Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

UII Cons. N.M. DIV-Dist. 2 1301 W. Grand Avenue Artesia, NM 88210

FORM APPROVED OMB NO. 1004-0135

Expires: November 30, 2000

5. Lease Serial No. NMLC-047633-B

SUNDRY	NOTICES	AND	REPORTS	ON	WELLS

Do not use this form for proposals to drill or to re-enter an

6. If Indian, Allottee or Tribe Name

abandoned well. Use For	m 3160-3 (APD) for	such prop	osals.			,		
SUBMIT IN TRIPLICATE - Other instructions on reverse side					7. If Unit	7. If Unit or CA/Agreement, Name and/or No		
			- RE	CEIVED -				
1. Type of Well X Oil Well Gas Well Other			MAR 2 5 2004			8. Well Name and No. Sibyl 1 Fed #1		
2. Name of Operator			OCD	-ARTESIA	ــــــا ۵			
					9. API W	9. API Well No.		
3a. Address			3b. Phone No. (include area code)			30-015-31276		
P.O. Box 2267 Midland, Texas 79702 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			432 686 3689			10. Field and Pool, or Exploratory Area Sand Tank; Morrow		
1980' FNL & 1134' FEL					1			
Sec 1, T18S, R30E	<u>-</u>				11: County or Parish, State Eddy NM			
12. CHECK APPROPRIATE	BOX(ES) TO INC	ICATE N	ATURE OF	NOTICE, REI	PORT, OR	OTHER DATA	Ą	
TYPE OF SUBMISSION	TYPE OF ACTION							
Notice of Intent	Acidize	Dee	pen	Producti	on (Start/Resur	ne) Water	Shut-Off	
	Alter Casing	Frac	ture Treat	Reclama	tion	Well In	ntegrity	
X Subsequent Report		□,,	Construction		1.4.	Other	-	
<u></u>	Casing Repair			Recomp		Other		
Final Abandonment Notice	Change Plans	L Plug	and Abandon	Tempora	rily Abandon			
	Convert to Injection	on Plug	Back	X Water D	isposal			
 Water is produced from the More The wells make approximately 2 Water is stored in a tank. Water is transported to dispose Water is disposed of at the Salocated 1650' FSL & 1650' FEL, 	bbls per day. sal by truck. and Tank 32 State Sec 32 T175 R3		2, opera CO, NM.	ted by Mark	PRO AR 23	2004 **K		
	DOBIN - Page			VAL SUBJ			-	
<u>,</u>	F		-	AL REQUII				
	, 		_SPECIA	L STIPUL	SMOITA	ATTACHEE)	
14. I hereby certify that the foregoing is true and correst Name (Printed/Typed) Stan Wagner		Title	Reg Ar	nalvst				
Sten Warme \$		Date	3/16/04					
THIS	S SPACE FOR FED	ERAL OR	STATE OF	FICE USE				
Approved by		Ti	tle			Date		
Conditions of approval, if any, are attached. Approval o certify that the applicant holds legal or equitable title to which would entitle the applicant to conduct operations the	those rights in the subje	arrant or Or	fice			<u>.L</u>		

Water Production & Disposal information

In order to process your disposal request, the following in	nformation must be completed:					
Name of formations producing water on the lease. Morrow						
2. Amount of water produced from all formations in barrel per day. 2 BWPD						
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (one sample will suffice if the water is commingled)						
4. How water is stored on the lease. Stock Tank						
5. How water is moved to the disposal facility.	Trucked					
6. Identify the Disposal Facility by:						
A. Facility Operators Name. Marbob E	nergy Corporation					
B. Name of facility or well name & number.	Marbob SWD					
C. Type of facility or well (WDW) (WIW) etc.	WIW					
D. Location:						
1/4 1/4 SENE Section 32	Township 17S Range	30E				
7. Attatch a copy of the State issued permit for the Disposal Facility						

Submit 1 original and 5 copies on Sundry Notice 3160-5

From-MARBOS

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NEW MAXICO ENERGY, MINARALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery
Director
Oll Conservation Division

AUG 27 2001

AMENDED ADMINISTRATIVE ORDER SWD-684

APPLICATION OF MARBOB ENERGY CORPORATION FOR AN AMENDMENT TO DIVISION ORDER SWD-684 FOR SALT WATER DISPOSAL, EDDY COUNTY, NEW MEXICO.

RECEIVED

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

MAR 2.5 2004 OCD-ARTESIA

Under the provisions of Rule 701(B), Marbob Energy Corporation made application to the New Mexico Oil Conservation Division on July 16, 2001, for permission to expand the injection interval in its Sand Tank "32" State Com Well No. 2 located 1650 feet from the South line and 1650 feet from the East line (Unit I) of Section 32, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

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; and
- (2) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met.

IT IS THEREFORE ORDERED THAT:

The applicant herein, Marbob Energy Corporation is hereby authorized to complete its Sand Tank "32" State Com Well No 2 located 1650 feet from the South line and 1650 feet from the East line (Unit I) of Section 32, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Wolfcamp formation at approximately 8,510 feet to 9,100 feet through 2 7/8-inch or 3 1/2-inch plastic-lined tubing set in a packer located at approximately 8,410 feet.

Mar-10-04 12:24pm

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From-MARBOB

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 1702 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Wolfcamp formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be rimely and necessary to correct such failure or leakage.

The operator shall submit monthly reports of the disposal operations in accordance with Division Rules and Regulations on Form C-115, Operator's Monthly Report.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The injection authority granted herein shall terminate on December 1, 2001, if the operator has not commenced injection operations into the subject well, provided however, the

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Mar-10-64 12:25pm From-MARBOB

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Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 24th day of August, 2001.

LORI WROTENBERY, Director

LW/DRC

xc: Oil Conservation Division - Artesia
State Land Office - Oil & Gas Division