

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

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

Form C-101
Permit 4085

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211-0227		OGRID Number 14049
		API Number 30-005-63721
Property Code 34486	Property Name CHACO STATE	Well No. 001

Surface Location

UL or Lot H	Section 36	Township 10S	Range 26E	Lot Idn H	Feet From 1930	N/S Line N	Feet From 660	E/W Line E	County Chaves
----------------	---------------	-----------------	--------------	--------------	-------------------	---------------	------------------	---------------	------------------

Proposed Pools

COMANCHE SPRING,PRE-PERMIAN (GAS) 75015

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3731
Multiple N	Proposed Depth 7000	Formation Ellenburger	Contractor	Spud Date 01/01/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	650	300	0
Prod	7.875	5.5	17	7000	500	0

Casing/Cement Program: Additional Comments

Propose to drill 12 1/4 inch hole to 650 ft w/fresh water, run 8 5/8 inch csg to 650 ft, cmt w/300 sx, circ to surf, drill 7 7/8 inch hole to 7000 ft, run 5 1/2 inch csg to TD, cmt w/500 sx cmt, bring TOC 500 ft above all oil & gas bearing zones.
--

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Cameron

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Diana Cannon

Title: Production Analyst

Date: 12/17/2004

Phone: 505-748-3303

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 01/06/2005 Expiration Date: 01/06/2006

Conditions of Approval:
There are conditions. See Attached.