

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

June 3, 2005 Marbob Energy Corporation P.O. Box 227 Artesia, NM 88211-0227 Attn: Amy and Brent

Re: The Application to Drill for Marbob Energy Corporation's: Rear View State Com. Well #

1; Located in Unit G of Section 2, Township 20 South, Range 30 East in Eddy County, New

Mexico, NMPM

Dear Amy, Brent and To Whom It May Concern:

In regards with conditions for approval (in part) for the above captioned well, the New Mexico Oil Conservation Division (NMOCD) will require the following:

This is for Marbob Energy Corporation to take samples from the flow line of the drilling mud every 100' in order to determine the chloride levels of the drilling mud starting from drilling out from under the "intermediate 1 casing "down through the setting of the "intermediate 2 casing point" which is projected to be @ the top of the Delaware.

In addition, the drilling of the Capitan Reef is to be drilled with fresh water mud as noted in your APD. The results of this data are to be submitted to the NMOCD in Artesia before the drilling to total depth of said well.

Please call our office if you have any questions regarding this matter.

Respectfully yours,

Bryan G. Arrant PES

CC: Well File

Tim Gum, District Supervisor-Artesia