New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Jim Noel Cabinet Secretary

Karen W. Garcia Deputy Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



August 30, 2010

Mr. Brian Collins Marbob Energy Corp PO Box 227 Artesia, NM 88211-0227

Re: Administrative Order SWD-1193

SRO 10 SWD Well No. 1 (API 30-015-25864) 1980 FNL, 1980 FWL, Unit F, Sec 10, T26S, R28E, NMPM, Eddy County Injection into the Delaware Mountain Group, Depths: 4300 to 5800

You have submitted a request on behalf of Marbob Energy Corp., for an extension of this disposal permit beyond the one year deadline to commence injection for the reasons outlined in the attached correspondence.

The Division finds that granting this request to extend this injection permit is in the interest of conservation and will prevent waste and protect the environment.

All requirements of the above referenced injection permit and agreements in the application remain in full force and effect. Please note per Division rules, change of operator for injection and SWD wells is not automatic and should be approved through Compliance and Enforcement of the Santa Fe office.

The deadline to commence injection is hereby extended until March 16, 2011

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MARK E. FESMIRE, P.E. Acting Director

Cc: Oil Conservation Division – Artesia, File: SWD-1193



3ones, William V., EMNRD

From: Sent: To: Subject:

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Brian Collins [bcollins@marbob.com] Thursday, August 26, 2010 9:51 AM Jones, William V., EMNRD SWD 1193 (30-015-25684),SWD 1194 (30-015-24462)

Will:

We finally received management approval to do the captioned reentries and conversions to Delaware SWD wells. The approval letters are dated 16 Sept 09 and 29 Sept 09 respectively. We are waiting on our dirt contractor to build locations on these two wells. We plan to start as soon as locations are ready, but don't know the exact date yet. Would it be possible to get a 3 or 6 month extension on the C-108's to give us time to get these wells reentered and ready for SWD? There is no change in the offset operators and no need to re-advertise these wells. Thanks.

Brian Collins Marbob Energy