

State of New Mexico
Energy, Minerals and Natural Resources

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

Corrected Copy

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 882110227		2. OGRID Number 14049
		3. API Number 30-015-37143
4. Property Code 37737	5. Property Name NERVOUS HORZ COM	6. Well No 002H

7. Surface Location

UL - Lot A	Section 36	Township 18S	Range 31E	Lot Idn A	Feet From 330	N/S Line N	Feet From 530	E/W Line E	County EDDY
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Watkins Bone Spring
LUCK BONE SPRING NORTH

8. Pool Information

63345

Pool Corrected
6/30/09
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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 3500
14. Multiple N	15. Proposed Depth 13000	16. Formation 1st Bone Spring Sand	17. Contractor	18. Spud Date 7/24/2009
Depth to Ground water		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 type="checkbox"/> Fresh Water <input checked="" 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	34.5	925	650	0
Int1	12.25	9.625	36	3000	600	700
Prod	7.875	5.5	17	13000	900	4500

Casing/Cement Program: Additional Comments

We propose to drill 17 1/2 inch hole to 925 ft with fresh water, run 34.5 lb 13 3/8 inch csg and set at 925 ft with 650 sx cmt. TOC 0; drl 12 1/4 inch hole to 3000 ft with brine water, run 36 lb J-55 9 5/8 inch csg and set at 3000 ft with 600 sx cmt, TOC 700; drl 7 7/8 inch hole to 13000 ft with cut brine water, run 5 1/2 inch 17 lb N80-P110 csg and set at 13000 ft with 900 sx cmt. TOC 4500

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.		OIL CONSERVATION DIVISION	
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"/> .		Approved By: Jacqueta Reeves	
Printed Name: Electronically filed by Diana Briggs		Title: District Geologist	
Title: Production Manager		Approved Date: 6/29/2009 Expiration Date: 6/29/2011	
Email Address: production@marbob.com			
Date: 6/24/2009	Phone: 575-748-3303		

Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: NERVOUS HORZ COM #002H

API: 30-015-37143

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.	6/24/2009

District I

1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-6720

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV

1220 S. St Francis Dr. Santa Fe, NM 87505
Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico

Form C-102
Permit 98000

Energy, Minerals and Natural Resources**Oil Conservation Division****1220 S. St Francis Dr.****Santa Fe, NM 87505***Corrected Copy***WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-37143	2. Pool Code 41450 63345	3. Pool Name LUSK BONE SPRING NORTH Watkins; Bone Spring
4. Property Code 37737	5. Property Name NERVOUS HORZ COM	6. Well No 002H
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3500

6/30/09
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10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	36	18S	31E		330	N	530	E	EDDY

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
P	36	18S	31E	P	330	S	430	E	EDDY
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

	<p align="center">OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>E-Signed By: Diana Briggs Title: Production Manager Date: 6/24/2009</p> <hr/> <p align="center">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Ronald Eidson Date of Survey: 6/16/2009 Certificate Number: 3239</p>
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