

1. Operator Name and Address MARBOB ENERGY CORP PO BOX 227 ARTESIA , NM 882110227		2. OGRID Number 14049
		3. API Number 30-015-37686
4. Property Code 38083	5. Property Name LOVELADY STATE	6. Well No. 001H

UL - Lot A	Section 16	Township 25S	Range 25E	Lot Idn A	Feet From 990	N/S Line N	Feet From 330	E/W Line E	County EDDY
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Wildcat Bone Spring	
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3488
14. Multiple N	15. Proposed Depth 9800	16. Formation Bone Spring	17. Contractor	18. Spud Date 4/5/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick      Clay <input type="checkbox"/> Pit Volume:      bbls      Drilling Method:				
Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	200	200	0
Int1	12.25	9.625	36	1200	350	0
Prod	7.875	5.5	17	9800	950	1000

Propose to drill 17 1/2" hole to 200' with fresh, run 13 3/8 48# H-40 casing and cement to surface with 200sk. Drill 12 1/4" hole to 1200' with brine, run 36# J-55 9 5/8" casing and cement to surface with 350sk. Drill 7 7/8" hole with cut brine to 8200', run electric logs then plug back and drill to new bottom hole location with TVD of 5300' and a measured depth of 9800', run 5 1/2" 17# N80 casing and cement to 1000' with 950sk cement.

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

Date: 3/11/2010	Phone: 575-748-3303
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**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-102  
 Permit 110699

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-37686	2. Pool Code	3. Pool Name Wildcat Bone Spring
4. Property Code 38083	5. Property Name LOVELADY STATE	6. Well No. 001H
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3488

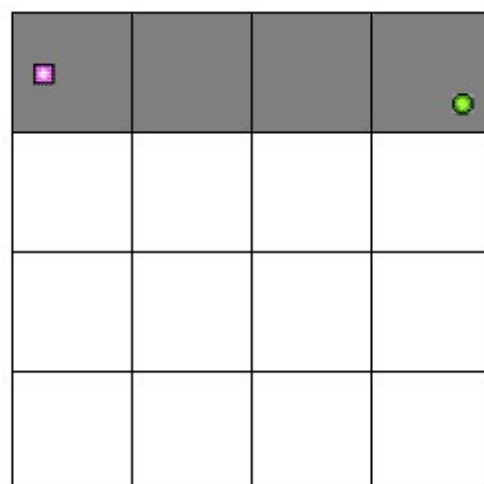
**10. Surface Location**

UL - Lot A	Section 16	Township 25S	Range 25E	Lot Idn	Feet From 990	N/S Line N	Feet From 330	E/W Line E	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot D	Section 16	Township 25S	Range 25E	Lot Idn D	Feet From 660	N/S Line N	Feet From 330	E/W Line W	County EDDY
12. Dedicated Acres 160.00		13. Joint or Infill		14. Consolidation Code			15. 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**



**OPERATOR CERTIFICATION**

*I hereby certify that the information contained 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(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

E-Signed By: Diana Briggs

Title: Production Manager

Date: 3/11/2010

**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.*

Surveyed By: Gary Eidson

Date of Survey: 2/22/2010

Certificate Number: 12641

## Permit Comments

**Operator:** MARBOB ENERGY CORP , 14049

**Well:** LOVELADY STATE #001H

**API:** 30-015-37686

Created By	Comment	Comment Date
MARBOB4	Marbob Energy has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore we do not believe that an H2S Contingency Plan would be necessary.	3/11/2010