

DATE IN <b>7-1-10</b>	SUSPENSE	ENGINEER <b>WJ</b>	LOGGED IN <b>7-1-10</b>	TYPE <b>SWD</b>	APP NO. <b>1018257684</b>
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



**Mar bob**  
14049

**South Craig / OSWD**

## ADMINISTRATIVE APPLICATION CHECKLIST

**30-015-24469**

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,  
*to follow by e-mail*
- [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.**

BRIAN COLLINS  
Print or Type Name

Signature

PETROLEUM ENGINEER  
Title

30 Jun 10  
Date

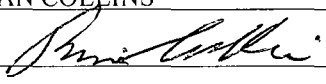
bcollins@marbob.com  
e-mail Address

RECEIVED OGD  
200 JUL - 1 P 2:27

7-2-10  
from Will

52 SWD's

**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: Secondary Recovery Pressure Maintenance X 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, PETROLEUM ENGINEER PHONE: 575-748-3303
- 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: PETROLEUM ENGINEER  
SIGNATURE:  DATE: 30 Jun 10  
E-MAIL ADDRESS: bcollins@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  
South Craig 10 SWD No. 1  
660' FNL 660' FEL  
A-10-26S-26E, Eddy County

Marbob Energy Corporation proposes to re-enter the captioned well, clean out to 5400', squeeze cement the Delaware Sand 1926-1950' and convert it to salt water disposal service into the Delaware Sand from 3551-5383'.

- V. Map is attached.
- VI. No wells penetrate the proposed injection zone within the 1/2 mile radius area of review.
- VII.
  - 1. Proposed average daily injection rate = 2000 BWPD  
Proposed maximum daily injection rate = 5000 BWPD
  - 2. Closed system
  - 3. Proposed maximum injection pressure = 710 psi  
(0.2 psi/ft. x 3551 ft.)
  - 4. Source of injected water will be Delaware Sand and Bone Spring Sand produced water. No compatibility problems are expected. Analyses of Delaware and Bone Spring waters from analogous wells are attached. We have numerous Delaware SWD's in this area and have not encountered any compatibility issues with our Delaware and Bone Spring injected waters.
- VIII. The injection zone is the Delaware Sandstone, a fine-grained sandstone from 3551' to 5383'. Any underground water sources will be shallower than 630'.
- IX. The Delaware 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. A section of the sonic log showing the injection intervals is attached.
- XI. There are no fresh water wells within a mile of the proposed SWD well.
- 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.

# III.

## WELL DATA

## INJECTION WELL DATA SHEET

OPERATOR: Marbob Energy CorpWELL NAME & NUMBER: South Craig 10 SWD No.1 (Formerly Shewell Federal No.1)WELL LOCATION: 660' FNL, 660' FELUNIT LETTER: ASECTION: 10TOWNSHIP: 26SRANGE: 26EWELLBORE SCHEMATICWELL CONSTRUCTION DATA  
Surface CasingHole Size: 17 1/2" Casing Size: 13 3/8" @ 630'  
Cemented with: 700 sx. or - ft<sup>3</sup>Top of Cement: Surface Method Determined: CirculatedIntermediate CasingHole Size: 11" Casing Size: 8 3/8" @ 1726'  
Cemented with: 800 sx. or - ft<sup>3</sup>Top of Cement: Surface Method Determined: CirculatedProduction CasingHole Size: 7 7/8" Casing Size: 5 1/2" @ 550'  
Cemented with: 1075 sx. or - ft<sup>3</sup>Top of Cement: Orig: 726'  
P&A: SurfaceMethod Determined: Orig: Temp. Survey  
P&A: Perf 690' & Circulate  
to surfaceTotal Depth: 5500'Injection Interval3551' feet to 5383'

(Perforated or Open Hole; indicate which)

See attached "Before" and  
"After" wellbore schematics

30-015-24469

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: IPC or Duoline 20  
 Type of Packer: 10K nickel plated double grip retrievable  
 Packer Setting Depth: ± 3500'  
 Other Type of Tubing/Casing Seal (if applicable): N/A

Additional Data

1. Is this a new well drilled for injection? Yes X No   

If no, for what purpose was the well originally drilled? Dil and gas.

2. Name of the Injection Formation: Delaware Sand

3. Name of Field or Pool (if applicable): Cottonwood 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. Yes.

See attached wellbore schematics.

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

Overlying: None in immediate area. Delaware 4758-4973' produces 1.6 miles NE.

Underlying: Bone Spring 5650 - 6200' ±

30-015-24469

(Formerly Shewell Fed. 1)

