

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
Permit 1271

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211-0227		OGRID Number 14049
		API Number 30-015-33560
Property Code 34159	Property Name TLC STATE COM	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	31	23S	27E	2	1980	N	660	W	Eddy

Proposed Pools

CARLSBAD;MORROW, SOUTH (PRO GAS) 73960
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Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3239
Multiple N	Proposed Depth 12300	Formation Morrow	Contractor	Spud Date 08/01/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	350	350	0
Int1	12.25	9.625	36	1850	650	0
Int2	8.75	7	23	8800	950	0
Prod	6.125	4.5	11.6	12300	260	8500

Casing/Cement Program: Additional Comments

Propose to drill 17 1/2 in. hole w/ fresh water to 350 ft. run 13 3/8 in. 48 lb. H-40 csg. set at 350 ft. w/350 sx cmt; drill 12 1/2 in. hole w/ brine water to 1850 ft., run 9 5/8 in. 36 lb. J-55 csg. set at 1850 ft. w/ 650 sx cmt; drill 8 3/4 in. hole w/ fresh water to 8800 ft., run 7 in. 23 lb. L-80/J-55 csg. set at 8800 ft. w/ 950 sx cmt.; drill 6 1/8 in. hole to 12300 ft., run 4 1/2 in. 11.6 lb. S95/P110 csg. set at 12300 ft. w/ 260 sx cmt w/ TOC approx. 8500 ft. Will use 2M system to 8800 ft, then nipple up 5M system BOP.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	Cameron
Double Ram	5000	5000	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: 07/28/2004

Phone: 505-748-3303

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 08/20/2004

Expiration Date: 08/20/2005

Conditions of Approval:

There are conditions. See Attached.