

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM108025
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator MARBOB ENERGY CORPORATION		7. If Unit or CA Agreement, Name and No. 32480
Contact: DIANA CANNON E-Mail: production@marbob.com		8. Lease Name and Well No. DRY LAND SHINER FEDERAL COM 1
3a. Address P O BOX 227 ARTESIA, NM 88211-0227	3b. Phone No. (include area code) Ph: 505.748.3303 Fx: 505.746.2523	9. API Well No. 30-015-32815
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NENE Lot A 940FNL 660FEL At proposed prod. zone NENE Lot A 940FNL 660FEL		10. Field and Pool, or Exploratory SPRINGS MORROW
14. Distance in miles and direction from nearest town or post office* SEE SURFACE USE PLAN		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T21S R25E Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of Acres in Lease	12. County or Parish EDDY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 10600 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3298 GL	22. Approximate date work will start 05/01/2003	17. Spacing Unit dedicated to this well 320.00
		20. BLM/BIA Bond No. on file
		23. Estimated duration 21 DAYS

24. Attachments

CARLSBAD CONTROLLED WATER BASIN

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) DIANA CANNON	Date 03/31/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ Joe G. Lara	Name (Printed/Typed) /s/ Joe G. Lara	Date MAY 30 2003
ACTING FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

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.

Additional Operator Remarks (see next page)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

Electronic Submission #20167 verified by the BLM Well Information System
For MARBOB ENERGY CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by Armando Lopez on 03/31/2003 (03AL0229AE)

** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED **

Additional Operator Remarks:

PAY ZONE WILL BE SELECTIVELY PERFORATED AND STIMULATED AS NEEDED FOR OPTIMUM PRODUCTION.

INCLUDED IN THE ATTACHMENT ARE:

1. WELL LOCATION AND ACREAGE DEDICATION PLAT (C-102)
2. LEASE RESPONSIBILITY STATEMENT
3. WAIVER OF CONSTRUCTION
4. DRILLING PROGRAM (3 PGS)
5. SURFACE USE AND OPERATING PLAN (5 PGS)
6. HYDROGEN SULFIDE DRILLING OPERATIONS PLAN (4 PGS)
7. ADDITIONAL REQUIRED INFORMATION - EXHIBITS #1 (3 PGS) - #4

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 22, Artesia, NM 88211-0710

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

JAN 30 2003

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-	Pool Code 85635	Pool Name SPRINGS; MORROW (GAS)
Property Code	Property Name DRY LAND SHINER FED. COM	Well Number 1
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3298'

