

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211		2. OGRID Number 14049
		3. API Number 30-05-28019
4. Property Code 36942	5. Property Name GIDYUP STATE COM	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	26	15S	31E	D	660	N	330	W	CHAVES

8. Pool Information

WILDCAT WOLFCAMP	0
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4383
14. Multiple N	15. Proposed Depth	16. Formation Wolfcamp	17. Contractor	18. Spud Date 2/16/2008
Depth to Ground water 250	Distance from nearest fresh water well		Distance to nearest surface water	
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	400	0
Int1	12.25	9.625	40	4000	1000	0
Int2	8.75	5.5	17	8500	0	0
Prod	7.875	5.5	17	13450	1100	8500

Casing/Cement Program: Additional Comments

We propose to drill 17 1/2 inch hole to 400 ft with fresh water, run 48 lb H-40 13 3/8 inch csg and set at 400 ft with 400 sx cmt, circ to surface; drl 12 1/4 inch hole to 4000 ft with cut brine water, run 40 lb J-55 9 5/8 inch csg and set at 4000 ft with 1000 sx cmt, circ to surface; drl 8 3/4 inch hole to 8500 ft with cut brine water, run 5 1/2 inch 17 lb P-110 csg and set at 8500 ft. Drl 7 7/8 inch hole to 13450 ft with cut brine water, run 5 1/2 inch 17 lb P110 csg and set at 13450 ft with 1100 sx cmt, TOC 8500'.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 1/17/2008 Expiration Date: 1/17/2010
Printed Name: Electronically filed by Diana Briggs	
Title: Production Analyst	
Email Address: production@marbob.com	
Date: 1/16/2008 Phone: 505-748-3303	Conditions of Approval Attached

District IIDistrict IIIDistrict IV

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-05-28019	2. Pool Code	3. Pool Name WILDCAT WOLFCAMP
4. Property Code 36942	5. Property Name GIDYUP STATE COM	6. Well No. 001
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 4383

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	26	15S	31E	D	660	N	330	W	CHAVES

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	26	15S	31E	A	660	N	330	E	CHAVES
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

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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 Analyst

Date: 1/16/2008

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: Ronald Eidson

Date of Survey: 1/3/2008

Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: GIDYUP STATE COM #001

API: 30-05-28019

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.	1/16/2008
MARBOB4	Marbob will be using a closed mud loop system with fresh water pits.	1/16/2008

Permit Conditions of Approval

Operator: MARBOB ENERGY CORP , 14049

Well: GIDYUP STATE COM #001

API: 30-05-28019

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines