## STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF MARBOB ENERGY CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

**CASE NO. 13692** 

#### **AFFIDAVIT**

STATE OF NEW MEXICO )	00	
COUNTY OF SANTA FE )	SS.	
William F. Carr, attorney	in fact and authorized	d representative of Marbob Energy
Corporation, the Applicant herein, l	oeing first duly sworn, upo	on oath, states that notice of the above-
referenced Amended Application w	as mailed to the interested	parties shown on Exhibit "A" attached
hereto in accordance with Oil Cons	ervation Division Rules,	and that true and correct copies of the
notice letter and proof of notice are	attached hereto.	
SUBSCRIBED AND SWC	William ORN to before me this	h F. Carr day of March 2006 by William F
Carr.	$\frac{2aA}{Notary}$	harre annhart Public
My Commission Expires:	28/062_	
3529895_1.DOC	FORE THE OIL CONSERVATION C Santa Fe, New Mexico Case Nos. <u>13692</u> Exhibit N Submitted by: Marbob Energy Corporatio	do. 6

Hearing Date: May 11, 2006

#### **EXHIBIT A**

# APPLICATION OF MARBOB ENERGY CORPORATION FOR COMPULSORY POOLING E/2 OF SECTION 14, TOWNSHIP 22 SOUTH, RANGE 26 EAST, N.M.P.M. EDDY COUNTY, NEW MEXICO.

Ruth Monk Landsund Health Service Center 1900 Westridge Carlsbad, New Mexico 88220

Larry Gene Davis 1620 Pine Bluff Ave Orlando, Florida 32806

Donald Davis 2719 Rochell Point Irving, Texas 75062

Gerald Adkins Address Unknown

Rudolfo Valenzuela Address Unknown

Martin Fickel Address Unknown

M. H. Holley Address Unknown

9269 7001 0005 9557 1140 7001 1140 0002 9557 City, State, Zir. Orlando, Florida 32806 or PO Box No. 1620 Pine Bluff Ave 44503. Postage Street, Apt. No. 2719 Rochell Point NOT THE PARTY Sent To Return Receipt Fee (Endorsement Pequired) City State, Zip Irving, Texas 75062 Sent To THE WINDS Restricted Delivery Fee (Endarsement Required) Return Receipt Fee (Endorsement Required) Postage 44503,0802 Certified Fee 200 Total Postage & Fees | \$ Restricted Delivery Fee (Endorsement Required) Corpa Total Postage & Fees | \$ Certifled Fee Donald Davis Larry Gene Davis 0 4 P. 58. 5.12 240 58,1 Ø 8 MEXICOS 49 MEXIC. £E PS Form 3811, July 1999 SENDER: COMPLETE THIS SECTION Article Addressed to: ■ Complete items 1, 2, and 3. Also complete PS Form 3811, July 1999 Ņ SENDER: COMPLETE THIS SECTION Orlando, Florida 32806 Larry Gene Davis 1620 Pine Bluff Ave Irving, Texas 75062 2719 Rochell Point Donald Davis Article Number (Copy fr Print your name and address on the reverse Attach this card to the back of the mailpiece or on the front if space permits. so that we can return the card to you. Print your name and address on the reverse Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. item 4 if Restricted Delivery is desired. Article Number (Copy fi Attach this card to the back of the mailpiece Article Addressed to: so that we can return the card to you. or on the front if space permits. 7001 7001 OHTT 1140 Domestic Return Receipt Domestic Return Receipt 2000 2000 ROBERT LIVAVIS 9557 Service Type D. Is delivery address different from item 1? A. Received by (Please Print Clearly) COMPLETE THIS SECTION ON DELIVERY ω 9557 A. Received by (Please Print Clearly) COMPLETE THIS SECTION ON DELIVERY Restricted Delivery? (Extra Fee) ☐ Insured Mail ☐ Registered Certified Mail Service Type

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S. ☐ Yes Addressee

☐ Agent

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Landsund Health Service Center Ruth Monk Carlsbad, New Mexico 88220 1900 Westridge

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March 16, 2006

#### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

#### TO ALL AFFECTED INTEREST OWNERS

Re: Application of Marbob Energy Corporation for compulsory pooling, Eddy County, New Mexico.

#### Ladies and Gentlemen:

This letter is to advise you that Marbob Energy Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking the compulsory pooling of certain spacing and proration units in the E/2 of Section 14, Township 22 South, Range 26 East, N.M.P.M., Eddy County, New Mexico. Said units are to be dedicated to dedicate its Whiskey Girl Fee Well No. 1 (API No. 30-015-34631) to be drilled as a deviated well from an unorthodox surface location 464 feet from the South line and 1119 from the East line to a bottomhole location 660 feet from the South line and 990 feet from the East line (Unit P) of said Section 14, to an approximate depth of 11,800 feet to test any and all formations from surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner on April 13, 2006. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, four days in advance of a scheduled hearing but in no event later than 5:00 pm Mountain Time on the Thursday preceding the scheduled hearing date. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

ScanWluds-by Loz William F. Carr

cc: Ross Duncan

Raye Miller

Marbob Energy Corporation

### STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF MARBOB ENERGY CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO.	
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#### **APPLICATION**

MARBOB ENERGY CORPORATION ("Marbob"), through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat.Ann. 70-2-17, (1978), for an order pooling all mineral interests from surface to the base of the Morrow formation in the following described spacing and proration units located in the E/2 of Section 14, Township 22 South, Range 26 East, N.M.P.M., Eddy County, New Mexico: the E/2 for all formations and/or poolsdeveloped on 320-acre spacing which includes but is not limited to the Undesignated South Carlsbad-Morrow Gas Pool, Undesignated South Carlsbad-Atoka Gas Pool, South Carlsbad-Wolfcamp Pool, Undesignated South Carlsbad Strawn; the SE/4 for all formations and/or pools developed on 160-acre spacing; and the SE/4 SE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated South Carlsbad Delaware Pool, and in support of its application states:

- 1. Marbob Energy Corporation is a working interest owner in the E/2 of said Section 14 and has the right to drill thereon.
- 2. Marbob proposes to dedicate the above-referenced spacing or proration units to its Whiskey Girl Fee Well No. 1 (API No. 30-015-34631) to be drilled as a deviated well from an unorthodox surface location 464 feet from the South line and 1119 from the East line to a bottomhole location 660 feet from the South line and 990 feet from the East line (Unit P) of said Section 14, to an approximate depth of 11,800 feet to test any and all formations from surface to the base of the Morrow formation.

3. Marbob has sought and been unable to obtain a voluntary agreement for the development

of these lands from certain interest owners in the subject spacing units identified on Exhibit A to this

application.

4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and

will protect correlative rights.

5. In order to permit Marbob to obtain its just and fair share of the oil and gas underlying the

subject lands, all mineral interests should be pooled, and Marbob Energy Company should be designated

the operator of the well to be drilled.

WHEREFORE, Marbob Energy Corporation requests that this application be set for hearing

before an Examiner of the Oil Conservation Division on April 13, 2006 and, after notice and hearing as

required by law, the Division enter its order:

A. pooling all mineral interests in the subject spacing and proration units,

B. designating Marbob Energy Corporation operator of these units and the well

to be drilled thereon,

C. authorizing Marbob Energy Corporation to recover its costs of drilling,

equipping and completing the well,

D. approving the actual operating charges and costs of supervision while drilling and after

completion, together with a provision adjusting the rates pursuant to the

COPAS accounting procedures, and

E. imposing a penalty for the risk assumed by Marbob Energy Corporation in

drilling and completing the well against any working interest owner who does not

voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR MARBOB ENERGY CORPORATION

CASE \_\_\_:

Application of Marbob Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order for an order pooling all mineral interests from surface to the base of the Morrow formation in the following described spacing and proration units located in the E/2 of Section 14, Township 22 South, Range 26 East, N.M.P.M., Eddy County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated South Carlsbad-Morrow Gas Pool, Undesignated South Carlsbad-Atoka Gas Pool, South Carlsbad-Wolfcamp Pool, Undesignated South Carlsbad Strawn; the SE/4 for all formations and/or pools developed on 160-acre spacing; and the SE/4 SE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated South Carlsbad Delaware Pool. Said units are to be dedicated to dedicate its Whiskey Girl Fee Well No. 1 (API No. 30-015-34631) to be drilled as a deviated well from an unorthodox surface location 464 feet from the South line and 1119 from the East line to a bottomhole location 660 feet from the South line and 990 feet from the East line (Unit P) of said Section 14, to an approximate depth of 11,800 feet to test any and all formations from surface to the base of the Morrow formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Marbob Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 2 miles north of the Carlsbad Airport.

#### **Affidavit of Publication**

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County of Eddy:					
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OIL CONSERVATION
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SANTA FE,
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The Grate of New Mexi-

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on April 13, 2008, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, ampulier. quilfied sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing. please contact. Florene Davidson at 505-476-3458 or through the New Mexico Relay

the New Mexico Relay Network, 1-800-659-1779 by April-3, 2006. Public documents including the

ments including the agenda and minutes, can be provided in various accessible forms.

accessible forms.
Please contact Florene
Di-vidson if a summary
or other type of accessible form is needed.
STATE OF NEW
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All named parties and persons having any. right, little, interest or claim in the following cases and notice to the

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September: 23, 2007

CASE 13692:
Application of Marbob Energy Corporation for conjulisory pooling, Eddy County, New Mercico. Apolicant in the above sylved cause sucks an order for an order pooling all mineral interests from surface to the base of the Morrow formation in the following described specified and profation edits Joented in the E/2 of Saction 14, fownship 1/2 South Cause 1/2

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Gas Pool Undesignated South Carisbad-Aloka Gas Pool South Caris-

Given under the Seaf of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 16th day of March 2008, STATE OF NEW MEXICO OIL CONSERVATION

DIVISION Mark E. Fesmire, P.E., Pirector

Published in the Artesia Daily Press, Artesia, N.M. March 19, 2006, Legal 19202