660' FNL, 660' FEL

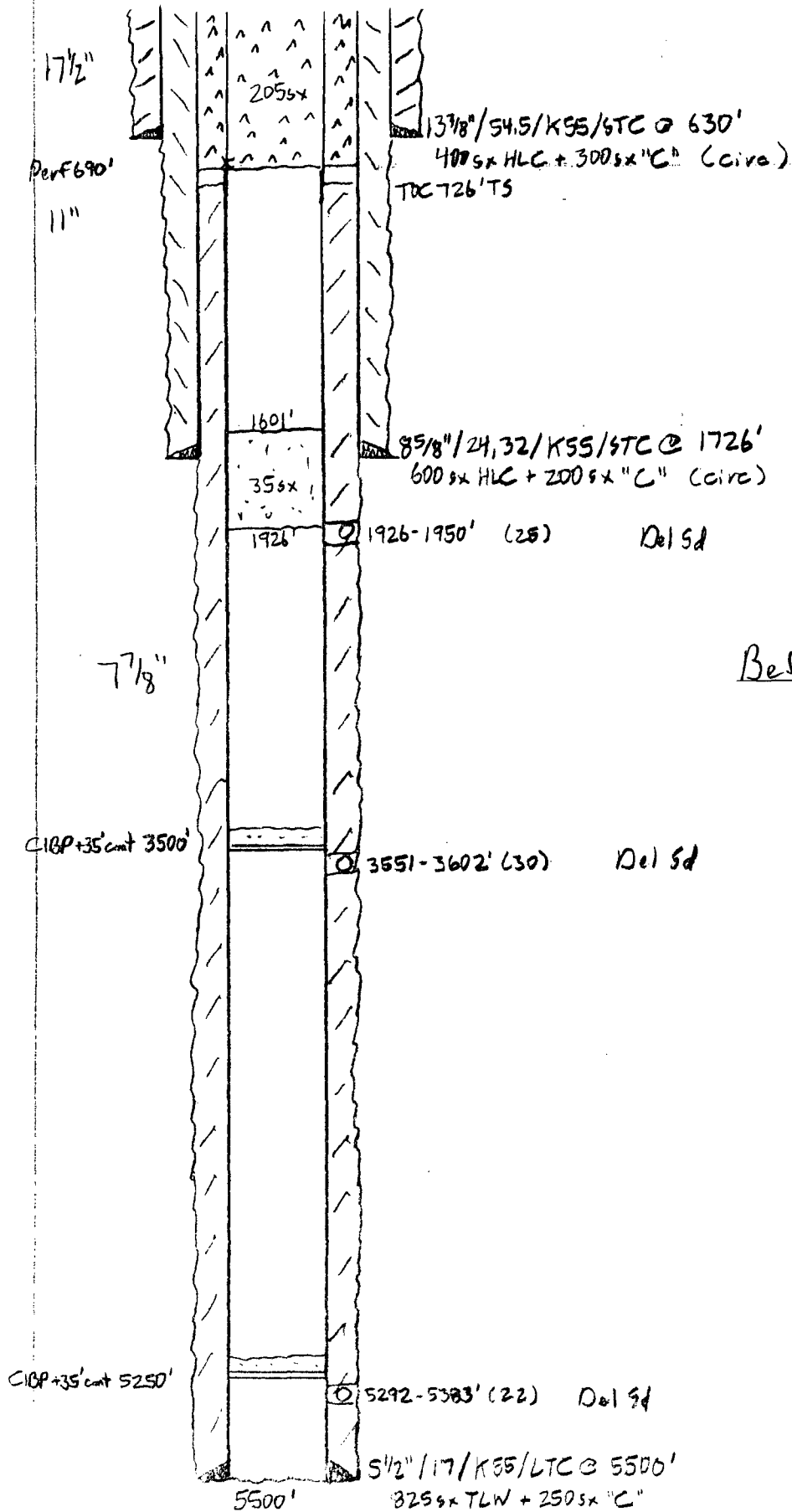
A-10-265-26e

Eddy, Nm

Zero

KB

GL: 3345'



Before SWD Conversion

30-015-24469

# South Craig 10 SWD No.1

(Formerly Shewell Fed. 1)

660' FHL, 660' FEL

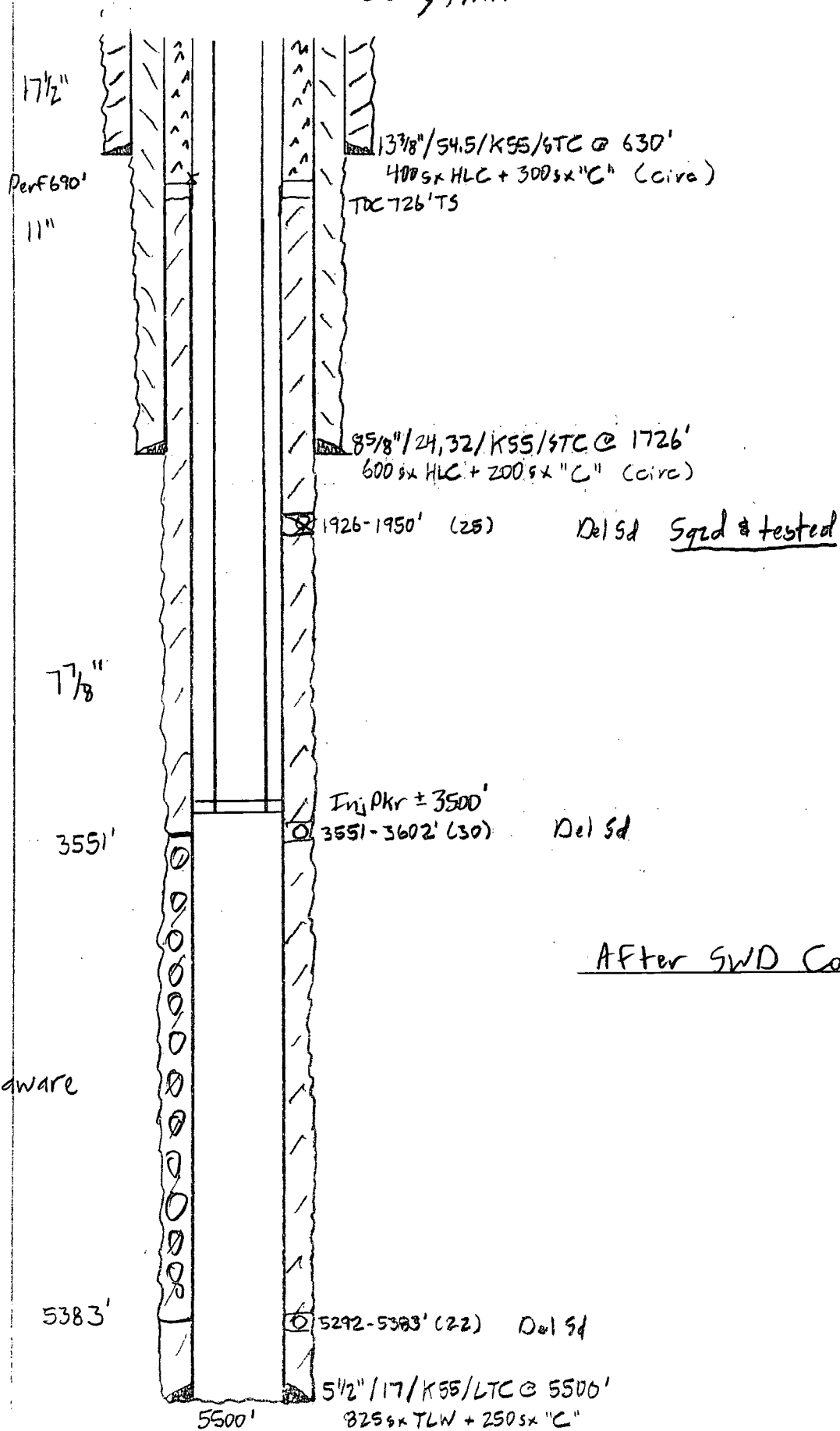
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Eddy, Nm

Zero.

KB:

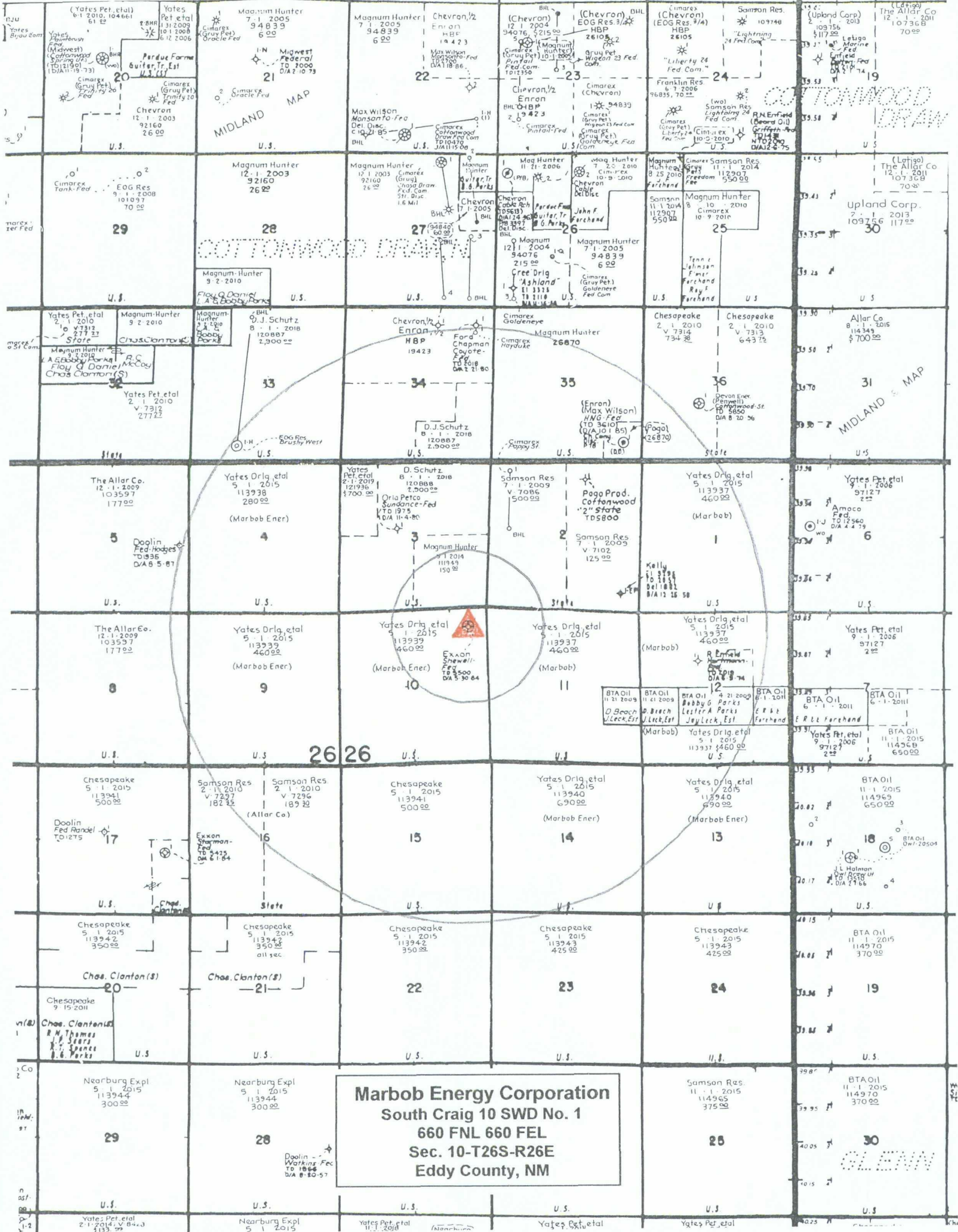
GL: 3345'





V.

MAP




**Marbob Energy Corporation**  
South Craig 10 SWD No. 1  
660 FNL 660 FEL  
Sec. 10-T26S-R26E  
Eddy County, NM

# **VII.**

## **Water Analysis Produced and Receiving Formation Water**

# Water Analysis Produced Water

Forwarded by Bill Polk/BJSCHEMICALS on 02/11/2010 07:56 AM

Analytical Laboratory Report for:	 BJ Chemical Services
MARBOB ENERGY CORPORATION	Account Representative: William D Polk

## Production Water Analysis

Listed below please find water analysis report from: Sro, State Unit Com Well #2

Lab Test No:	2010106750	Sample Date:	02/01/2010
Specific Gravity:	1.135		
TDS:	207535		
pH:	6.25		
Resistivity:	.095@73F	ohms/M	

Cations:	mg/L	as:
Calcium	3281	(Ca <sup>++</sup> )
Magnesium	1376	(Mg <sup>++</sup> )
Sodium	75076	(Na <sup>+</sup> )
Iron	22.44	(Fe <sup>++</sup> )
Potassium	1592.0	(K <sup>+</sup> )
Barium	3.51	(Ba <sup>++</sup> )
Strontium	975.00	(Sr <sup>++</sup> )
Manganese	1.21	(Mn <sup>++</sup> )
Anions:	mg/L	as:
Bicarbonate	708	(HCO <sub>3</sub> <sup>-</sup> )
Sulfate	500	(SO <sub>4</sub> <sup>=</sup> )
Chloride	124000	(Cl <sup>-</sup> )
Gases:		
Carbon Dioxide	410	(CO <sub>2</sub> )
Hydrogen Sulfide	0	(H <sub>2</sub> S)

MARBOB Lab Test  
ENERGY No:  
CORPORATION 2010106750

DownHole SAT<sup>TM</sup>  
Scale Prediction  
@ 100 deg. F

*Water Analysis Receiving Formation*

Analytical Laboratory Report for:

**MARBOB ENERGY CORPORATION****Chemical Services**Account Representative:  
Polk, Bill**Partial Water Analysis**

Listed below please find water analysis report from: WILLOW STATE, 2

Lab Test No: 2008125125 Sample Date: 06/24/2008

Cations:	mg/L	as:
Calcium	30900.00	(Ca <sup>++</sup> )
Magnesium	4910.00	(Mg <sup>++</sup> )
Sodium	60300	(Na <sup>+</sup> )
Iron	23.00	(Fe <sup>++</sup> )
Potassium	1260.0	(K <sup>+</sup> )
Barium	1.76	(Ba <sup>++</sup> )
Strontium	981.00	(Sr <sup>++</sup> )
Manganese	10.50	(Mn <sup>++</sup> )
Anions:	mg/L	as:
Sulfate	0	(SO <sub>4</sub> <sup>=</sup> )
Chloride	229000	(Cl <sup>-</sup> )
Gases:		
Carbon Dioxide		(CO <sub>2</sub> )
Hydrogen Sulfide		(H <sub>2</sub> S)



# New Mexico Office of the State Engineer

## Point of Diversion by Location

(with Owner Information)

(acre ft per annum)										(quarters are 1=NW 2=NE 3=SW 4=SE)										(quarters are smallest to largest)										(NAD83 UTM in meters)									
WR File Nbr	Sub basin	Use	Diversion	Owner	County	POD Number	Grant	q q q				Source				X	Y																						
								64	16	4	q	64	16	4	q			Shallow	4	4	2	15	26S	26E															
C 01887	STK	3	TRY-Y RANCH		ED	C 01887									568614	3545497*																							
C 01888	STK	3	TRY-Y RANCH		ED	C 01888									567613	3545063*																							
C 02439	STK	3	DORIS & OWEN CARLETON		ED	C 02439									568614	3545697*																							

Record Count: 3

### PLSS Search:

Section(s): 2, 3, 4, 9, 10,  
11, 14, 15, 16

Range: 26E

Township: 26S

Sorted by: File Number

All greater than 1 mile away...

\*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

4/13/10 12:51 PM

Page 1 of 1

POINT OF DIVERSION BY LOCATION

**X.**

**Sonic Log Across  
Proposed Delaware  
Sand Injection Interval**



**Levi's®**

CONFIDENTIAL

9. Ft. Albany Perm. Datum

Suite 124-A  
Swampscott, MA 01882-0311

Roswell, NM 88203

[illegible]

