

DATE IN 7/30/07	SUSPENSE 7/30/07	ENGINEER Will Jones	LOGGED IN 7/31/07	TYPE SWD	APP NO. PTDS0721252398
--------------------	---------------------	------------------------	----------------------	-------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD  
 Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM  
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR  
 [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply  
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☐ Offset Operators, Leaseholders or Surface Owner  
 [C] ☐ Application is One Which Requires Published Legal Notice  
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

RECEIVED  
2007 JUL 30 PM 12:08

- I. PURPOSE: Secondary Recovery Pressure Maintenance Disposal Storage  
Application qualifies for administrative approval? X Yes No
- II. OPERATOR: MARBOB ENERGY CORPORATION  
ADDRESS: P O BOX 227, ARTESIA, NM 88211-0227  
CONTACT PARTY: Brian Collins PHONE: 505-748-3303
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.  
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No  
If yes, give the Division order number authorizing the project: \_\_\_\_\_
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
  2. Whether the system is open or closed;
  3. Proposed average and maximum injection pressure;
  4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
  5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- \*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- \*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- \*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Brian Collins TITLE: Engineer  
SIGNATURE: *Brian Collins* DATE: 17 July 07  
E-MAIL ADDRESS: engineering@marbob.com
- \* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: \_\_\_\_\_

C-108 Application for Authorization to Inject  
High Net SWD No. 1  
(Formerly Marbob High Net Federal No. 1)  
100' FNL 2140' FEL  
B-2-25S-28E, Eddy County

Marbob Energy Corporation proposes to re-enter the captioned well, deepen to 8100' and convert it to salt water disposal service into the Delaware Sand and Bone Spring Sand from 5200' to 8000'.

- V. Map is attached.
- VI. Wellbore schematics are attached for all the wells that penetrate the proposed injection zone within the 1/2 mile radius area of review.
- VII.
  - 1. Proposed average daily injection rate = 1000 BWPD  
Proposed maximum daily injection rate = 3000 BWPD
  - 2. Closed system
  - 3. Proposed maximum injection pressure = 1040 psi  
(0.2 psi/ft. x 5200 ft.)
  - 4. Source of injected water will be Delaware Sand produced water. The Delaware produced water is the same as the Delaware water in the receiving formation. There is an active Bone Spring SWD well taking Delaware produced water about a mile west of the proposed SWD (State MA-1, H-3-25S-28E). No compatibility problems are expected. An analysis of Delaware water from an analogous field is attached.
  - 5. Disposal zone formation water is essentially the same as the injection water.
- VIII. The injection zone is the Delaware and Bone Spring Sandstone, a fine-grained sandstone from 5200' to 8000'. Any underground water sources will be shallower than 600'.
- IX. The Delaware/Bone Spring sand injection interval will be acidized with approximately 20 gals/ft. of 7 1/2% HCl acid. If necessary, the injection interval may be fraced with up to 300,000 lbs. of 20/40 mesh sand.
- X. Well logs have been filed with the Division. Will file logs across Bone Spring after well has been deepened.
- XI. There is a windmill located NE/4NE/4, Sec. 3, T25S-R28E about 4100' southwest of the proposed SWD well. The water analysis is attached.
- XII. After examining the available geologic and engineering data, no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Proof of Notice is attached.

INJECTION WELL DATA SHEETOPERATOR: Marbob Energy CorpWELL NAME & NUMBER: High Net SWD No. 1 (Formerly High Net Federal No. 1)WELL LOCATION: 100' FNL 214D' FEL B 2 25s 28e  
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATICWELL CONSTRUCTION DATASurface Casing

Hole Size: 12 1/4" Casing Size: 9 5/8" @ 604'  
 Cemented with: 450 sx + 2 yd redi mix or ft<sup>3</sup>  
 Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: \_\_\_\_\_ Casing Size: \_\_\_\_\_  
 Cemented with: \_\_\_\_\_ sx. or \_\_\_\_\_ ft<sup>3</sup>  
 Top of Cement: \_\_\_\_\_ Method Determined: \_\_\_\_\_

Production CasingProposed Configuration

Hole Size: 8 3/4" x 7 7/8" Casing Size: 5 1/2" e ± 8100'  
 Cemented with: \_\_\_\_\_ sx. or ± 4000 ft<sup>3</sup>  
 Top of Cement: Surface Method Determined: By design  
 Total Depth: ± 8100'

Injection Interval  
5200' feet to 8000'

(Perforated or Open Hole; indicate which)

See Attached Before  
& After Schematics

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: Plastic or Duoline 20  
 Type of Packer: Nickel plated 10K retrievable double grip  
 Packer Setting Depth: ± 5150'  
 Other Type of Tubing/Casing Seal (if applicable): \_\_\_\_\_

Additional Data

1. Is this a new well drilled for injection? Yes \_\_\_\_\_ No X  
 If no, for what purpose was the well originally drilled? oil & gas

2. Name of the Injection Formation: Bone Spring & Delaware  
 3. Name of Field or Pool (if applicable): Salt Draw  
 4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No.

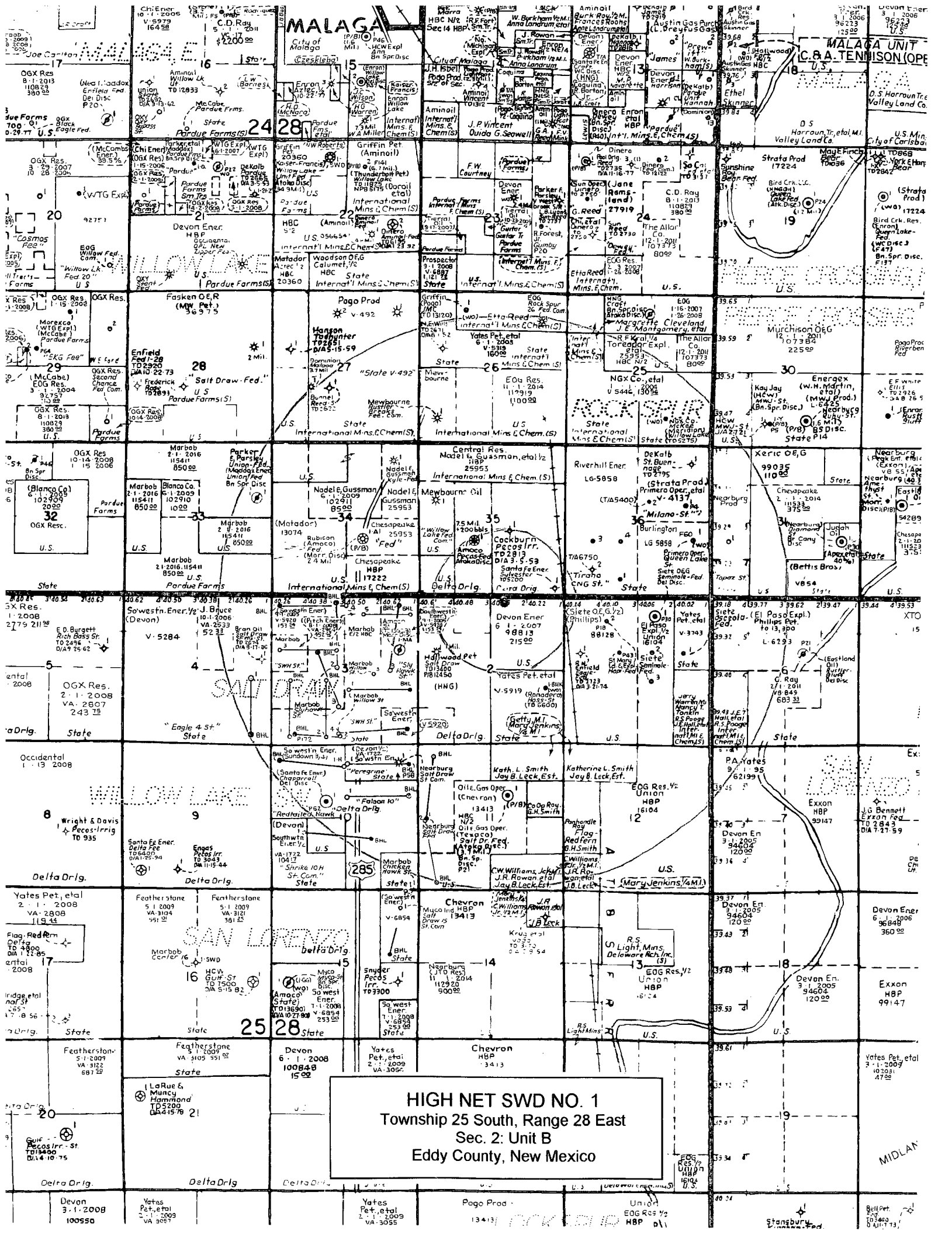
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: \_\_\_\_\_

