well #24 - 970 FSL  
330 FWL Sec. 8-18S-28E  
  
West Artesia Grayburg Unit, Tr. 12, Well #16 - 400 FSL  
330 FWL Sec. 8-18S-28E  
  
West Artesia Grayburg Unit, Tr. 12, Well #17 - 330 FSL  
987 FWL Sec. 8-18S-28E
- b. #24 - 3/28/81  
  
#16 - 5/21/50  
  
#17 - 9/7/57
- c. #24 - 5/20/81  
  
#16 - 7/50  
  
#17 - 10/27/57
- d. None
- e. #24 - 4.5 bbl., 1½ mcf gas/day  
  
#16 - 1 bbl. oil/day  
  
#17 - 2 bbl. oil/day
- f. NA
- g. Wells #16 and 17 have not produced any gas since September 1971. Low permeability and low quality solution gas recovery mechanism require reduced spacing to effeciently drain the reservoir. Since #16 and 17 will currently not produce any gas although they still produce some oil, the new well was drilled to drain this reservoir.





Marbob Energy Corporation  
Artesia Queen Grayburg San Andres  
West Artesia Grayburg Unit  
Well #24

**Pertinent Engineering Data and Conclusions:**

Well No. 24 was completed in the Artesia Queen Grayburg pool in May 1981. This is an infill well located as per the attached plat.

Effective March 1, 1982, oil reserves recoverable will be 6,192 barrels and gas reserves recoverable will be 6,248 mcf.

Oil reserves were calculated from the attached rate/time curves to an economic limit of approximately 1 BOPD. Gas reserves were estimated using a study of the gas oil ratio performance not only on the specific well but on the entire pool.

My study reveals that as early as 1964 the producing well rate was 3.6 barrels of oil per day per well. The wells in the pool have remained on 40 acre spacing up until the past two years.

From infill well performance it is obvious that well density in this pool has to be increased to recover remaining reserves. The low permeability and low quality solution gas recovery mechanism will require reduced spacing to efficiently produce the reserves.

The daily producing rate for Well No. 24 was 4.2 BOPD in February 1982. This, of course, indicates that no interference has as yet been experienced from offset wells.

In my opinion the infill wells which increase the density of pattern will produce an amount of oil and gas reserves equal to the older wells in the field.

Therefore, it is my recommendation that well density be increased and it is my conclusion that infill wells will experience new reservoir conditions.

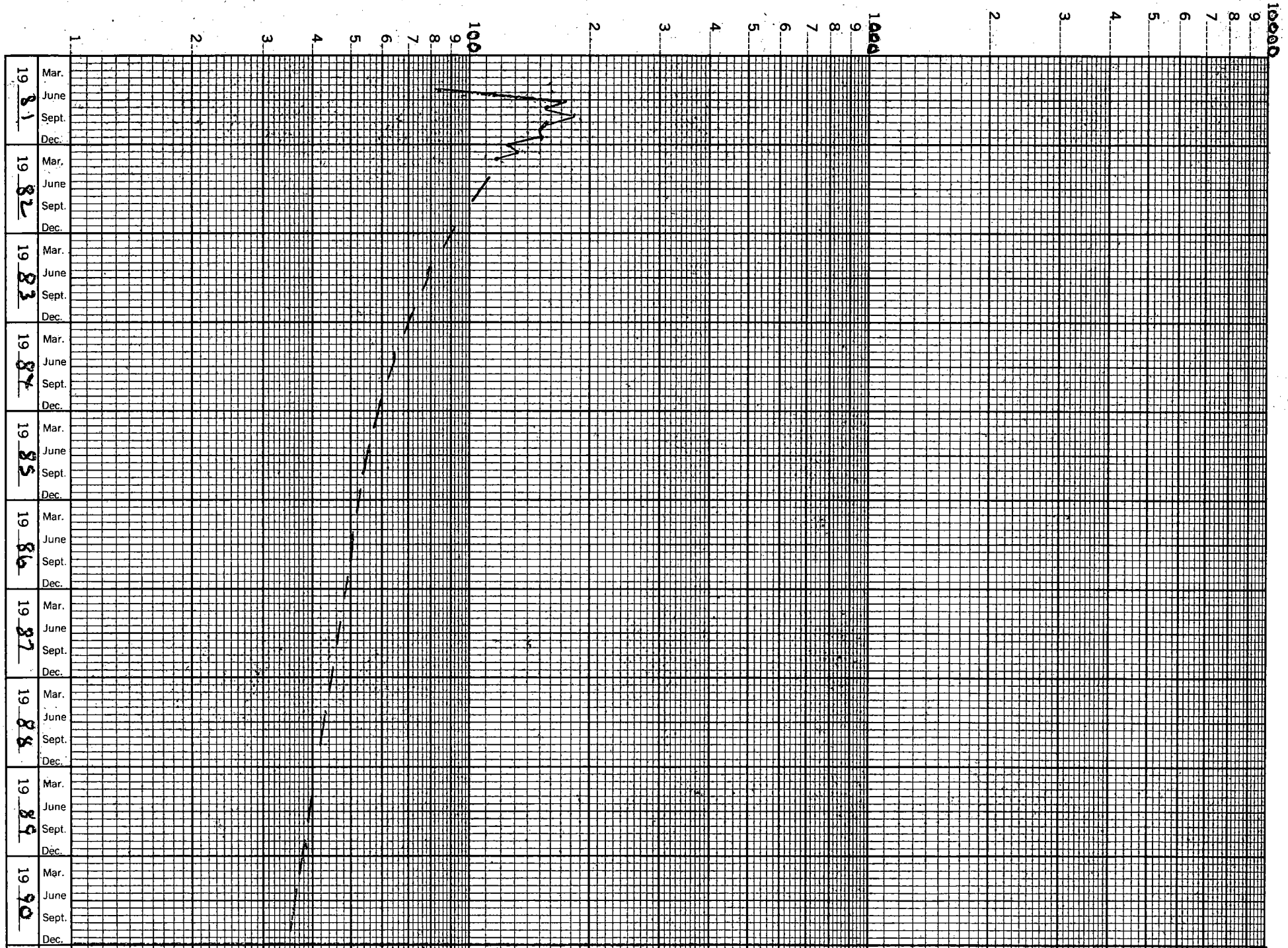
Paul G. White  
Paul G. White  
Petroleum Engineer