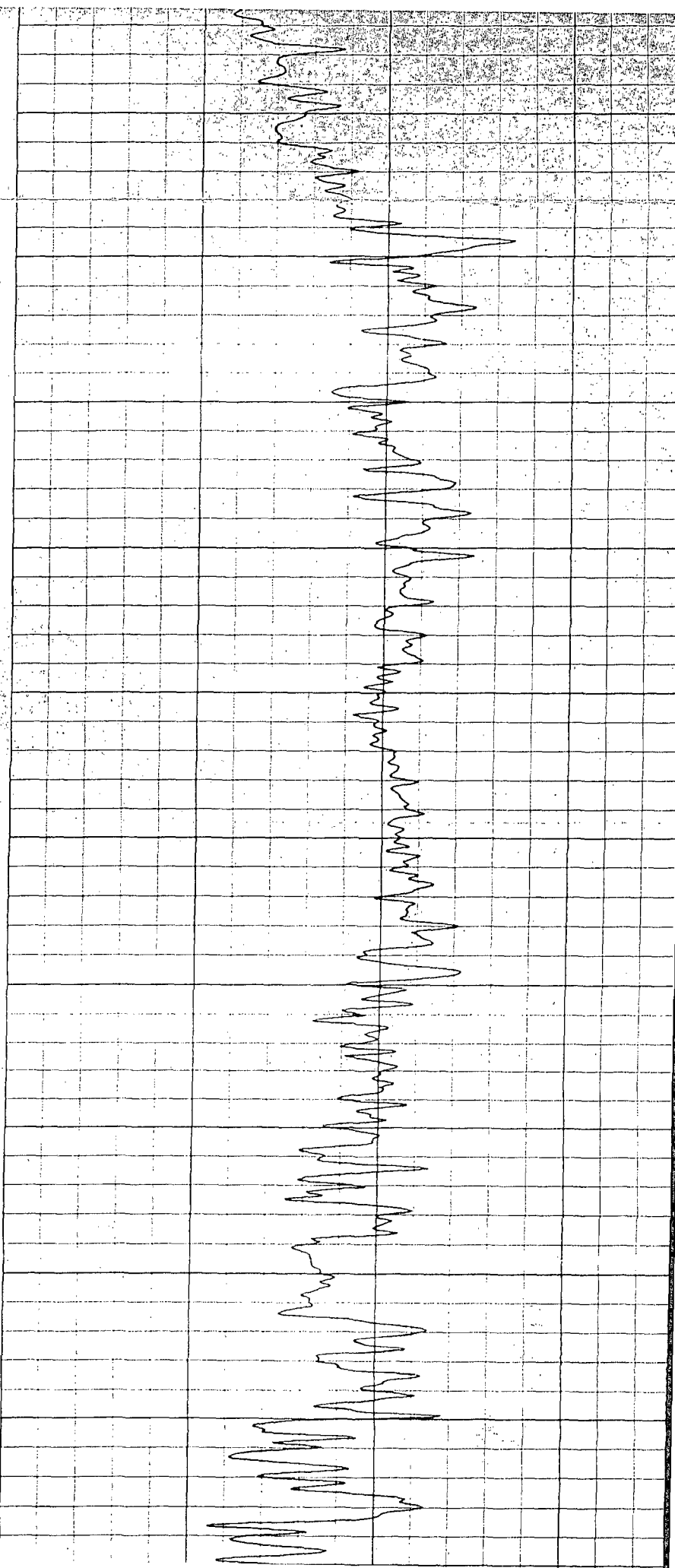
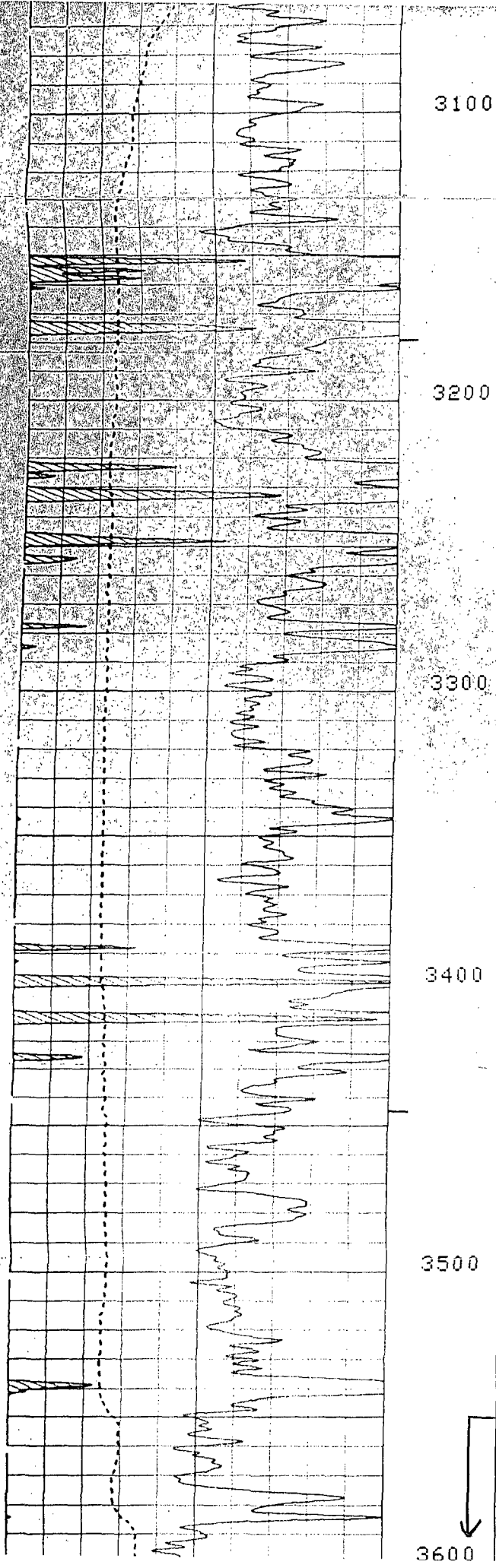
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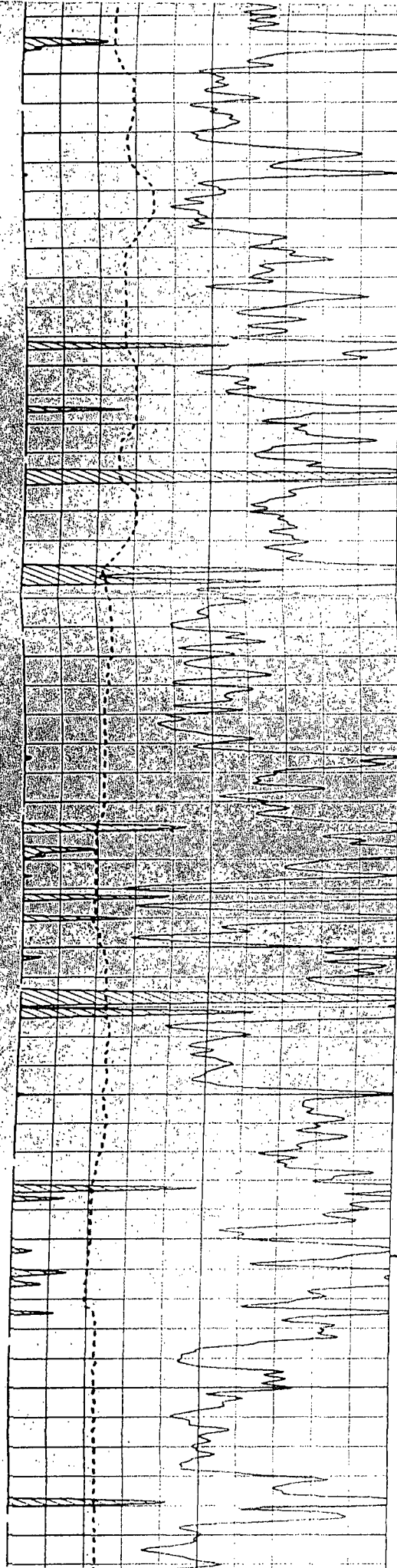
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Service Order No.	399317			
Fluid Level				
EQUIPMENT DATA				
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Sonic Cart No.	1616			
Sonic Sonde No.	1700			
Mem. Panel No.	CSU			
G.R. Cart No.	3445			
G.R. Panel No.	579			
Caliper No.	3410			
TTR No.				
Centralizers No.	2			
Type	CMEZ			
Standoffs No.				
Type				
Time Const. Sec.				
Speed - F.P.M.				
CALIBRATION DATA				
GR	BKG. CPS	SEE CAL		
	Source CPS	FILM		
	Tc Sec			

REMARKS

All interpretations are based on evidence from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of a pretations, and we shall not accept, in the case of gross or willful negligence on our part, be liable or responsible for any loss, costs, damages or expenses incurred by our customers arising from our interpretation made by any of our officers, agents or employees. These interpretations are also subject to our General Terms and Conditions.







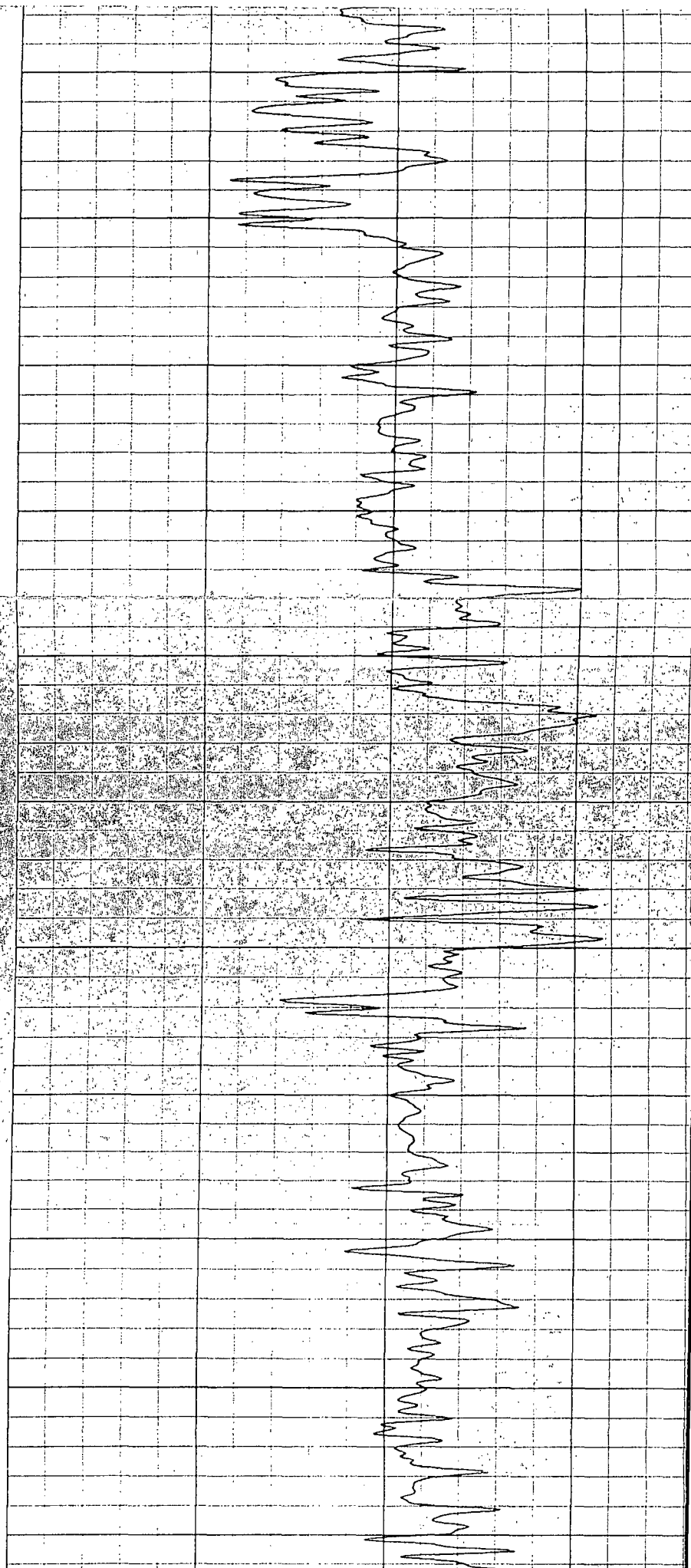
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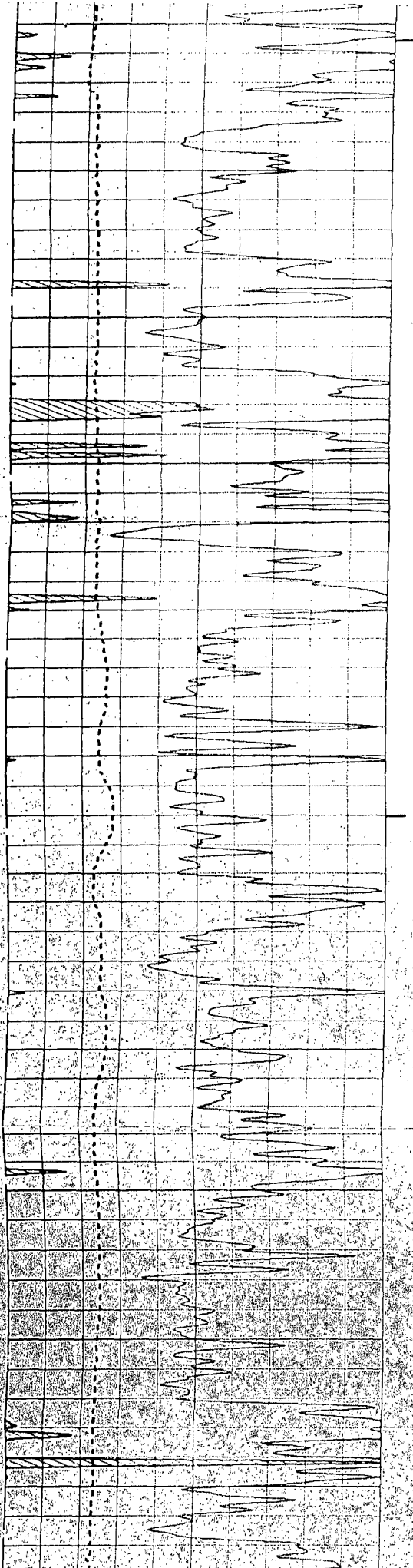
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3900