Overlying: None

Underlying: Atoka ± 11800' Scattered Bone Spring ± 7000-8000' range  
Delaware ± 4600-5000' to the east (± 4000' away)  
± 4800-4900' to the west (± 4000' away)

**V.**

**MAP**

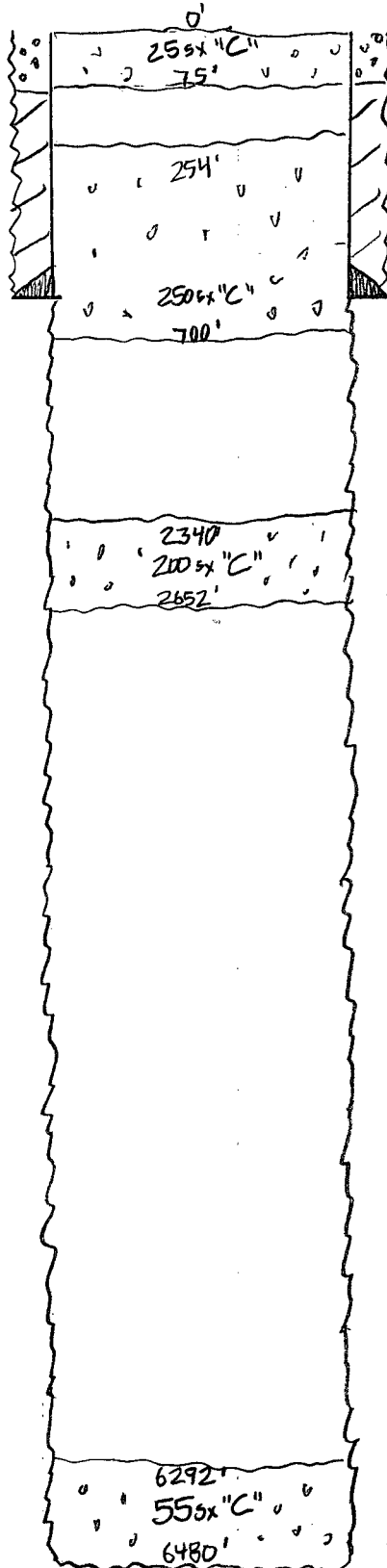


HIGH NET SWD NO. 1  
Township 25 South, Range 28 East  
Sec. 2: Unit B  
Eddy County, New Mexico

High Net SWD No. 1  
 (Formerly High Net Federal No. 1)  
 100' FNL, 2140' FEL  
 B-2-255-28e  
 Eddy, NM

Zero: 14' AGL  
 H/B: 2974'  
 GL: 2960'

30-015-35602



95/8" / 36 / J55 / STC @ 604'  
 450' x "C" + 2 yds redimix

BEFORE

13-782  
 42-381  
 42-382  
 42-389  
 42-392  
 42-399  
 500 SHEETS FILLER 5 SQUARE  
 500 SHEETS FILLER 5 SQUARE  
 100 SHEETS FILLER 5 SQUARE  
 200 SHEETS FILLER 5 SQUARE  
 100 RECYCLED WHITE 5 SQUARE  
 200 RECYCLED WHITE 5 SQUARE  
 Made in U.S.A.

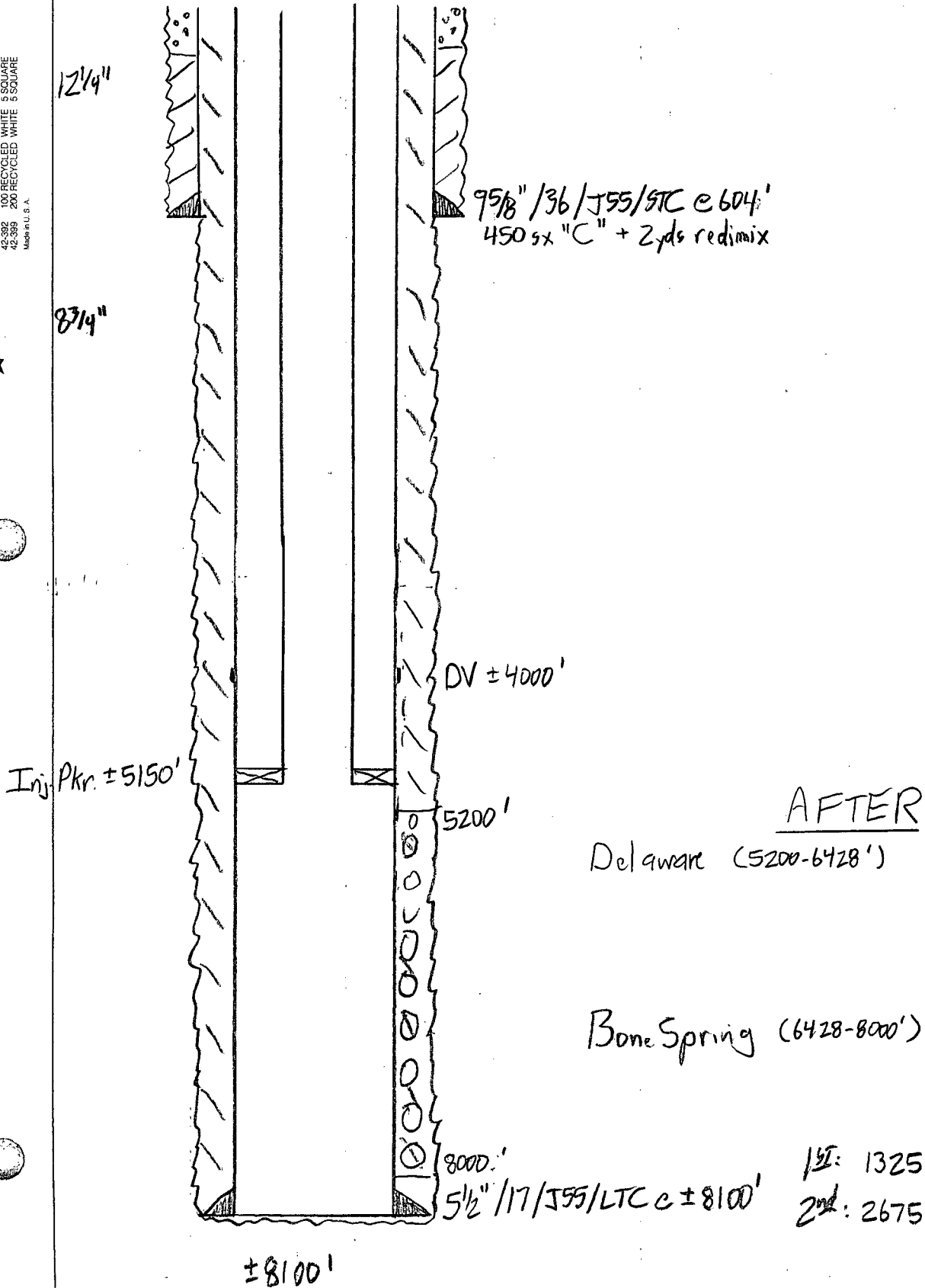
Eastman National Brand



30-015-35602

13-792	500 SHEETS, FILLER	5 SQUARE
42-381	50 SHEETS EYE-EASE®	5 SQUARE
42-382	100 SHEETS EYE-EASE®	5 SQUARE
42-389	200 SHEETS EYE-EASE®	5 SQUARE
42-392	100 RECYCLED WHITE	5 SQUARE
42-399	200 RECYCLED WHITE	5 SQUARE

Made in U. S. A.