4-13-82  
Date

PGW/co  
Encl.

Rule 9-b.

Oil / Bbls / month



WEST AERIEIA QUEEN GRADY BAKER  
WELL NO. 24

FILE 9-6.

Rule 11:

Notice of this infill request has been sent to Donnelly Drilling Company, P.O. Box 433, Artesia, New Mexico 88210, by certified mail, as the only offset operator.



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

LARRY KEHOE  
SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Mr. Raye Miller  
Marbob Energy Corporation  
P.O. Drawer 217  
Artesia, NM 88210

Re: Application for NGPA Infill Well  
Findings Under Provisions of  
Order No. R-6013-A NG Phillips

State Well Nos. 25, 27, 28, 29 and

West Artesia Grayburg Unit Well

Nos. 22, 24 and 25.

Dear Raye:

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner,  
Petroleum Engineer

MES/dp

- ☐ A copy of Form C-101 must be submitted.
- ☐ A copy of Form C-102 must be submitted.
- ☐ The pool name must be shown.
- ☐ The standard spacing unit size for the pool must be shown.
- ☐ Give the Division Order No. which granted the non-standard proration unit.
- ☐ Please state whether or not the well has been spudded and give the spud date, if any.
- ☐ Information relative to other wells on the proration unit is incomplete. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- ☒ The geologic and reservoir data is incomplete or insufficient.  
All of Paul G. White's reports refer in paragraph three to calculated  
oil reserves, please include this calculations.  
\_\_\_\_\_  
\_\_\_\_\_

- ☐ Other:  
\_\_\_\_\_  
\_\_\_\_\_

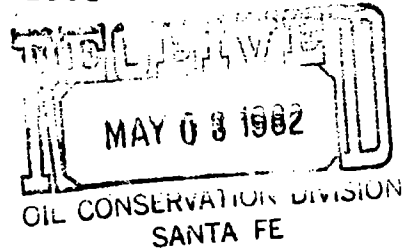
# Marbob Energy Corporation

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ARTESIA, NEW MEXICO 88210

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(505) 746-6500

April 29, 1982



Mr. Michael Stogner  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mike:

Per your request, we are enclosing Paul G. White's calculations on the oil reserves for the NG Phillips St. #25, 27, 28 and 29 and the West Artesia Grayburg Unit #22, 24, 21 and 25.

Let us know if you need further information.

Very truly yours,

Carolyn Orris  
Production Clerk

cc

Encl.

Marbob Energy Corp.

West Artesia Grayburg Unit, Tr. 12, Well #24

970 FSL 330 FWL Sec. 8-T18S-R28E

<u>Year</u>	<u>Gross Monthly Oil - bbls.</u>	<u>Gross Yearly Oil - bbls.</u>
1982	105	1,260
1983	78	936
1984	64	768
1985	55	660
1986	50	600
1987	46	552
1988	43	516
1989	39	468
1990	36	<u>432</u>
Total Oil Remaining:		6,192
Cumulative to 1/1/82		<u>1,433</u>
Total Ultimate Reserves		7,625

Gas-Oil Ratio Average - 1009 to 1

Remaining Gas Reserves - 6,248 MCF