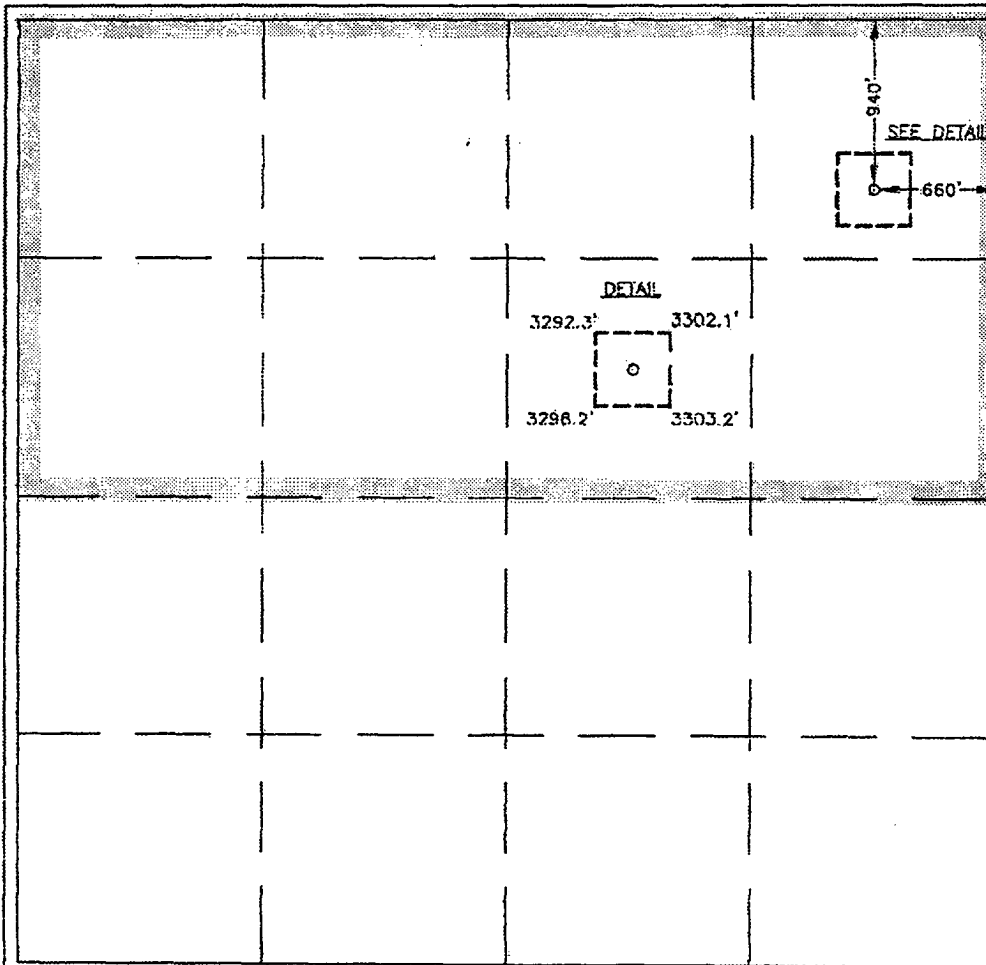
Surface Location

UL or lot No. A	Section 3	Township 21-S	Range 25-E	Lot Idn	Feet from the 940	North/South line NORTH	Feet from the 660	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320		Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION

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

Diana J. Cannon
Signature
DIANA J. CANNON
Printed Name
PRODUCTION ANALYST
Title
MARCH 31, 2003
Date

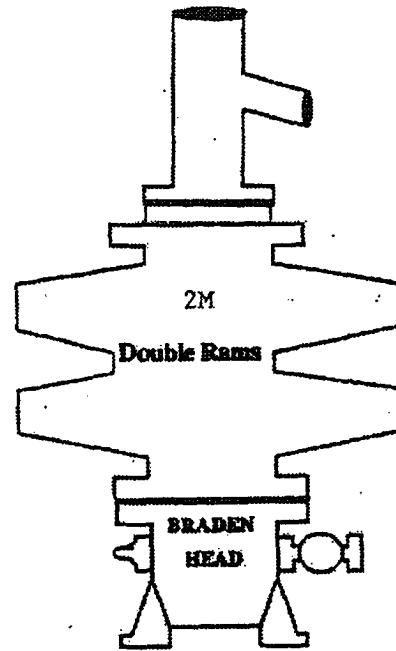
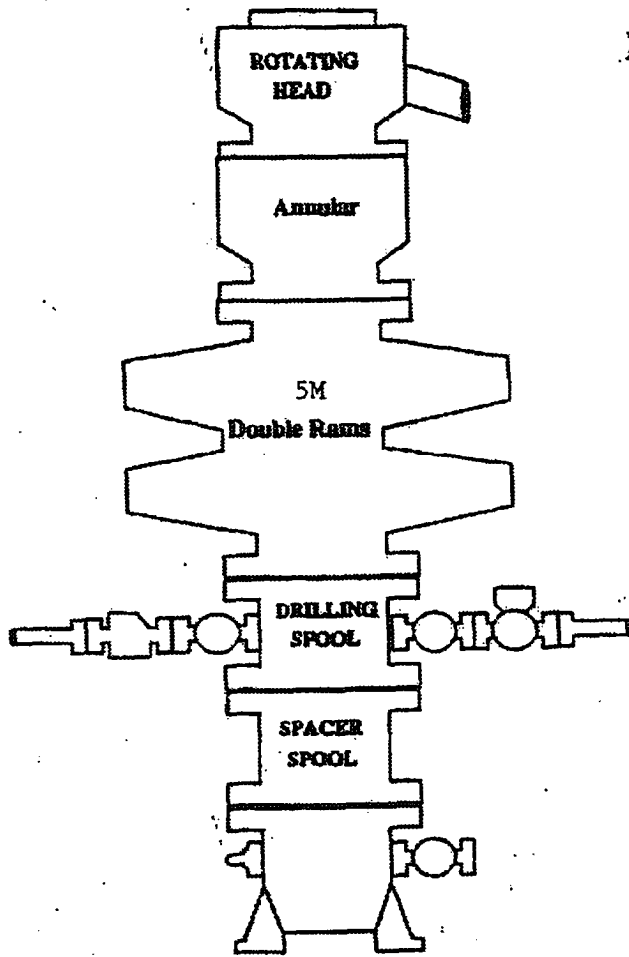
SURVEYOR CERTIFICATION