# **VI.**

**Wells Within 1/2  
Mile Area of  
Review That  
Penetrate  
Proposed  
Disposal Zone**

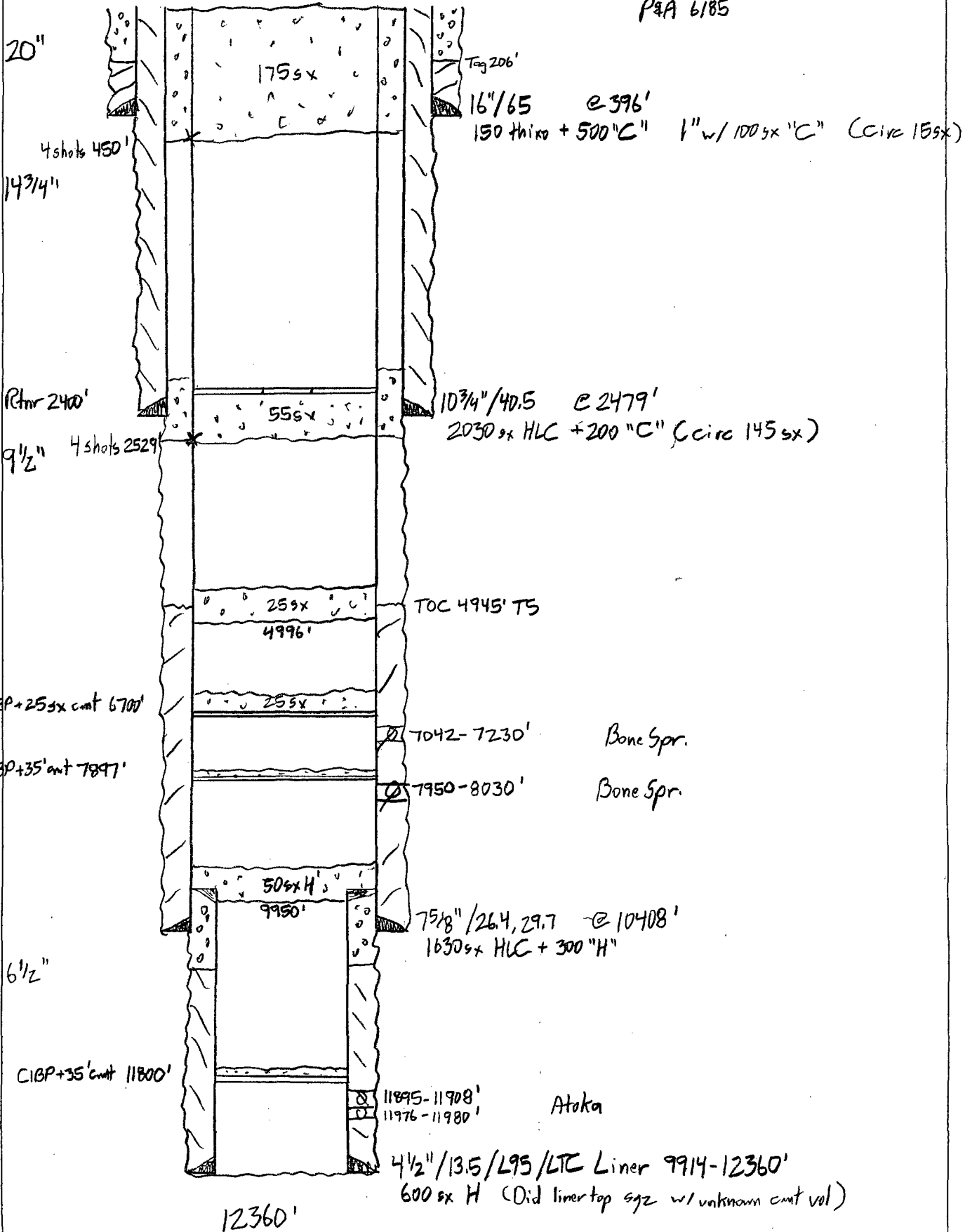
# Pecos 1

1980' FSL, 1980' FWL  
K-35-245-28e  
Eddy, NM

30-015-22962

GL: 2965.4'

P#A 6185



13-782 500 SHEETS, FILLER 5 SQUARE  
42-381 50 SHEETS, FILLER 5 SQUARE  
42-382 100 SHEETS, FILLER 5 SQUARE  
42-383 100 SHEETS, FILLER 5 SQUARE  
42-384 100 SHEETS, FILLER 5 SQUARE  
42-385 100 SHEETS, FILLER 5 SQUARE  
42-386 100 SHEETS, FILLER 5 SQUARE  
42-387 100 SHEETS, FILLER 5 SQUARE  
42-388 100 SHEETS, FILLER 5 SQUARE  
42-389 100 SHEETS, FILLER 5 SQUARE  
42-390 100 SHEETS, FILLER 5 SQUARE  
42-391 100 SHEETS, FILLER 5 SQUARE  
42-392 100 SHEETS, FILLER 5 SQUARE  
42-393 100 SHEETS, FILLER 5 SQUARE  
42-394 100 SHEETS, FILLER 5 SQUARE  
42-395 100 SHEETS, FILLER 5 SQUARE  
42-396 100 SHEETS, FILLER 5 SQUARE  
42-397 100 SHEETS, FILLER 5 SQUARE  
42-398 100 SHEETS, FILLER 5 SQUARE  
42-399 100 SHEETS, FILLER 5 SQUARE  
42-400 100 SHEETS, FILLER 5 SQUARE  
Made in U.S.A.



Eddy, NM

12 1/4" hole

8 5/8" / 24 / K55 / STC @ 605'  
400 "C" (circ 80sx)

7 7/8" hole

2350'

5054

2450'

2600'

405x

2700

3500

50.5x

3600'

5200'

Elev: 2950' GL

KRGillins / 10 Sept 03

13-782 500 SHEETS, FILLER 5 SQUARE  
42-381 50 SHEETS EYE-EASE® 5 SQUARE  
42-382 100 SHEETS EYE-EASE® 5 SQUARE  
42-389 200 SHEETS EYE-EASE® 5 SQUARE  
42-392 100 RECYCLED WHITE 5 SQUARE  
42-399 200 RECYCLED WHITE 5 SQUARE





**VII.**

**WATER ANALYSIS**

## HALLIBURTON DIVISION LABORATORY

## HALLIBURTON SERVICES

## ARTESIA DISTRICT

## LABORATORY REPORT

No. W45-93TO Hanagan PetroleumDate February 7, 1993P. O. Box 1737Roswell, NM 88201

This report is the property of Halliburton Services and neither it nor any part thereof, nor a copy thereof, is to be published or disclosed without first securing the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services.

Submitted by \_\_\_\_\_ Date Rec. \_\_\_\_\_

Well No. Gehrig #2 Depth 5050' Formation DelawareField Brushy Draw 9-26s-29e County Eddy Source Produced WaterResistivity ..... .052Specific Gravity .. 1.1856pH ..... 7.0Calcium ..... 24,250Magnesium ..... 9,000Chlorides ..... 170,000Sulfates ..... 250Bicarbonates ..... 350Soluble Iron ..... + 500

Water Analysis Representative  
of Produced Delaware Water  
to be Injected and of  
Delaware Water in the  
Proposed Injection Interval

Remarks:

Art Carrasco  
Respectfully submitted

Analyst: Art Carrasco - Technical Advisor

HALLIBURTON SERVICES

## NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, resulting from the use hereof.

**X.**

**NEUTRON  
DENSITY LOG**

**Across Proposed  
Delaware Sand  
Portion of  
Injection Interval**

**FIELD:** Willow State, Delaware

County: **Eddy** State: **New Mexico**

<h1 style="text-align: center;">Schlumberger</h1> <h2 style="text-align: center;">Platform Express</h2> <h3 style="text-align: center;">Three Detector Litho-Density</h3> <h3 style="text-align: center;">Compensated Neutron / GR</h3>			
100' FNL & 2150' FEL		Elev.:	K.B. 2974 ft G.L. 2960 ft D.F. 2973 ft
Permanent Datum:	Ground Level	Elev.:	2960 ft
Log Measured From:	Kelly Bushing	14.0 ft	above Perm. Datum
Drilling Measured From:	Kelly Bushing		
API Serial No. 30-015-35602	Section 2	Township 25S	Range 28E

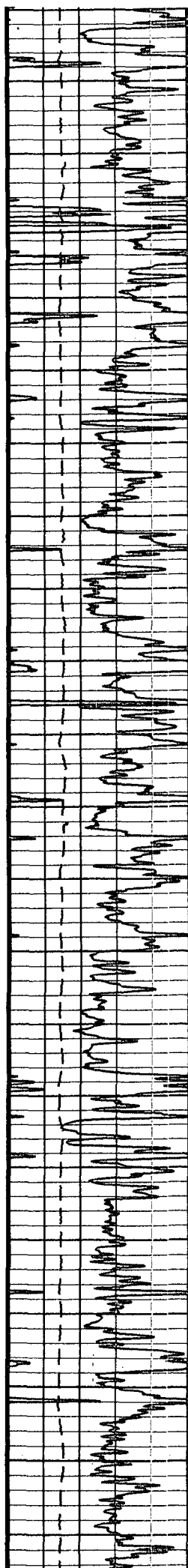
**Schlumberger**  
**Platform Express**  
**Three Detector Litho-Density**  
**Compensated Neutron / GR**

LOCATION		Elev.:	K.B.	2974 ft
100' FNL & 2150' FEL			G.L.	2960 ft
			D.F.	2973 ft
Permanent Datum:	Ground Level	Elev.:	2960 ft	
Log Measured From:	Kelly Bushing	14.0 ft	above Perm. Datum	
Drilling Measured From:	Kelly Bushing			
API Serial No. 30-015-35602	Section 2	Township 25S	Range 28E	

[illegible]

Logging Date	5-Jun-2007				Logging Date				
Run Number	One				Run Number				
Depth Driller	6480 ft				Depth Driller				
Schlumberger Depth	6476 ft				Schlumberger Depth				
Bottom Log Interval	6428 ft				Bottom Log Interval				
Top Log Interval	200 ft				Top Log Interval				
Casing Driller Size @ Depth	9.625 in @ 615 ft				Casing Driller Size @ Depth	@			
Casing Schlumberger	610 ft				Casing Schlumberger				
Bit Size	8.750 in				Bit Size				
Type Fluid in Hole	Brine				Type Fluid in Hole				
Density	10 lbm/gal	29. s			Density				
Fluid Loss	PH	10			Fluid Loss				
Source Of Sample	Circulation Tank				Source Of Sample				
RM @ Measured Temperature	0.045 ohm.m @ 74 degF		@		RM @ Measured Temperature	@			
RMF @ Measured Temperature	0.045 ohm.m @ 74 degF		@		RMF @ Measured Temperature	@			
RMC @ Measured Temperature	@		@		RMC @ Measured Temperature	@			
Source RMF	Measured				Source RMF				
RM @ MRT	0.031 @ 110 0.031 @ 110		@	@	RM @ MRT	@	@		
Maximum Recorded Temperatures	110 degF				Maximum Recorded Temperatures				
Circulation Stopped	5-Jun-2007 6:00				Circulation Stopped				
Logger On Bottom	5-Jun-2007 14:17				Logger On Bottom				
Unit Number	2357 Roswell				Unit Number				
Recorded By	John Thibodeaux				Recorded By				
Witnessed By	Martin Joyce				Witnessed By				





