

OCD-ARTESIA

FORM APPROVED  
OMB No. 1004-0136  
Expires January 31, 2004

ATS-07-178

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC-028784-XC	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Marbob Energy Corporation		7. If Unit or CA Agreement, Name and No.	
3a. Address P.O. Box 227, Artesia, NM 88211-0227		8. Lease Name and Well No. Burch Keely Unit # 976 6497	
3b. Phone No. (include area code) 505-748-3303		9. API Well No. 30-015-35399	
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface 2595' FSL & 330' FWL At proposed prod. zone		10. Field and Pool, or Exploratory Grayburg Jackson SR Q Grbg SA	
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area Sec 13, T17S - R29E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		12. County or Parish Eddy County	
16. No. of Acres in lease		13. State NM	
17. Spacing Unit dedicated to this well 40			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		20. BLM/BIA Bond No. on file NM 2056	
19. Proposed Depth 4800'			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3622'		22. Approximate date work will start* January 11, 2006	
		23. Estimated duration 14 Days	
24. Attachments			

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Nancy T. Agnew</i>	Name (Printed Typed) Nancy T. Agnew	Date 12/11/06
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Land Department Approved by (Signature) <i>/s/ James Stovall</i>	Name (Printed Typed) CARLSBAD FIELD OFFICE	Date JAN 18 2007
Title ACTING FIELD MANAGER	Office	APPROVAL FOR 1 YEAR

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

ROSWELL CONTROLLED WATER BASIN

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

DISTRICT I  
1625 N. FRENCH DR., HOBBES, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

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

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 28509	Pool Name GRBG JACKSON SR Q GRBG SA
Property Code	Property Name BURCH KEELY UNIT	Well Number 976
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3622'

