



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

4-2-93

BRUCE KING
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

108-79

RE: Proposed:

MC _____
DHC _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

OK X

Gentlemen:

I have examined the application for the:

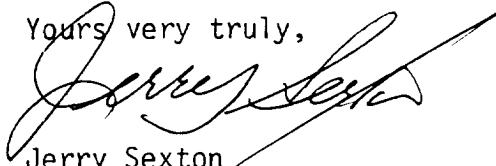
Marulo Inc. Bonds #1-H 20-9-35

Operator _____ Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,


Jerry Sexton
Supervisor, District 1

/ed



March 31, 1993

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals & Natural Resources
P. O. Box 2088
310 Old Santa Fe Trail
Santa Fe, NM 87504-2088

RE: Request of Maralo, Inc. for Administrative Approval to
Intentionally Deviate Bonds #1 Well, Lea County, NM.

Dear Mr. LeMay:

Please treat this letter as Maralo, Inc.'s application for administrative approval of an exception to OCD Rule 111 to permit it to intentionally deviate its Bonds #1 Well. Attached hereto are copies of OCD Forms C-101 and C-102 for this well. As you will note, the well has been drilled and completed at orthodox surface, and bottomhole locations for a 40-acre oil spacing or proration unit that comprises the SE/4 NE/4 of Section 20, Township 9 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

We erroneously thought that Division Order #R-6089 which granted Hilliard Oil & Gas Company authority to directionally drill this well covered our proposed directional drilling program when we sought Division approval to re-enter the well. Approval for the re-entry was granted by the Division on January 29, 1993.

Since this prior approval does not apply to the way the well has been drilled by Maralo, Inc., we now seek administrative approval for the deviated wellbore.

In addition to the Plat on Form C-102 which shows the surface and bottomhole location for this well, we are enclosing a copy of a certified directional survey. Maralo, Inc. is the operator of all proration or spacing units offsetting the unit for which this permit to deviate is sought. Accordingly, there are no offsetting operators of proration or spacing units to be notified of this application.


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WCD HORBS OFFICE

If you have any questions concerning this application, please advise.

Sincerely,


Dorothea Owens
Regulatory
Encl.

cc: w/encl.: Michael E. Stogner

✓ Oil Conservation Division
Hobbs District Office
P. O. Box 1980
Hobbs, NM 88240

Submit to Appropriate
District Office
State Lease -- 6 copies
Fee Lease -- 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)
30-025-25275

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☐ RE-ENTER ☒ DEEPEN ☐ PLUG BACK ☐

b. Type of Well:

OIL WELL ☒ GAS WELL ☐ OTHER ☐

SINGLE ZONE ☒ MULTIPLE ZONE ☐

7. Lease Name or Unit Agreement Name

Bonds

2. Name of Operator

Maralo, Inc.

8. Well No.

1-1

3. Address of Operator

P. O. Box 832, Midland, TX 79702

9. Pool name or Wildcat

undesignated (Devonian)

4. Well Location

Unit Letter H : 1650 Feet From The North Line and 330 Feet From The East Line

Section 20 Township 9S Range 35E NMPM Lea County

10. Proposed Depth

12,660'

11. Formation

Devonian

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

4160' GR

14. Kind & Status Plug. Bond

Blanket

15. Drilling Contractor

Sitton Drilling Co.

16. Approx. Date Work will start

1-29-93

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15"	12 3/4"	35#	499'	525 sx	Surf
11"	8 5/8"	32#	4036'	1480 sx	Surf
7 7/8"	5 1/2"	17# & 20#	12660	est. 1200 sx	circ to 8 5/8" csg

Re-entry of Hilliard oil & Gas, Bonds #1

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.

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

SIGNATURE Dorothea Owens TITLE Regulatory Analyst DATE January 15, 1993

TYPE OR PRINT NAME Dorothea Owens

TELEPHONE NO. 915 684-7441

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.
Re-entry

JAN 29 1993

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

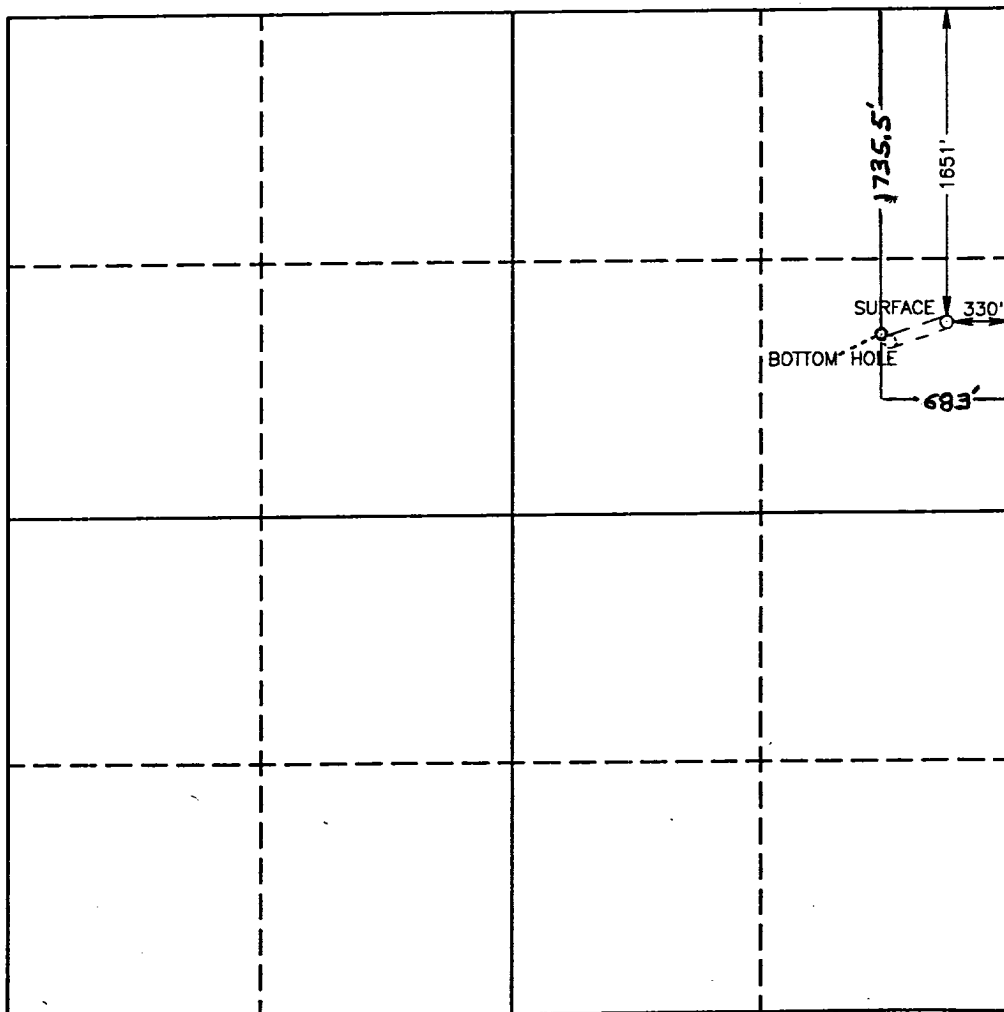
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator MARALO, INC.			Lease BONDS		Well No. 1-R
Unit Letter H	Section 20	Township 9 SOUTH	Range 35 EAST	NMPM	County LEA
Actual Footage Location of Well: 1651 feet from the NORTH line and 330 feet from the EAST line					
Ground Level Elev. 4162.8'	Producing Formation Devonian		Pool undesignated		Dedicated Acreage: 40 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 interest 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 of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.) _____
- No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Dorothea Owens

Signature

Dorothea Owens

Printed Name

Regulatory

Position

Maralo, Inc.

Company

March 29, 1993

Date

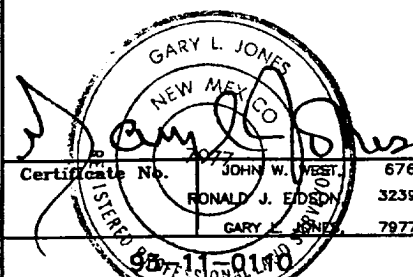
SURVEYOR CERTIFICATION

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

JANUARY 22, 1993

Signature & Seal of
Professional Surveyor



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OCD HOBBS OFFICE

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WELL NAME AND NUMBER Bonds #1

LOCATION Section 20, T-9-S, R-32-E, Lea County, N.M.
(Give Unit, Section, Township and Range)

OPERATOR Maralo, Inc.

DRILLING CONTRACTOR McVay Drilling Company

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
5 S 82 W 9780	6 1/4 S 74 W 11,475	
7 S 88 W 9873	5 1/4 S 76 W 11,568	
7 1/2 S 88 W 9935	4 S 75 W 11,663	
9 S 89 W 10,028	8 1/4 S 67 W 11,945	
10 N 85 W 10,122	8 S 68 W 12,039	
10 1/4 S 55 W 10,314	8 1/4 S 73 W 12,132	
10 S 55 W 10,408	9 S 75 W 12,224	
9 1/2 S 58 W 10,501	10 S 80 W 12,356	
8 S 63 W 10,568	11 S 85 W 12,511	
8 S 63 W 10,595		
6 3/4 S 65 W 10,719		
6 1/4 S 68 W 10,788		
7 S 76 W 11,161		
6 1/4 S 65 W 11,255		
6 1/2 S 79 W 11,381		

Drilling Contractor McVay Drilling Company

By: Joe Dyer

Subscribed and sworn to before me this 24th day of March, 19 93

Walter Blaker
Notary Public

My Commision Expires: 8/24/96 Lea County New Mexico

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OCD HOBBS OFFICE