5000

5100

5200

5300

5400

5500

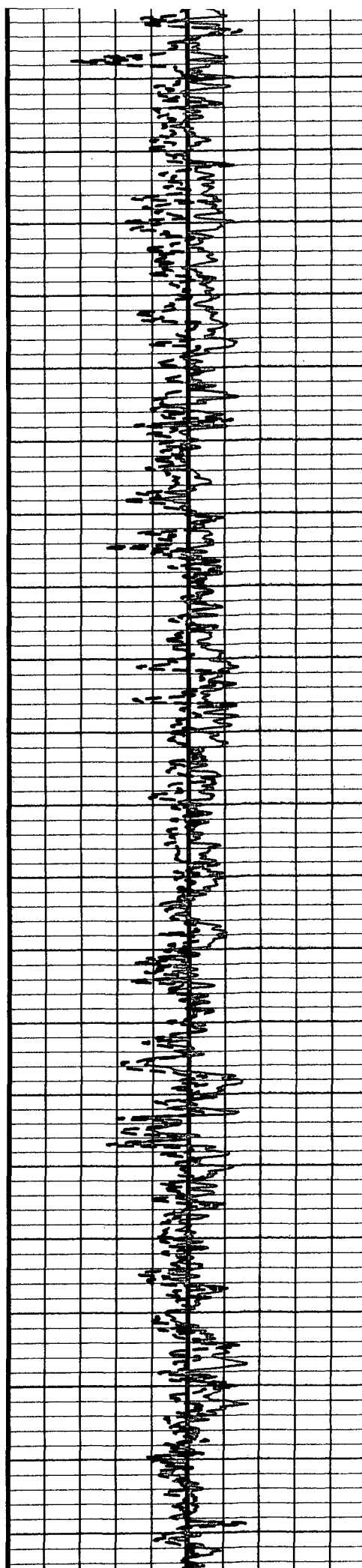
5600

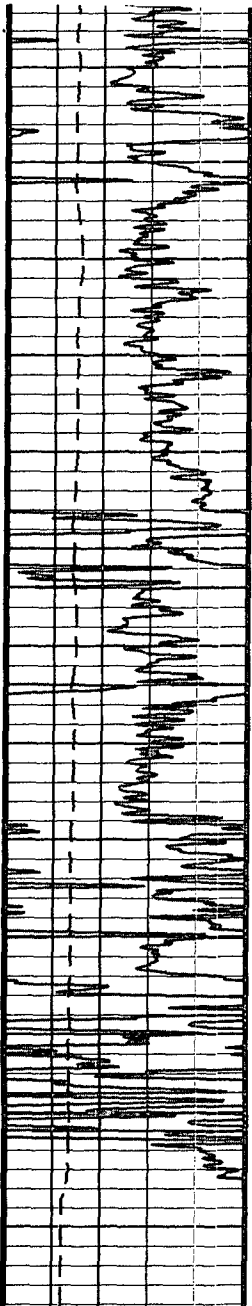
5700

5800

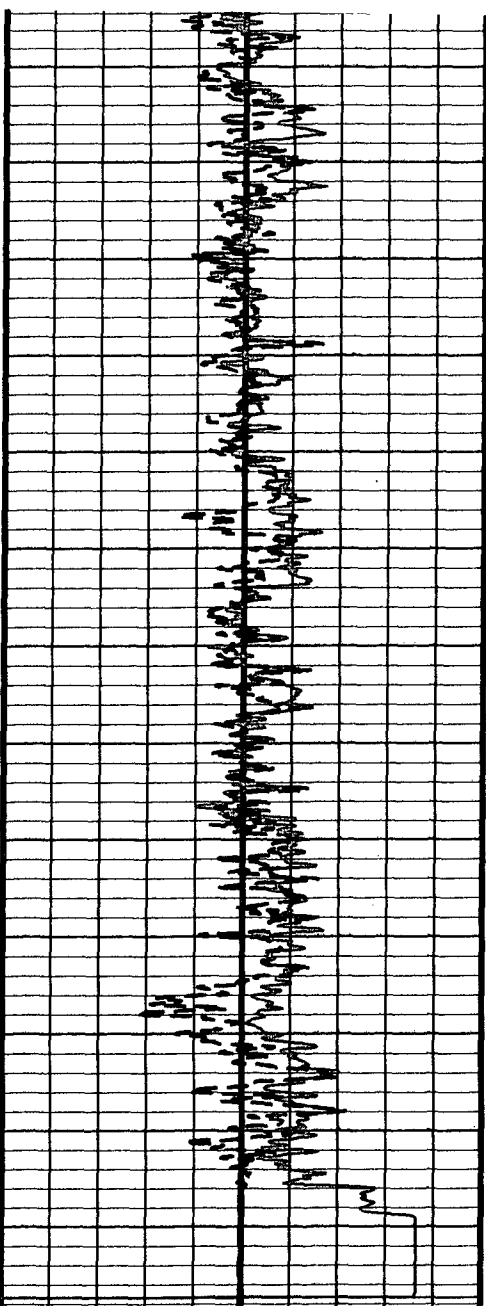
5900

6000





5900  
6000  
6100  
6200  
6300  
6400



GR (GR)  
0 (GAPI) 100  
HILT Caliper  
(HCAL)  
6 (IN) 16

Stan Res Formation Density (RHOZ)  
2 (G/C3) 3  
Env.Corr.Thermal Neutron Porosity  
(TNPH)  
0.3 (V/V) -0.1

PIP SUMMARY

**XI.**

**FRESH WATER  
WELL ANALYSIS**

**Windmill NE/4NE/4  
Sec. 3**

# HALLIBURTON

## PERMAIN BASIN OPERATIONS LABORATORY WATER ANALYSIS REPORT HOBBS, NEW MEXICO

COMPANY Marbob  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REPORT W03-189  
DATE September 10, 2003  
DISTRICT Hobbs

SUBMITTED BY Fresh Water Analyses 25s-28e

WELL COUNTY	DEPTH FIELD	FORMATION SOURCE
<u>Eddy</u>	<u>Windmill NE/4 NE/4 Sec.3</u>	<u>Windmill NE/4 SE/4 Sec.4</u>
SAMPLE	<u>St. MA-1 SWD</u>	<u>SE SWE Well</u>
Sample Temp.	<u>78</u> °F	<u>78</u> °F
RESISTIVITY	<u>3.34</u>	<u>2.99</u>
SPECIFIC GR.	<u>1.001</u>	<u>1.001</u>
pH	<u>7.71</u>	<u>7.42</u>
CALCIUM	<u>900</u> mpl	<u>1,250</u> mpl
MAGNESIUM	<u>540</u> mpl	<u>135</u> mpl
CHLORIDE	<u>90</u> mpl	<u>473</u> mpl
SULFATES	<u>light</u> mpl	<u>light</u> mpl
BICARBONATES	<u>92</u> mpl	<u>61</u> mpl
SOLUBLE IRON	<u>0</u> mpl	<u>0</u> mpl
CL		
Sodium	<u>0</u> mpl	<u>0</u> mpl
TDS	<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u> °F	<u>@</u> °F

REMARKS  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MPL = Milligrams per liter  
Resitivity measured in: Ohm/m2/m

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Co.

ANALYST: Mike Armstrong

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

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

2. Name of Operator **MARBOB ENERGY CORPORATION**

3a. Address  
**P O BOX 227, ARTESIA, NM 88211-0227**

3b. Phone No. (include area code)  
**505-748-3303**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**SEC. 2-T25S-R28E, UNIT B  
100 FNL 2140 FEL, NW/4NE/4**

5. Lease Serial No.  
**NMNM98813**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**HIGH NET FEDERAL #1**

9. API Well No.  
**30-015-35602**

10. Field and Pool, or Exploratory Area  
**WILLOW LAKE; DELAWARE**

11. County or Parish, State  
**EDDY COUNTY, NM**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**MARBOB ENERGY CORPORATION PROPOSES TO RE-ENTER THE WELL, DEEPEN TO 8100' AND CONVERT TO SALT WATER DISPOSAL SERVICE INTO THE DELAWARE SAND AND BONE SPRING SAND FROM 5200-8000'.**

**SEE ATTACHED OCD FORM C-108 "APPLICATION FOR AUTHORIZATION TO INJECT".**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**BRIAN COLLINS**

Title **ENGINEER**

Signature

Date

**07/25/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

Title

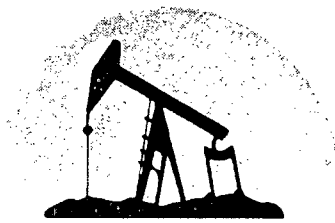
Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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 page 2)



---

**marbob**  
energy corporation

---

July 16, 2007

Artesia Daily Press  
P. O. Box 190  
Artesia, NM 88211-0190

Re: Legal Notice  
Water Disposal Well

Gentlemen:

Enclosed is a legal notice regarding New Mexico Oil Conservation Division C-108  
Application for Authorization to Inject for a water injection well.

Please run this notice and return the proof of notice to the undersigned at Marbob  
Energy Corporation, P. O. Box 227, Artesia, NM 88211-0227.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Collins", is written over a faint, larger version of the same signature.

Brian Collins  
Petroleum Engineer

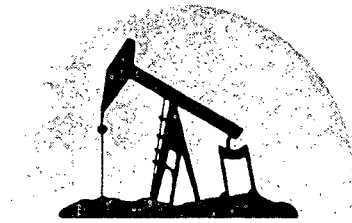
BC/dlw

enclosure

**ARTESIA DAILY PRESS**  
**LEGAL NOTICES**

Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico, 88211-0227, has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the High Net SWD No. 1 (formerly the Marbob High Net Federal No. 1) is located 100' FNL and 2140' FEL, Section 2, Township 25 South, Range 28 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware formation. The disposal water will be injected into the Delaware and Bone Spring formations at a depth of 5200' - 8000' at a maximum surface pressure of 1040 psi and a maximum rate of 3000 BWPD. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico 88211-0227, or call 505-748-3303.

Published in the Artesia Daily Press, Artesia, New Mexico  
\_\_\_\_\_, 2007.



---

**marbob**  
energy corporation

---

July 16, 2007

Devon Energy Corporation  
20 N. Broadway  
Oklahoma City, OK 73102-8260

Re: Application to Inject  
High Net Federal #1  
Township 25 South, Range 28 East, NMPM  
Section 2: 100 FNL 2140 FEL  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure

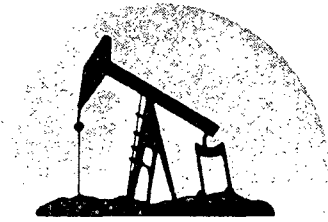
**Devon Energy Corporation has no objection to the proposed disposal well:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





---

**marbob**  
energy corporation

---

July 16, 2007

RKI Exploration & Production  
3817 NW Expressway, Ste. 950  
Oklahoma City, OK 73112

Re: Application to Inject  
High Net Federal #1  
Township 25 South, Range 28 East, NMPM  
Section 2: 100 FNL 2140 FEL  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

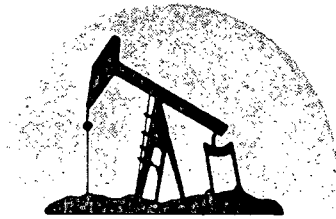
BC/dlw  
enclosure

**RKI Exploration & Production has no objection to the proposed disposal well:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