4000





4000

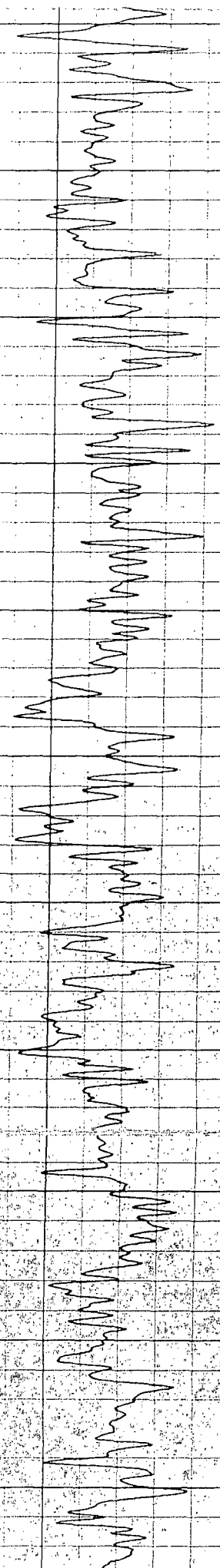
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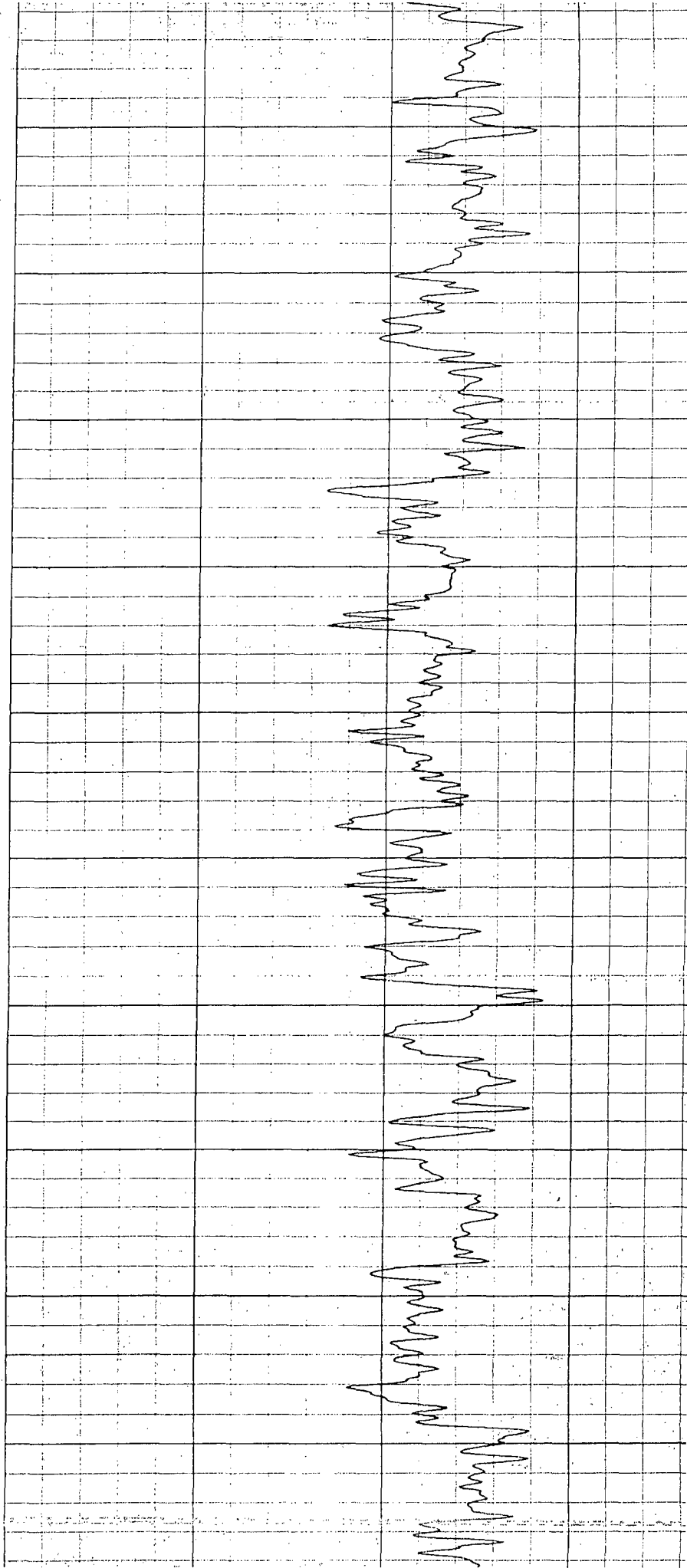
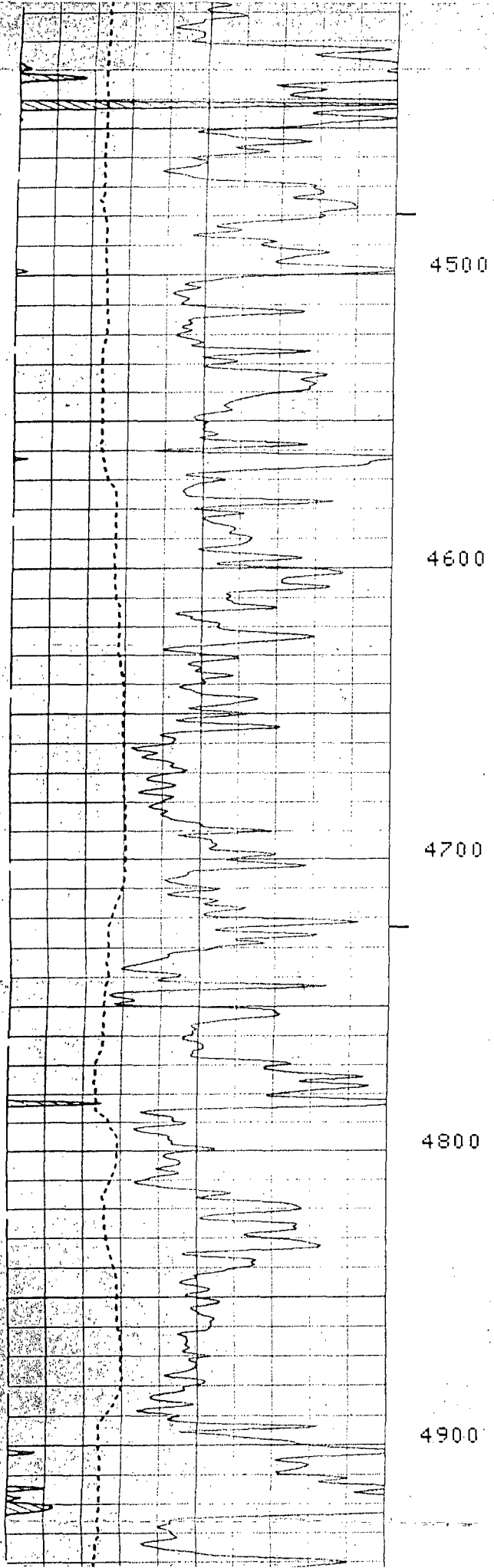
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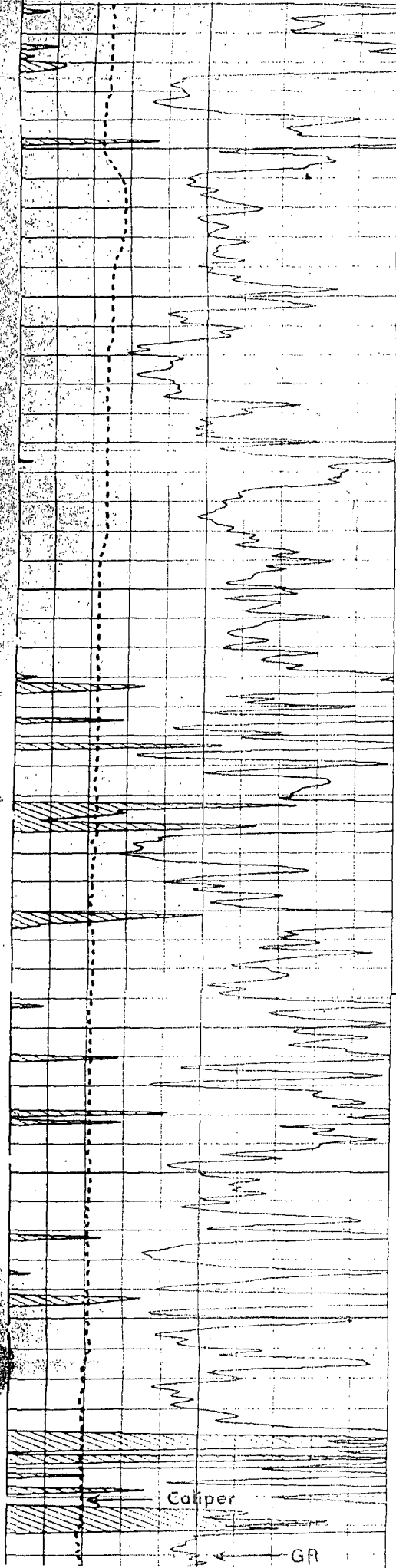
4300