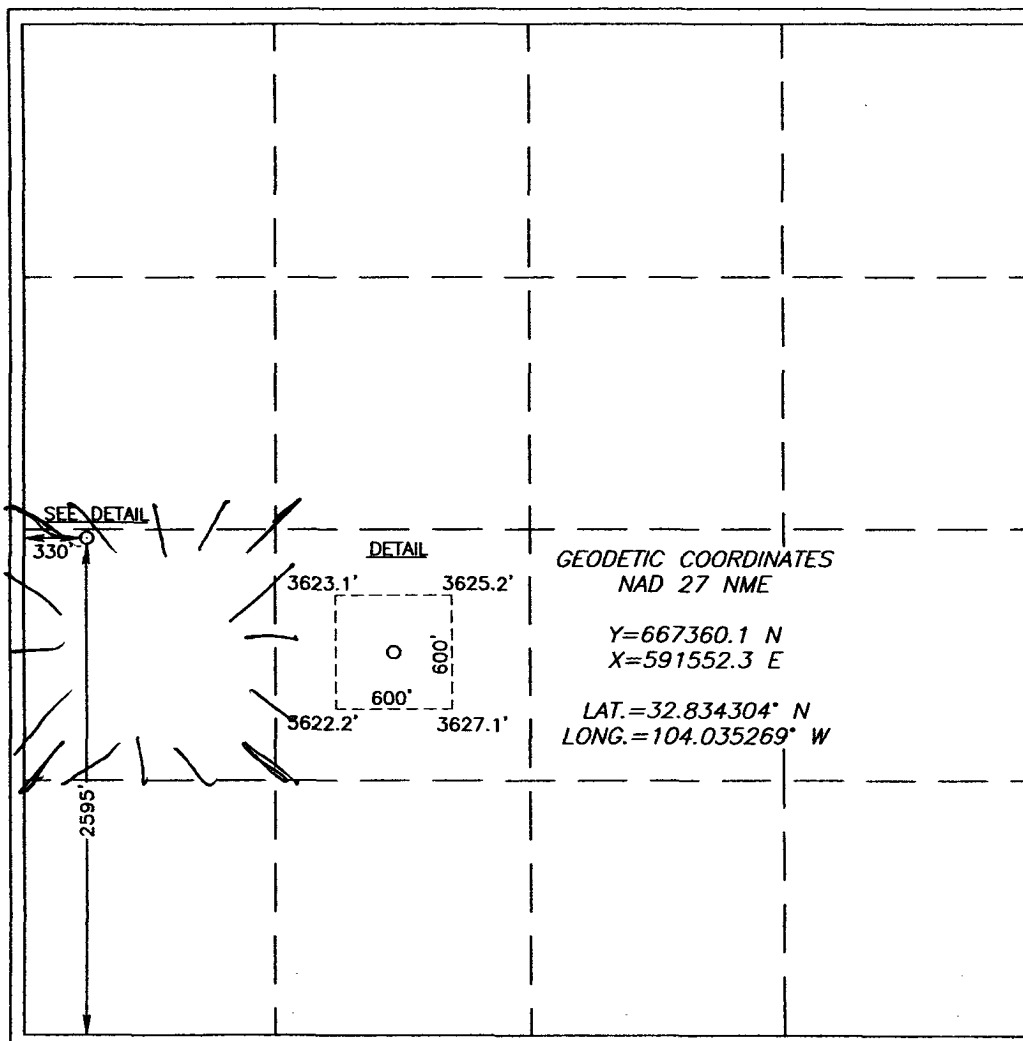
Surface Location

UL or lot No. L	Section 13	Township 17-S	Range 29-E	Lot Idn	Feet from the 2595	North/South line SOUTH	Feet from the 330	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature: <u>Nancy T. Agnew</u> Date: <u>12/11/06</u> Printed Name: <u>Nancy T. Agnew</u>
	<b>SURVEYOR CERTIFICATION</b> <i>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 belief.</i>  NOVEMBER 8, 2006 Date Surveyed: <u>NOVEMBER 8, 2006</u> LA Signature: <u>GARY EIDSON</u> Seal of Professional Surveyor Certificate No. <u>GARY EIDSON</u> 12841

SEP 09 1999



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Roswell Field Office  
2909 West Second St.  
Roswell, New Mexico 88201  
[www.nm.blm.gov](http://www.nm.blm.gov)



IN REPLY REFER TO:  
NMNM-88525X  
3180 (06200)

Marbob Energy Corporation  
Attention: Johnny Gray  
P. O. Box 227  
Artesia, NM 88210

SEP 07 1999

Gentlemen:

With regard to our telephone conversation of September 2, 1999, a review of our records has found discrepancies in the casing requirements section of the conditions of approval for your APD's. As per our meeting on July 7, 1999, our office had agreed with your recommended casing procedures for shallow wells of 6000 ft. or less in T. 17 S., Rgs. 29, 30 and 31 E., NMPM. In order to correct the discrepancies, this letter states the language to be used for the conditions of approval casing requirements for all your existing APD's

Conditions of Approval-Drilling amended as follows:

II. Casing requirements in T. 17 S., Rgs. 29, 30 and 31 E. for shallow wells less than 6,000 ft.

1. 8-5/8 inch surface casing should be set at approximately \_\_\_\_ ft. in the Rustler Anhydrite or in the case the salt occurs at a shallower depth above the top of the salt. The surface casing shoe shall be set in the anhydrite to ensure adequate sealing. The operator is required to use an excess of 100% cement volume to fill annulus. If cement does not circulate to surface the operator may then use ready mix cement to fill the remaining annulus.

2. The minimum required fill of cement behind the 5 1/2 inch production casing is to place the top of the cement 200 ft. above the top of the uppermost hydrocarbon bearing interval or to the base of the salt.

These requirements supercede those issued in your existing, approved APD's for the shallow wells located in T. 17 S., Rgs. 29, 30 and 31 E., NMPM. If you have any question regarding this matter please call John S. Simitz at (505) 627-0288 or Armando A. Lopez at (505) 627-0248.

Sincerely,

A handwritten signature in cursive script that reads "Larry D. Bray". The signature is written in dark ink and is positioned above the printed name and title.

Larry D. Bray  
Acting Assistant Field Office Manager,  
Lands and Minerals