---

**marbob**  
energy corporation

---

July 16, 2007

St. Mary Land & Exploration  
1776 Lincoln St., Ste. 1100  
Denver, CO 80203-0180

Re: Application to Inject  
High Net Federal #1  
Township 25 South, Range 28 East, NMPM  
Section 2: 100 FNL 2140 FEL  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

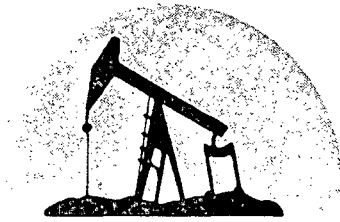
BC/dlw  
enclosure

**St. Mary Land & Exploration has no objection to the proposed disposal well:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



---

**marbob**  
energy corporation

---

July 16, 2007

Vernon E. Faulconer, Inc.  
P. O. Box 7995  
Tyler, TX 75711

Re: Application to Inject  
High Net Federal #1  
Township 25 South, Range 28 East, NMPM  
Section 2: 100 FNL 2140 FEL  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

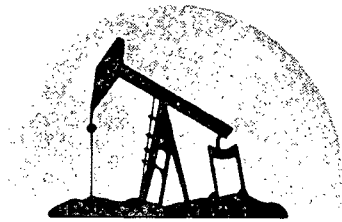
Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure

**Vernon E. Faulconer, Inc. has no objection to the proposed disposal well:**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



---

**marbob**  
energy corporation

---

July 16, 2007

NM State Land Office  
Oil, Gas & Mineral Division  
P. O. Box 1158  
Santa Fe, NM 87504-1148

Re: Application to Inject  
High Net Federal #1  
Township 25 South, Range 28 East, NMPM  
Section 2: 100 FNL 2140 FEL  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

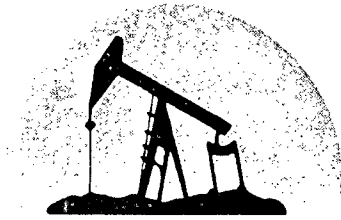
BC/dlw  
enclosure

**NM State Land Office has no objection to the proposed disposal well:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



---

**marbob**  
energy corporation

---

July 16, 2007

Bureau of Land Management  
2909 W. Second St.  
Roswell, NM 88201

Re: Application to Inject  
High Net Federal #1  
Township 25 South, Range 28 East, NMPM  
Section 2: 100 FNL 2140 FEL  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure

**Bureau of Land Management has no objection to the proposed disposal well:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



July 16, 2007

Mewbourne Oil Company  
P. O. Box 7698  
Tyler, TX 75711

Re: Application to Inject  
High Net Federal #1  
Township 25 South, Range 28 East, NMPM  
Section 2: 100 FNL 2140 FEL  
Eddy County, New Mexico

Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure

**Mewbourne Oil Company has no objection to the proposed disposal well:**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Affidavit of Publication**

NO. 19856

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being dulysworn, says: That he is the PUBLISHER of The

— Artesia Daily Press, a daily newspaper of general  
circulation, published in English at Artesia, said county  
and county and state, and that the here to attached

**Legal Notice**

was published in a regular and entire issue of the said  
Artesia Daily Press, a daily newspaper duly qualified  
for that purpose within the meaning of Chapter 167 of  
the 1937 Session Laws of the state of New Mexico for  
1 Consecutive week/days on the same

day as follows:

First Publication July 25, 2007

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_

Fifth Publication \_\_\_\_\_

Subscribed and sworn to before me this

30th Day July 2007

Amanda K. Lamb  
Notary Public, Eddy County, New Mexico

My Commission expires April 5, 2011

**Copy of Publication:****LEGAL NOTICE****LEGAL NOTICE**

Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico, 88211-0227, has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the High Net SWD No.1 (formerly the Marbob High Net Federal No. 1) is located 100' FNL and 2140' FEL, Section 2, Township 25 South, Range 28 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware formation. The disposal water will be injected into the Delaware and Bone Spring formations at a depth of 5200' - 8000' at a maximum surface pressure of 1040 psi and a maximum rate of 3000 BWPD. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico 88211-0227, or call 505-748-3303.

Published in the Artesia  
Daily Press, Artesia,  
N.M. July 25, 2007.

Legal 19856

**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

**MEWBOURNE OIL COMPANY**  
**P O BOX 7698**  
**TYLER TX 75711**  
City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions  
**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

**BUREAU OF LAND MANAGEMENT**  
**2909 W 2ND ST**  
**ROSWELL NM 88201**  
City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions

**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

**VERNON E FAULCONER INC**  
**P O BOX 7995**  
**TYLER TX 75711**  
City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions  
**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

**ST MARY LAND & EXPLORATION**  
**1776 LINCOLN ST STE 1100**  
**DENVER CO 80203-0180**  
City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions

**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

**NM STATE LAND OFFICE**  
**P O BOX 1148**  
**SANTA FE NM 87504-1148**  
City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions  
**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

**RKI EXPLORATION & PRODUCTION**  
**3817 NW EXPRESSWAY STE 950**  
**OKLAHOMA CITY OK 73112**  
City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)  
For delivery information visit our website at [www.usps.com](http://www.usps.com)  
**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

**DEVON ENERGY CORPORATION**  
**20 N BROADWAY**  
**OKLAHOMA CITY OK 73102-8260**  
PS Form 3800, June 2002

9228 2542 0000 0550 4002



**Jones, William V., EMNRD**

---

**From:** Jones, William V., EMNRD  
**Sent:** Tuesday, August 14, 2007 11:02 AM  
**To:** Brian Collins (engineering@marbob.com)  
**Cc:** Ezeanyim, Richard, EMNRD  
**Subject:** SWD Application from Marbob: High Net SWD #1 30-015-35602

<b>Tracking:</b>	<b>Recipient</b>	<b>Read</b>
	Brian Collins (engineering@marbob.com)	
	Ezeanyim, Richard, EMNRD	Read: 8/14/2007 11:04 AM

Hello Brian:

After reviewing this application:

- 1) The well file shows this to have been planned as a horizontal well, but the survey I saw shows this to be basically vertical. Is this really a vertical hole so far and why was it not drilled horizontally as planned?
- 2) The well logs still do not show up in the imaging system, but it may be they are in Hobbs and not scanned yet?
- 3) Is BLM the surface owner?
- 4) When available, please send a copy of the actual newspaper ad that ran in the paper.

Take Care,

William V. Jones PE  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, NM 87505  
505-476-3448

8/14/2007



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joania Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

April 20, 2007

Marbob Energy Corporation  
P.O. Box 227  
Artesia, NM 88211-0227  
Attn: Mr. Raye Miller

**Administrative Order NSL-5604**

**Re: High Net Federal Well No. 1**

**B-2-25S-28E**

**Eddy County**

30-015-35602

Dear Mr. Miller:

Reference is made to the following:

(a) your application (**administrative application reference No. pCLP07-08627237**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on March 23, 2007, and

(b) the Division's records pertinent to this request.

Marbob Energy Corporation (Marbob) has requested to drill its High Net Federal Well No. 1 as a directional well from an unorthodox surface location 100 feet from the North line and 2140 feet from the East line (Unit B) of Section 2, Township 25 South, Range 28 East, N.M.P.M., in Eddy County, New Mexico, to a projected unorthodox bottom-hole location in the Delaware formation 2500 feet from the North line and 2140 feet from the East line (Unit G) of Section 2. Lot 2 and the SW/4 NE/4 of Section 2 will be dedicated to this well in order to form a project area, pursuant to Division Rule 111, consisting of two adjacent, standard approximate 40-acre oil spacing units in the undesignated Willow Lake-Delaware Pool (64453). This pool is governed by statewide Rule 104.B, which provides for 40-acres units, with wells located at least 330 feet from a unit outer boundary.

