

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

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

30-015-35150

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

RED RYDER STATE COM

8. Well Number 1

9. OGRID Number

14049

10. Pool name or Wildcat

UNDESIGNATED BONE SPRING

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

MARBOB ENERGY CORPORATION

3. Address of Operator

P O BOX 227  
ARTESIA NM 88211-0227

4. Well Location

Unit Letter A/H : 1320 feet from the NORTH line and 660 feet from the EAST line  
Section 25 Township 25S Range 27E NMPM EDDY County NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3015' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: DOWNHOLE COMMINGLING ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SEE ATTACHED C-107A APPLICATION FOR DOWNHOLE COMMINGLING.

THE PROPOSED ALLOCATION IS: UNDESIGNATED BONE SPRING - OIL 32% - GAS 31%  
UNDESIGNATED DELAWARE - OIL 68% - GAS 69%

NEW ALLOCATIONS WILL BE SUBMITTED IF ACTUAL WELL PRODUCTION IS SIGNIFICANTLY DIFFERENT THAN THAT ABOVE.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Brian Collins TITLE ENGINEERING DATE 01/04/08

Type or print name BRIAN COLLINS

E-mail address:

engineering@marbob.com

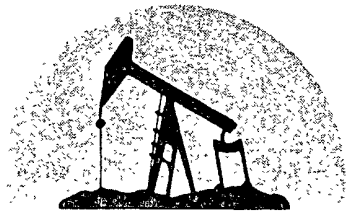
Telephone No.

575-748-3303

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):



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**marbob**  
energy corporation

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January 4, 2008

New Mexico State Land Office  
Oil, Gas & Minerals Division  
P. O. Box 1148  
Santa Fe, NM 87504-1148

Attn: Ms. Jamie Bailey

Re: C-107A Downhole Commingling Application  
Red Ryder State Com #1  
Township 25 South, Range 27 East, NMPM  
Sec. 25: Unit A/H  
Eddy County, New Mexico

Dear Ms. Bailey:

Enclosed is the \$30.00 application fee and copy of the Form C-107A Application for Downhole Commingling that we submitted to the NMOCD for the referenced well located in Eddy County.

We are seeking approval to downhole commingle the Bone Spring and Delaware zones to extend the economic life of the well and maximize the financial benefit to the State of New Mexico.

If you have any questions, please call me at 505-748-3303.

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosures

District I  
1623 N. French Drive, Hobbs, NM 88240

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
☒ Single Well  
☐ Establish Pre-Approved Pools  
EXISTING WELLBORE  
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

MARBOB ENERGY CORPORATION P O BOX 227 ARTESIA, NM 88211-0027  
Operator Address  
RED RYDER STATE COM 1 A/H - 25-25S-27E EDDY COUNTY, NM  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. 14049 Property Code 36027 API No. 30-015-35150 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	UNDESIGNATED DELAWARE		UNDESIGNATED BONE SPRING
Pool Code			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4292-5785' PERF		8178-8204' PERF
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT		ARTIFICIAL LIFT
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	50-200 PSI PRODUCING BHP		400 PSI PRODUCING BHP
Oil Gravity or Gas BTU (Degree API or Gas BTU)	43°		45°
Producing, Shut-In or New Zone	NEW ZONE		PRODUCING
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: N/A Rates:	Date: Rates:	Date: 7 DEC 07 Rates: 20 BOPD 70 MCFD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 68 % 69 %	Oil Gas % %	Oil Gas 32 % 31 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐  
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐  
Will commingling decrease the value of production? Yes ☐ No ☒  
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐  
NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

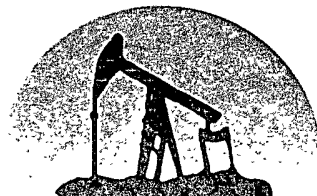
If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Brian Collins TITLE ENGINEER DATE 01/04/08  
TYPE OR PRINT NAME BRIAN COLLINS TELEPHONE NO. ( 505 ) 748-3303  
E-MAIL ADDRESS engineering@marbob.com

INVOICE DATE	INVOICE NO.	DESCRIPTION	INVOICE TOTAL	ADJUSTMENTS	DISCOUNT	NET AMOUNT
1/7/08		APPLICATION FEE/DOWNHOLE COMINGLING - RED RYDER ST COM	\$ 30.00			\$ 30.00



**MARBOB ENERGY CORPORATION**

2208 W. MAIN

P.O. BOX 227

ARTESIA, NEW MEXICO 88211-0227

(505) 748-3303

050994

PLEASE DETACH BEFORE DEPOSITING. RETAIN TOP PORTION FOR YOUR RECORDS



energy corporation

2208 W. MAIN

P.O. BOX 227

ARTESIA, NEW MEXICO 88211-0227

(505) 748-3303

050994

95-43/1122

FIRST NATIONAL BANK

P.O. DRAWER AA

ARTESIA, NM 88210

\*\*\*\*\*THIRTY DOLLARS AND 00/100\*\*\*\*\*

PAY TO  
THE ORDER  
OF

NEW MEXICO STATE LAND OFFICE  
OIL, GAS & MINERALS DIVISION  
PO BOX 1148  
SANTA FE, NM 87504-1148

DATE	CHECK AMOUNT
1/7/08	\$30.00

MARBOB ENERGY CORPORATION

⑈050994⑈ ⑆112200439⑆

⑈ 46512710⑈