4400

Gross Delaware  
SWD Interval  
3551 - 5383'







5000

5100

5200

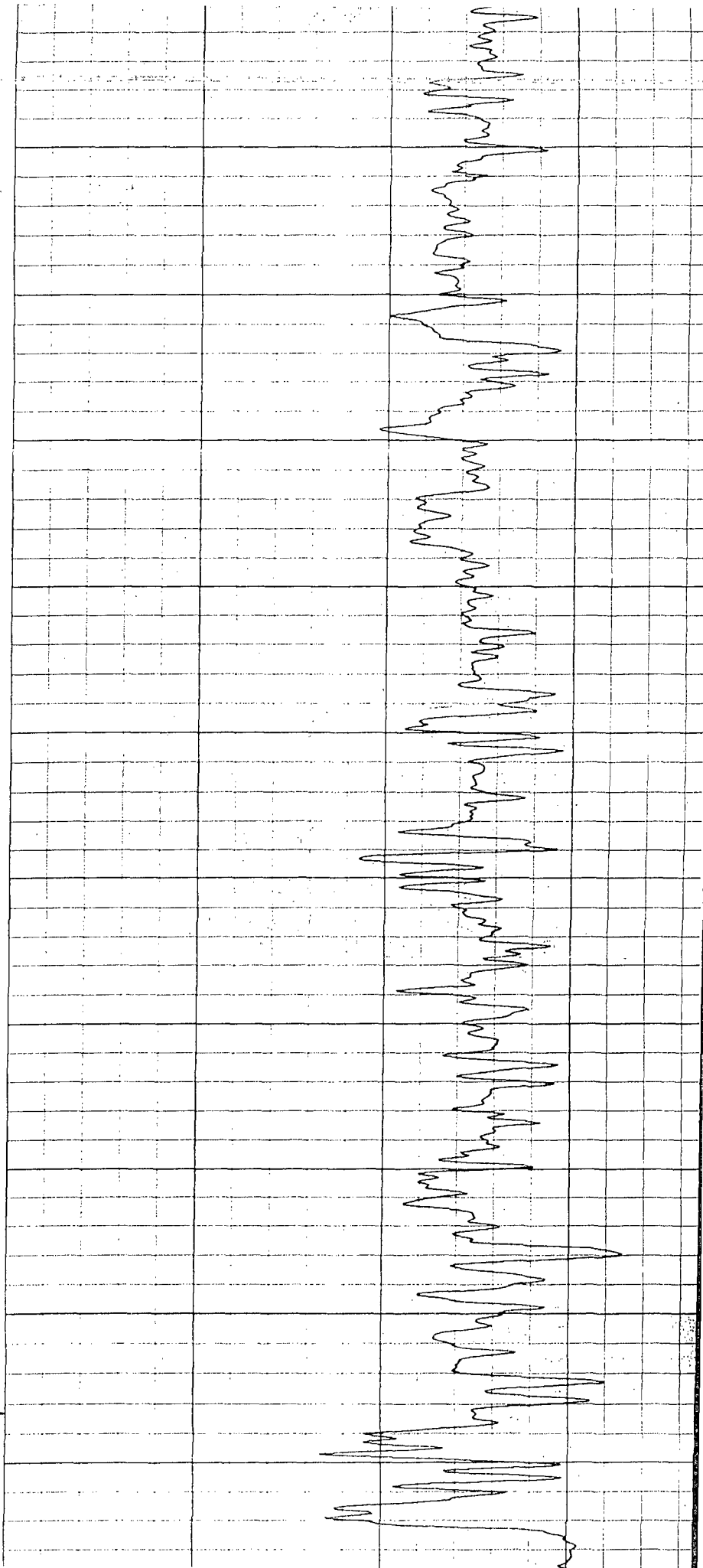
5300

5400



Copper

GR



# Affidavit of Publication

NO. 21148

STATE OF NEW MEXICO

County of Eddy:

Walter L. Green



being duly

sworn,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 May 12, 2010

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

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

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

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

Subscribed and sworn to before me this

12 Day

May

2010



OFFICIAL SEAL

Jo Morgan

NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 6/16/2012



Jo Morgan

Notary Public, Eddy County, New Mexico

# Copy of Publication:

## 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 South Craig 10 SWD No. 1 is located 660 FNL 660 FEL; Sec. 10, Township 26 South, Range 26 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 3551-5383' at a maximum surface pressure of 710 psi and a maximum rate of 5000 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 575-748-3303.

Published in the Artesia Daily Press, Artesia, NM May 12, 2010.  
Legal No. 21148

MAY 14 2010

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**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.***

5. Lease Serial No.  
NMNM113939

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other SWD

2. Name of Operator

MARBOB ENERGY CORPORATION

3a. Address

P O BOX 227  
ARTESIA NM 88211-0227

3b. Phone No. (include area code)

575-748-3303

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

8. Well Name and No.

SOUTH CRAIG 10 SWD 1

9. API Well No.  
30-015-24469

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

SEC. 10-T26S-R26E  
660 FNL 660 FEL, UNIT A

10. Field and Pool or Exploratory Area

DELAWARE

11. Country or Parish, State

EDDY COUNTY, NM

**12. CHECK THE 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 checked="" type="checkbox"/> Other <u>CONVERT TO SWD</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

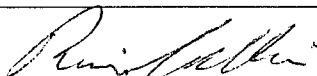
SUBMITTED FORM C-108 TO NMOC D - COPY ATTACHED

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

BRIAN COLLINS

Title PETROLEUM ENGINEER

Signature



Date

30 Jun 10

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

Approved by

Title

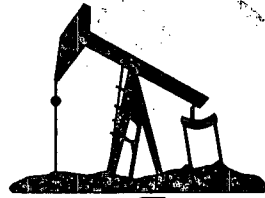
Date

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

June 29, 2010

Yates Petroleum Corporation  
105 S. 4<sup>th</sup> St  
Artesia, NM 88210

Re: Application to Inject  
South Craig 10 SWD No. 1  
Township 26 South, Range 26 East, NMPM  
Section 10: 660 FNL 660 FEL  
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. 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.