The proposed surface location is less than 330 feet from the northern boundary of the project area. The wellbore is projected to intersect the top of the Delaware formation an unorthodox location, less than 330 feet from the northern boundary of the project area, and the terminus, or bottom-hole location, is less than 330 feet from the southern boundary. However, we understand that all perforations will be at orthodox locations within the producing area, as defined in Rule 111.A(7).

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

It is our understanding that Marbob is seeking approval of this surface location in order to maximize the portion of the objective formation that the wellbore can penetrate within the project area.

We also understand that the operator of the spacing unit to the south of the project area, and the owner of 100% of the working interest in the spacing unit to the north, were duly notified of this application.

Pursuant to the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

This approval is **CONDITIONED, HOWEVER**, upon the well being drilled and completed substantially as proposed. The well shall be cased to total or plug back depth, and all perforations shall be at orthodox locations within the Delaware formation.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia  
United States Bureau of Land Management - Farmington

## DISTRICT I

1626 N. FRENCH DR., BOBES, NM 88249

## DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

## DISTRICT III

1000 Rio Grupos Rd., Aztec, NM 87410

## DISTRICT IV

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

## State of New Mexico

Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

100 - 5604

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name <b>HIGH NET FEDERAL</b>	Well Number <b>1</b>
OGRID No.	Operator Name <b>MARBOB ENERGY CORPORATION</b>	Elevation <b>2960</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	2	25-S	28-E		100	NORTH	2140	EAST	EDDY

## 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
G	2	25-S	28-E		2500	NORTH	2140	EAST	EDDY
Dedicated Acres <b>80</b>	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

<p>LOT 4 DETAIL</p> <p>2964.4' 2957.7'</p> <p>2962.0' 2956.5'</p> <p>600'</p>	<p>LOT 3</p> <p>2140'</p> <p>SEE DETAIL P.P.</p> <p>100' FNL &amp; 2140' FEL</p> <p>PROJECT AREA</p> <p>LOT 2</p> <p>PRODUCING AREA</p> <p>GRID AZ 180°10'41" = 2400.0'</p> <p>B.H.</p> <p>2140'</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>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.</p> <p>Signature: <i>William M. Mink</i> Date: <i>3/15/07</i></p> <p>Printed Name: _____</p>
<p>GEODETTIC COORDINATES NAD 27 NME SURFACE LOCATION Y=424262.7 N X=585880.4 E</p> <p>LAT.=32.166111° N LONG.=104.055794° W</p>	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>JANUARY 1, 2007</p> <p>Date Surveyed REVISION DATE: 3/15/07</p> <p>Signature &amp; Seal of Professional Surveyor: <i>Gary H. Edson</i> AR</p> <p>07.13.0335</p> <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3839</p>	

# MARBOB

Field: High Net Federal #1  
Site: High Net Federal #1  
Well: High Net Federal #1  
Wellpath: OH  
Plan: Plan #1 3-20-07

# PATHFINDER

## SITE DETAILS

High Net Federal #1

Site Centre Northing: 42462.70  
Easting: 585860.40  
Ground Level: 2960.00  
Positional Uncertainty: 0.00  
Convergence: 0.15

## ANNOTATIONS

No.	TVD	MD	Annotation
1	4522.54	4522.54	KOP @ 4522 MD TVD
2	5000.00	5272.54	EOC @ 5272 MD, 5000 TVD

## SECTION DETAILS

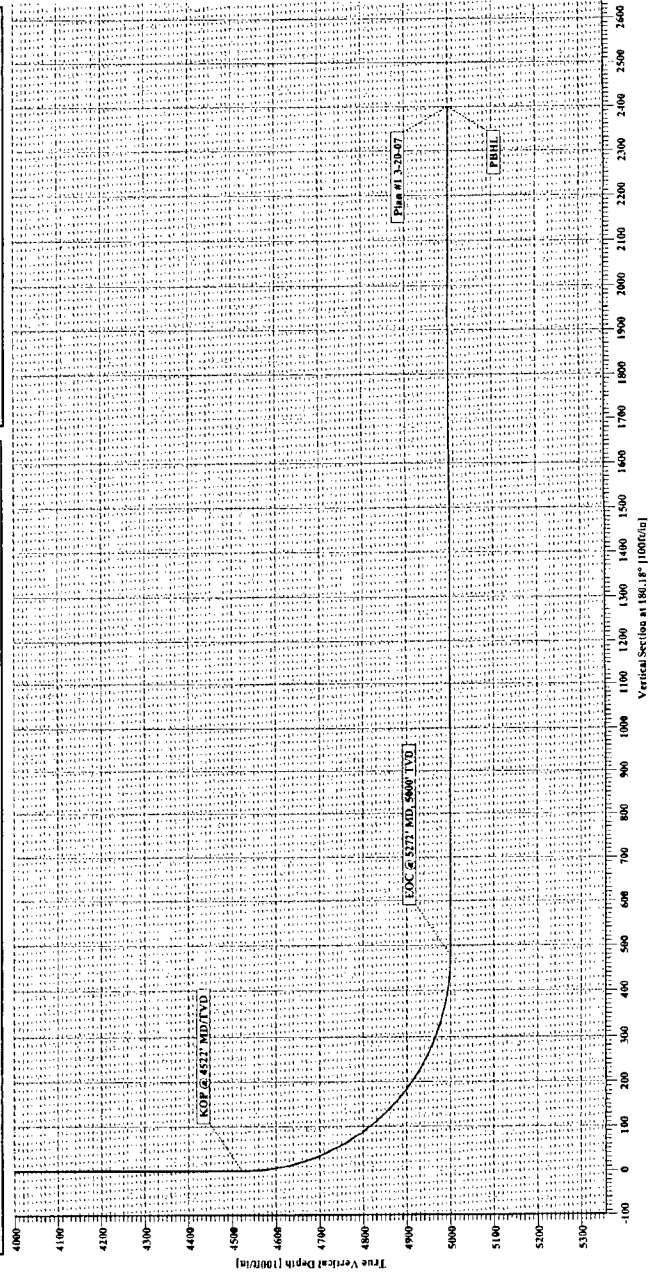
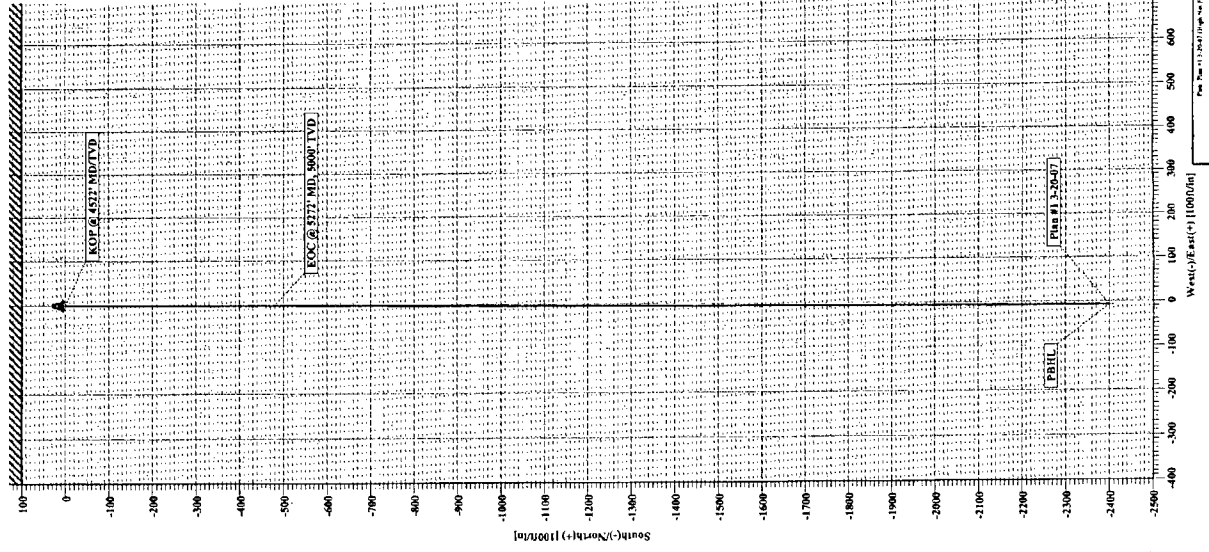
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	4522.54	0.00	0.00	4522.54	0.00	0.00	0.00	0.00	0.00	
3	5272.54	90.00	180.18	5000.00	-477.46	-1.49	12.00	180.18	477.47	PBHL
4	7194.49	90.00	180.18	5000.00	-2399.40	-7.50	0.00	0.00	2399.41	PBHL

