

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address Marbob Energy Corporation PO Box 227 Artesia, NM 88211-0227		OGRID Number 14049
		API Number 30-15-33023
Property Code 32982	Property Name SWH STATE	Well No. 003

Surface Location

UL or Lot E	Section 3	Township 25S	Range 28E	Lot Idn	Feet From 1980	N/S Line N	Feet From 330	E/W Line W	County Eddy
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Bottom Holes

Pool: WILLOW LAKE; DELAWARE, SW 96855									
UL or Lot F	Section 3	Township 25S	Range 28E	Lot Idn	Feet From 1980	N/S Line N	Feet From 2310	E/W Line W	County Eddy

Work Type New Well	Well Type Oil	Cable/Rotary	Lease Type State	Ground Level Elevation 2990
Multiple N	Proposed Depth 6825	Formation Delaware	Contractor	Spud Date 9/25/2003

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	550	350	0
Prod	8.75	5.5	17	6825	900	0

Casing/Cement Program: Additional Comments

Surface csg - circ cmt; Production csg - sufficient cmt to cover 500 above all oil and gas bearing zones.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Cameron

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

Electronically Signed By: Diana Cannon

Title: Production Analyst

Date: 9/22/2003

Phone: 505-748-3303

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 10/2/2003

Expiration Date: 10/2/2004

Conditions of Approval:

No Conditions



**Marbob Energy Corporation
New Mexico
Eddy County
SWH State # 3 - Plan 09/17/03**

Sperry-Sun

Proposal Report

17 September, 2003

Data Source: Information from Brian Collins

Proposal Ref: pro6914

HALLIBURTON

Proposal Report for SWH State # 3 - Plan 09/17/03
Data Source: Information from Brian Collins

Measured Depth (ft)	Incl. (Deg)	Azlm. (Deg)	Station Coordinates TVD (ft)	Northings (ft)	Eastings (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Comment
0.00	0.000	0.000	0.00	0.00 N	0.00 E	0.00		
400.00	0.000	0.000	400.00	0.00 N	0.00 E	0.00	0.00	9 5/8" Casing
4572.55	0.000	0.000	4572.55	0.00 N	0.00 E	0.00	0.00	Kick-Off at 4572.55ft
4600.00	3.294	90.000	4599.98	0.00 N	0.79 E	0.79	12.00	
4700.00	15.294	90.000	4698.49	0.00 N	16.91 E	16.91	12.00	
4800.00	27.295	90.000	4791.49	0.00 N	53.16 E	53.16	12.00	
4900.00	39.295	90.000	4874.93	0.00 N	107.95 E	107.95	12.00	
4947.54	45.000	90.000	4910.16	0.00 N	139.84 E	139.84	12.00	Build Rate = 12.00°/100ft
5000.00	51.296	90.000	4945.14	0.00 N	178.90 E	178.90	12.00	
5100.00	63.296	90.000	4999.08	0.00 N	262.89 E	262.89	12.00	
5200.00	75.296	90.000	5034.36	0.00 N	356.26 E	356.26	12.00	
5300.00	87.297	90.000	5049.47	0.00 N	454.93 E	454.93	12.00	
5322.53	90.000	90.000	5050.00	0.00 N	477.45 E	477.45	12.00	End of Build at 5322.53ft
5400.00	90.000	90.000	5050.00	0.00 N	554.92 E	554.92	0.00	
5500.00	90.000	90.000	5050.00	0.00 N	654.92 E	654.92	0.00	
5600.00	90.000	90.000	5050.00	0.00 N	754.92 E	754.92	0.00	
5700.00	90.000	90.000	5050.00	0.00 N	854.92 E	854.92	0.00	
5800.00	90.000	90.000	5050.00	0.00 N	954.92 E	954.92	0.00	
5900.00	90.000	90.000	5050.00	0.00 N	1054.92 E	1054.92	0.00	
6000.00	90.000	90.000	5050.00	0.00 N	1154.92 E	1154.92	0.00	
6073.80	90.000	90.000	5050.00	0.00 N	1228.73 E	1228.73	0.00	Hold Angle at 90.000°
6100.00	90.000	90.000	5050.00	0.00 N	1254.92 E	1254.92	0.00	
6200.00	90.000	90.000	5050.00	0.00 N	1354.92 E	1354.92	0.00	
6300.00	90.000	90.000	5050.00	0.00 N	1454.92 E	1454.92	0.00	
6400.00	90.000	90.000	5050.00	0.00 N	1554.92 E	1554.92	0.00	
6500.00	90.000	90.000	5050.00	0.00 N	1654.92 E	1654.92	0.00	
6600.00	90.000	90.000	5050.00	0.00 N	1754.92 E	1754.92	0.00	
6700.00	90.000	90.000	5050.00	0.00 N	1854.92 E	1854.92	0.00	
6800.00	90.000	90.000	5050.00	0.00 N	1954.92 E	1954.92	0.00	
6825.08	90.000	90.000	5050.00	0.00 N	1980.00 E	1980.00	0.00	Total Depth at 6825.08ft 8 3/4" Open Hole Target - SwH Stae # 3 PBHL, Current Target:

All data is in Feet (US) unless otherwise stated. Directions and coordinates are relative to True North.
Vertical depths are relative to RKB. Northings and Eastings are relative to Wellhead.

The Dogleg Severity is in Degrees per 100 feet.
Vertical Section is from Wellhead and calculated along an Azimuth of 90.000° (True).

Magnetic Declination at Surface is 8.869° (17-Sep-03)

Based upon Minimum Curvature type calculations, at a Measured Depth of 6825.08ft.,
The Bottom Hole Displacement is 1980.00ft., in the Direction of 90.000° (True).

Proposal Report for SWH State # 3 - Plan 09/17/03
Data Source: Information from Brian Collins**Comments**

Measured Depth (ft)	Station Coordinates			Comment
	TVD (ft)	Northings (ft)	Eastings (ft)	
4572.55	4572.55	0.00 N	0.00 E	Kick-Off at 4572.55ft
4947.54	4910.16	0.00 N	139.84 E	Build Rate = 12.00"/100ft
5322.53	5050.00	0.00 N	477.45 E	End of Build at 5322.53ft
6073.80	5050.00	0.00 N	1228.73 E	Hold Angle at 90.000°
6825.08	5050.00	0.00 N	1980.00 E	Total Depth at 6825.08ft

Casing details

From		To		Casing Detail
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	
<Surface>	<Surface>	400.00	400.00	9 5/8" Casing
<Surface>	<Surface>	6825.08	5050.00	8 3/4" Open Hole

Targets associated with this wellpath

Target Name	Target Entry Coordinates			Target Shape	Target Type
	TVD (ft)	Northings (ft)	Eastings (ft)		
SwH State # 3 PBHL	5050.00	0.00 N	1980.00 E	Point	Current Target

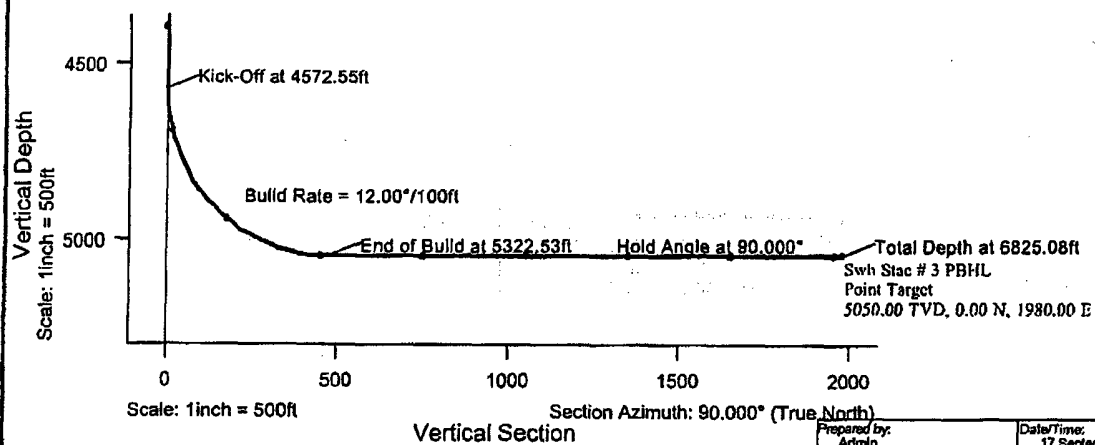
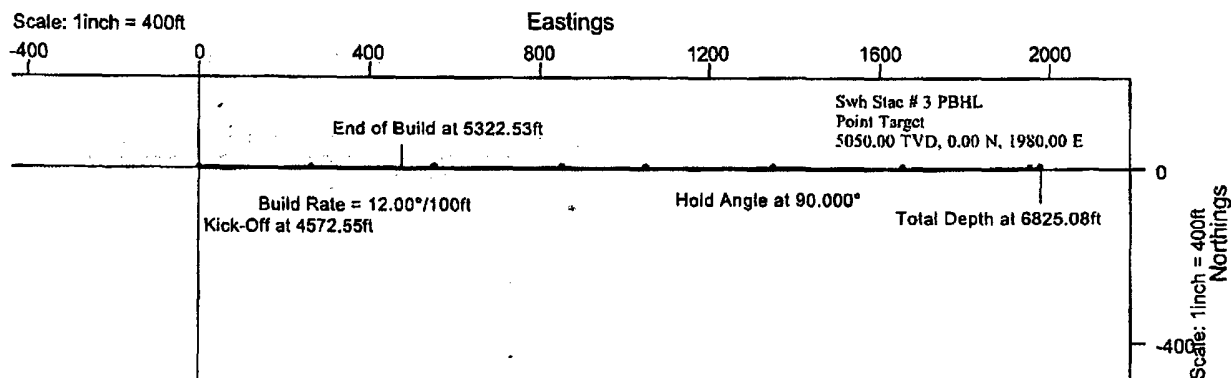
HALLIBURTON

Marbob Energy Corporation

DrillQuest

Sperry-Sun

New Mexico
Eddy County
Sec. 03-T25S-R28E
SWH State # 3
Plan 09/17/03



Prepared by:
Admin

Date/Time:
17 September, 2003 - 16:45

Checked:

Approved

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State of New Mexico
Energy, Minerals and Natural Resources

Form C-102

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-15-33023	Pool Name WILLOW LAKE; DELAWARE, SW	Pool Code 96855
Property Code 32982	Property Name SWH STATE	Well No. 003
OGRID No. 14049	Operator Name Marbob Energy Corporation	Elevation 2990

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	3	25S	28E	.	1980	N	330	W	Eddy

Bottom Hole Location If Different From Surface

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	3	25S	28E		1980	N	2310	W	Eddy
Dedicated Acres 80		Joint or Infill		Consolidation Code		Order No.			

OPERATOR CERTIFICATION

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

Electronically Signed By: Diana Cannon

Title: Production Analyst

Date: 9/22/2003

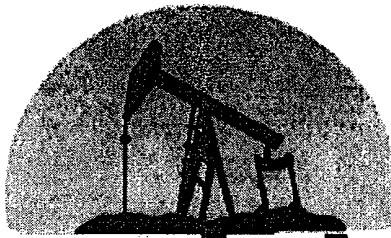
SURVEYOR CERTIFICATION

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 belief.

Electronically Signed By: Gary Eidson

Date of Survey: 8/28/2003

Certificate Number: 12641



marbob
ENERGY CORPORATION
ARTESIA, NEW MEXICO

September 26, 2003

Oil Conservation Division
1301 W. Grand Ave.
Artesia, NM 88210

Attention: Bryan Arrant

Re: SWH State #1, #2, #3, #4, #5, and #6
Section 3, T25S, R28E
Eddy County, New Mexico

Dear Bryan:

Southwestern Energy Production Company has recently drilled four wells in the area of our proposed SWH State Nos. 1-6. According to their letter of July 29, 2003, no levels of H₂S that would require a contingency plan were detected. We do not anticipate cutting any formations that contain H₂S, therefore, we do not believe that an H₂S contingency plan is necessary.

If you have questions or need further information, please call.

Sincerely,

Melanie J. Parker
Land Department

/mp