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

Sincerely,

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure





June 29, 2010

Cimarex Energy  
Magnum Hunter Production Company  
5215 N. O'Conner Blvd., Ste 1500  
Irving, TX 75039

Re: Application to Inject  
South Craig 10 SWD No. 1  
Township 26 South, Range 26 East, NMPM  
Section 10: 660 FNL 660 FEL  
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. 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.

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

Sincerely,

A handwritten signature in cursive script, appearing to read 'Brian Collins', is written over a horizontal line.

Brian Collins  
Petroleum Engineer

BC/dlw  
enclosure

**Jones, William V., EMNRD**

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**From:** Jones, William V., EMNRD  
**Sent:** Tuesday, August 31, 2010 1:46 PM  
**To:** 'Brian Collins'  
**Cc:** Ezeanyim, Richard, EMNRD  
**Subject:** Disposal application from Marbob: South Craig 10 SWD #1 30-015-24469 Delaware Interval

Hello Brian:

I am ready to release the two Marbob SWD applications, but wanted to ask one question on this well,

Would you ask your landman to examine records (refer to the Midland Map/AOR circle) and tell us who controls the minerals within the Delaware formation within:

- a. SW/4 of Section 2
- b. Unit Letter N of Section 3
- c. Unit Letters O and P of Section 3

*I will have both the Marbob SWD Permits prepared but must hold this one in anticipation of the answer from your Landman.*

Regards,

William V Jones, P.E.  
Engineering, Oil Conservation Division  
1220 South St. Francis Drive, Santa Fe, NM 87505  
Tel 505.476.3448 ~ Fax 505.476.3462



Tracking:

**Recipient**

'Brian Collins'

Ezeanyim, Richard, EMNRD

**Read**

Read: 8/31/2010 1:47 PM

## Jones, William V., EMNRD

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**From:** William Miller [wmiller@marbob.com]  
**Sent:** Wednesday, September 01, 2010 9:37 AM  
**To:** Jones, William V., EMNRD  
**Cc:** bcollins@marbob.com  
**Subject:** FW: Disposal application from Marbob: South Craig 10 SWD #1 30-015-24469 Delaware Interval

Mr. Jones,

SW/4 of Section 2—Marbob Energy Corp  
Unit Letter N of Section 3—Cimarex Energy Company  
Unit Letters O and P of Section 3—Magnum Hunter

If you have any questions, feel free to contact me

William Miller  
Marbob Energy Corp.

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**From:** Dean Chumbley [mailto:land@marbob.com]  
**Sent:** Tuesday, August 31, 2010 3:40 PM  
**To:** 'William Miller'  
**Subject:** FW: Disposal application from Marbob: South Craig 10 SWD #1 30-015-24469 Delaware Interval

*Landman Willy*  
*This looks like your area.*  
Thanks,  
~\$

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**From:** Brian Collins [mailto:bcollins@marbob.com]  
**Sent:** Tuesday, August 31, 2010 2:21 PM  
**To:** land@marbob.com  
**Subject:** Fw: Disposal application from Marbob: South Craig 10 SWD #1 30-015-24469 Delaware Interval

Dean: This is the well formerly known as the Exxon Shewell Fed 1 located A-10-26s-26e. Could you answer Will's questions? Thanks. --Brian

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

**From:** Jones, William V., EMNRD  
**To:** Brian Collins  
**Cc:** Ezeanyim, Richard, EMNRD  
**Sent:** Tuesday, August 31, 2010 1:46 PM  
**Subject:** Disposal application from Marbob: South Craig 10 SWD #1 30-015-24469 Delaware Interval

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## Injection Permit Checklist (08/27/2010)

WFX PMX SWD 1239 Permit Date 8/31/10 UIC Qtr (A/S/O)

# Wells 1 Well Name(s): SOUTH CRAIG 10 SWD#1 (was S. Howell F-2#1)

API Num: 30-0 15-24469 Spud Date: 4/26/83 New/Old: N (UIC primacy March 7, 1982)

Footages 660 FNL/660 FEL Unit A Sec 10 Tsp 26S Rge 26E County EDDY

General Location: S. of WHITE CITY, New TEXAS (inside Del. Basin)

Operator: Marbot Envy Corp. Contact: Brian Collins

OGRID: 14049 RULE 5.9 Compliance (Wells) 6/12/05 (Finan Assur) OIC IS 5.9 OK? OK

Well File Reviewed ☒ Current Status: P&A Tested all zones DRY

Planned Work to Well: Re-enter &amp; convert.

Diagrams: Before Conversion ☒ After Conversion ☒ Elogs in Imaging File: ☒

Well Details:	Sizes		Setting Depths	Stage Tool	Cement Sx or Cf	Determination Method
	Hole.....	Pipe				
New ___ Existing <input checked="" type="checkbox"/> Surface	17 1/2	13 3/8	630		700 SX	CIRC.
New ___ Existing <input checked="" type="checkbox"/> Interm	11	8 5/8	1726		800 SX	CIRC.
New ___ Existing <input checked="" type="checkbox"/> LongSt	7 7/8	5 1/2	5500' T.D.		1075 SX	726' orig/CIRC. SPE
New ___ Existing ___ Liner						
New ___ Existing ___ OpenHole						

Depths/Formations: Depths, Ft. Formation Tops?

Formation(s) Above	1850	DEL	<input checked="" type="checkbox"/>
Injection TOP:	3551	DEL	Max. PSI 710 OpenHole ___ Perfs <input checked="" type="checkbox"/>
Injection BOTTOM:	5383	DEL	Tubing Size 27/8 Packer Depth 3500'
Formation(s) Below	5422 - 5650-6200	BS.	<input checked="" type="checkbox"/>

Capitan Reef? (Potash? \_\_\_ Noticed? \_\_\_) (WIPP? \_\_\_ Noticed? \_\_\_) Salado Top/Bot \_\_\_ Cliff House? \_\_\_

Fresh Water: Depths: 0-630' Formation \_\_\_ Wells? None Analysis? \_\_\_ Affirmative Statement ☒Disposal Fluid Analysis? ☒ Sources: DEL/BS.Disposal Interval: Analysis? ☒ Production Potential/Testing: Tested TOP of THIS interval

Notice: Newspaper Date 5/12/10 Surface Owner BLM Mineral Owner(s) \_\_\_

RULE 26.7(A) Affected Persons: Yati P.C. / Cimrex /

AOR: Maps? ☒ Well List? ☒ Producing in Interval? No Wellbore Diagrams? ☒.....Active Wells ☐ Repairs? \_\_\_ Which Wells? \_\_\_.....P&A Wells ☐ Repairs? \_\_\_ Which Wells? \_\_\_

Questions: (SW/4 Sec 2 = ?) (UNITS N, O, P Sec 3 = ?) Request Sent \_\_\_ Reply: \_\_\_