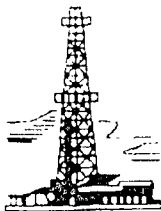
## WELLPATH DETAILS

Name	TVD	+N/-S	+E/-W	Shape
PBHL	5000.00	-2399.40	-7.50	Point

Rig	SITE	0.00n
Ref. Datum: <td></td> <td></td>		
V. Section <td>Origin<td>Starting</td></td>	Origin <td>Starting</td>	Starting
Angle <td>+N/-S<td>From TVD</td></td>	+N/-S <td>From TVD</td>	From TVD
180.18°	0.00	0.00
		5000.00





# Permian Drilling Corporation

P. O. Box 726

(505)397-3798

Fax (505)393-2448

Hobbs, New Mexico 88241

## INCLINATION REPORT

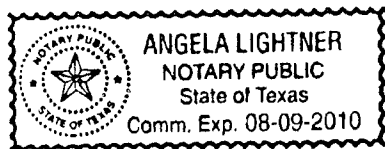
DATE: 6/15/2007

WELL NAME AND NUMBER: High Net Fed #1  
LOCATION: Eddy Co., NM  
OPERATOR: MARBOB ENERGY CORP.  
DRILLING CONTRACTOR: PERMIAN DRILLING CORPORATION

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
1.00	231	1.75	3193		
1.75	434	1.25	3630		
2.00	555	0.25	4085		
2.50	790	1.00	4537		
2.50	1000	0.50	4972		
2.50	1219	0.25	5440		
2.50	1395	0.25	5861		
2.00	1554	1.00	6338		
2.25	1816				
2.25	2114				
3.00	2558				
2.00	2750				

Drilling Contractor:  
Permian Drilling Corporation



By: Sherry Coskrey  
Sherry Coskrey  
Regulatory Clerk

Subscribed and sworn to before me on this 18th day of June, 2007.

My Commission Expires: 08-09-2010

Angela Lightner

**Jones, William V., EMNRD**

**From:** Brian Collins [engineering@marbob.com]  
**Sent:** Wednesday, August 15, 2007 1:14 PM  
**To:** Jones, William V., EMNRD  
**Subject:** Re: SWD Application from Marbob: High Net SWD #1 30-015-35602

Will:

The High Net Fed 1 is a vertical well. We drilled vertically to log it and verify that the target pay zone was present. The pay zone was either poorly developed or wet (or both, I don't remember for sure) and we plugged it without going horizontal. I believe the BLM is the surface owner at the well location and they have been notified of our intent to convert well to SWD. The well logs have been sent in. We'll send you a copy of the newspaper ad. Hope things are well with you, Will. Take care.

Brian Collins  
Marbob Energy

----- Original Message -----

**From:** Jones, William V., EMNRD  
**To:** [engineering@marbob.com](mailto:engineering@marbob.com)  
**Cc:** [Ezeanyim, Richard, EMNRD](#)  
**Sent:** Tuesday, August 14, 2007 11:01 AM  
**Subject:** SWD Application from Marbob: High Net SWD #1 30-015-35602

Hello Brian:

After reviewing this application:

- 1) The well file shows this to have been planned as a horizontal well, but the survey I saw shows this to be basically vertical. Is this really a vertical hole so far and why was it not drilled horizontally as planned?
- 2) The well logs still do not show up in the imaging system, but it may be they are in Hobbs and not scanned yet?
- 3) Is BLM the surface owner?
- 4) When available, please send a copy of the actual newspaper ad that ran in the paper.

Take Care,

William V. Jones PE  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, NM 87505  
505-476-3448

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

This inbound email has been scanned by the MessageLabs Email Security System.

8/15/2007

## Injection Permit Checklist 2/8/07

SWD Order Number \_\_\_\_\_ Dates: Division Approved \_\_\_\_\_ District Approved \_\_\_\_\_

Well Name/Num: Formerly Marshall HIGH Net Fd #1 Date Spudded: 5/07API Num: (30-) 015-35602 County: EddyFootages 100 FNL/2140 FEL Sec 2 Tsp 25S Rge 28EOperator Name: Marshall Energy Corp. Contact ARIAN GellinsOperator Address: PO BOX 227 ARTESIA NM 88211-0227Current Status of Well: P&A Planned Work: \_\_\_\_\_ Inj. Tubing Size: 27/8

	Hole/Pipe Sizes	Depths	Cement	Top/Method
<b>EXISTING</b> Surface	<u>12 1/4 9 5/8</u>	<u>604</u>	<u>450</u>	<u>CRC</u>
Intermediate			<u>CF CF</u>	
<b>PLANNED</b> Production	<u>8 3/4 7 7/8 5 1/2</u>	<u>8,100</u>	<u>1324 + 2675</u>	<u>Surf BY Design</u>
Last DV Tool				
Open Hole/Liner				
Plug Back Depth				

Diagrams Included (Y/N): Before Conversion ☒ After Conversion ☒Checks (Y/N): Well File Reviewed ☒ ELogs in Imaging NO No T-Scanned yet

Intervals:	Depths	Formation	Producing (Yes/No)
<u>Salt/Potash</u>	<u>1,300 - 2400</u>		
<u>Capitan Reef</u>	<u>OK OK</u>		
<u>Gulf House, Etc.</u>			
Formation Above	<u>2600'</u>	<u>Del</u>	
Top Inj Interval	<u>5200 - 6428</u>	<u>Del</u>	
Bottom In Interval	<u>6428 - 8000</u>	<u>BS.</u>	
Formation Below	<u>11800</u>	<u>ATOKA</u>	

Reenter, Deepen, Convert  
Relog15L-5604  
Deviated Well1040 PSI Max. WHIPNO Open Hole (Y/N)NO Deviated Hole (Y/N)Fresh Water: Depths: \_\_\_\_\_ Wells (Y/N) Y/N Analysis Included (Y/N): ☒ Affirmative Statement ☒Salt Water Analysis: Injection Zone (Y/N/NA) Del DisPWaters (Y/N/NA) \_\_\_\_\_ Types: DelNotice: Newspaper (Y/N) \_\_\_\_\_ Surface Owner BLM/SIO Mineral Owner(s) \_\_\_\_\_Other Affected Parties: Devon, RKT, SeMey, Fawcotes, NewbonAOR/Repairs: NumActiveWells 0 Repairs? \_\_\_\_\_ Producing in Injection Interval in AOR \_\_\_\_\_AOR Num of P&A Wells 2 Repairs? \_\_\_\_\_ Diagrams Included? Y/NRBDMS Updated (Y/N) ☒

Well Table Adequate (Y/N) \_\_\_\_\_ AOR STRs: Sec \_\_\_\_\_ Tsp \_\_\_\_\_ Rge \_\_\_\_\_

UIC Form Completed (Y/N) ☒

New AOR Table Filename \_\_\_\_\_ Sec \_\_\_\_\_ Tsp \_\_\_\_\_ Rge \_\_\_\_\_

This Form completed 8/14

Conditions of Approval: Sec \_\_\_\_\_ Tsp \_\_\_\_\_ Rge \_\_\_\_\_

Data Request Sent 8/14Send in logs

AOR Required Work: \_\_\_\_\_

Required Work to this Well: \_\_\_\_\_