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.

JANUARY 28, 2003

Date Surveyed
Signature & Seal of Professional Surveyor
Ronald J. Eidson
03.11.0027
Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641

BOPE SCHEMATIC



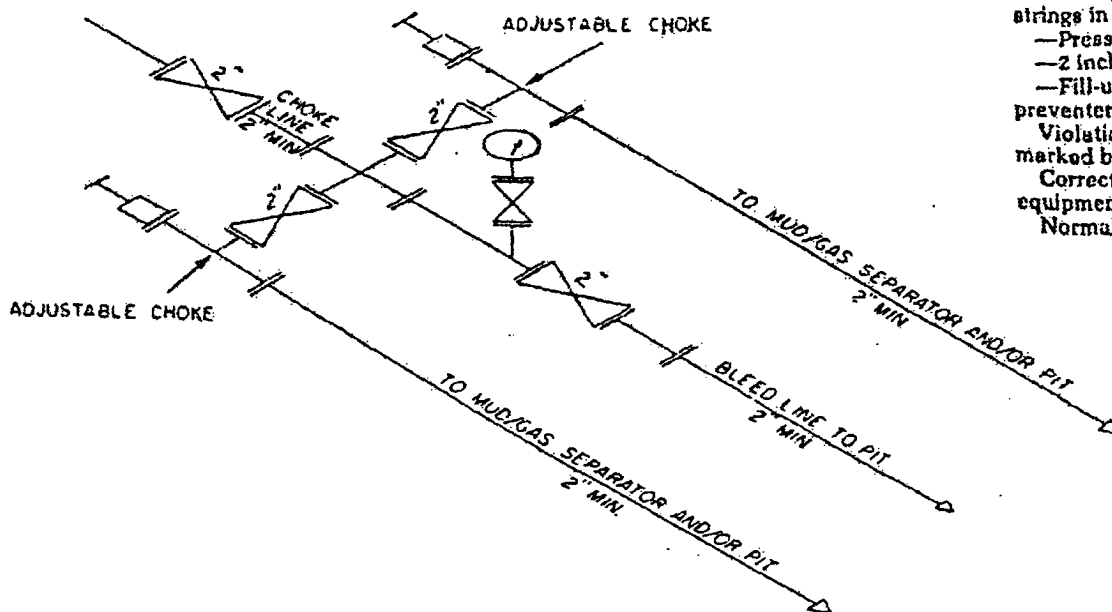
ONSHORE OIL AND GAS ORDER NO. 2

- 2M system:
- Annular preventer, or, double ram, or two rams with one being blind and one being a pipe ram *
 - Kill line (2 inch minimum)
 - 1 kill line valve (2 inch minimum)
 - 1 choke line valve
 - 2 chokes (refer to diagram in Attachment 1)
 - Upper kelly cock valve with handle available
 - Safety valve and sub to fit all drill strings in use
 - Pressure gauge on choke manifold
 - 2 inch minimum choke line
 - Fill-up line above the uppermost preventer.

Violation: Minor (all items unless marked by asterisk).

Corrective Action: Install the equipment as specified.

Normal Abatement Period: 24 hours.



2M CHOKES MANIFOLD EQUIPMENT — CONFIGURATION OF CHOKES

MAY VARY

Exhibit One

BOPE SCHEMATIC

