

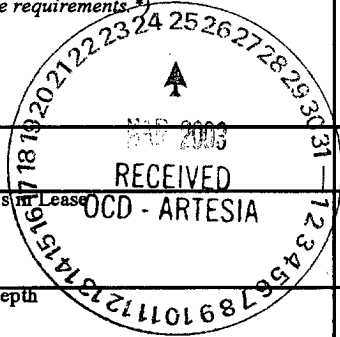
**UNITED STATES OCD-ARTESIA**  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

EC

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC028784A
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input 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 Contact: DIANA CANNON E-Mail: production@marbob.com		7. If Unit or CA Agreement, Name and No. NMNM88525X <b>6497</b>
3a. Address P O BOX 227 ARTESIA, NM 88211-0227	3b. Phone No. (include area code) Ph: 505.748.3303 Fx: 505.746.2523	8. Lease Name and Well No. BURCH KEELY UNIT 919
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface SWNE Lot G 2443FNL 1980FEL At proposed prod. zone SWNE Lot G 2443FNL 1980FEL		9. API Well No. <b>30-015-32701</b>
14. Distance in miles and direction from nearest town or post office* SEE SURFACE USE PLAN		10. Field and Pool, or Exploratory GRBG JACKSON SR Q GRBG SA
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1980'	16. No. of Acres in Lease 640.00	11. Sec., T., R., M., or BIK. and Survey or Area Sec 24 T17S R29E Mer NMP
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 4800 MD	12. County or Parish EDDY
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3618 GL	22. Approximate date work will start 03/14/2003	13. State NM
		17. Spacing Unit dedicated to this well 40.00
		20. BLM/BIA Bond No. on file
		23. Estimated duration 21 DAYS



**24. Attachments**

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

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification</li> <li>6. Such other site specific information and/or plans as may be required by the authorized officer.</li> </ul> |
|--|--|

25. Signature (Electronic Submission)	Name (Printed/Typed) DIANA CANNON	Date 02/11/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) <b>/s/ LESLIE A. THEISS</b>	Name (Printed/Typed) <b>/s/ LESLIE A. THEISS</b>	Date <b>MAR 24 2003</b>
Title <b>FIELD MANAGER</b>		Office <b>CARLSBAD FIELD OFFICE</b>

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 #18498 verified by the BLM Well Information System for MARBOB ENERGY CORPORATION, sent to the Carlsbad committed to AFMSS for processing by Linda Askwig on 02/11/2003 (03LA0307AE)

**Additional Operator Remarks:**

12 1/4" HOLE - 8 5/8" J55 24# CSG SET @ 350' - CMT W/ 300 SX  
7 7/8" HOLE - 5 1/2" J55 17# CSG SET @ 4800' - CMT SUFFICIENT TO COVER 200' ABOVE ALL KNOWN OIL & GAS HORIZONS.

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

MASTER SURFACE USE PLAN ON FILE AT BLM ROSWELL.

INCLUDED IN THE ATTACHMENT ARE:

1. WELL LOCATION & ACREAGE DEDICATION PLAT
2. DRILLING PROGRAM & SURFACE USE PLAN
3. SUPPLEMENTAL DRILLING DATA (EXHIBITS #1 (2 PGS), #2, #3, & #4)

DISTRICT I  
P.O. Box 1880, Hobbs, NM 88241-1880

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-8719

DISTRICT III  
1000 Rio Brazos Rd., Artec, 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

JAN 30 2003  
Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-	Pool Code 28509	Pool Name GRAYBURG JACKSON SR Q GRBG SA
Property Code 006497	Property Name BURCH KEELY UNIT	Well Number 919
OGRD No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3618'

Surface Location

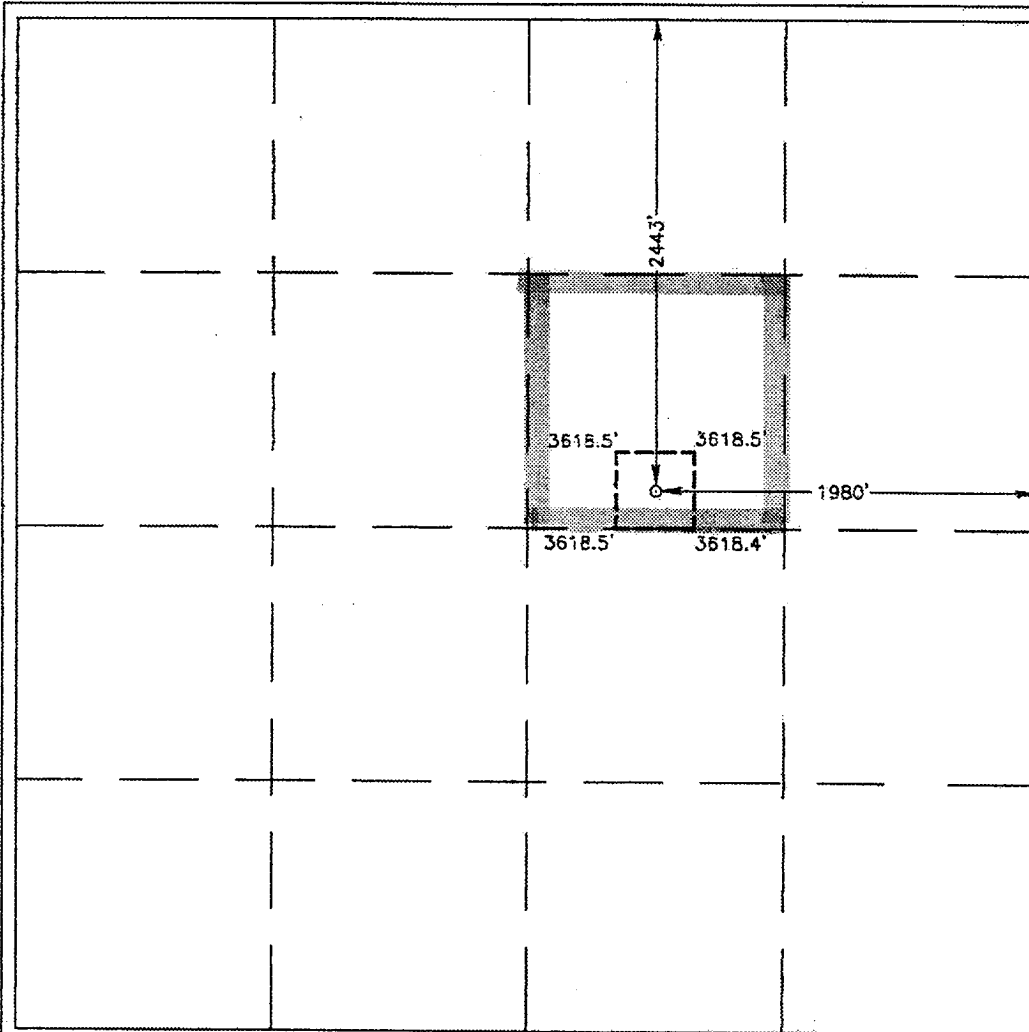
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	24	17-S	29-E		2443	NORTH	1980	EAST	EDDY

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	Joint or Infill	Consolidation Code	Order No.
40			

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 the 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

FEBRUARY 11, 2003  
Date

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

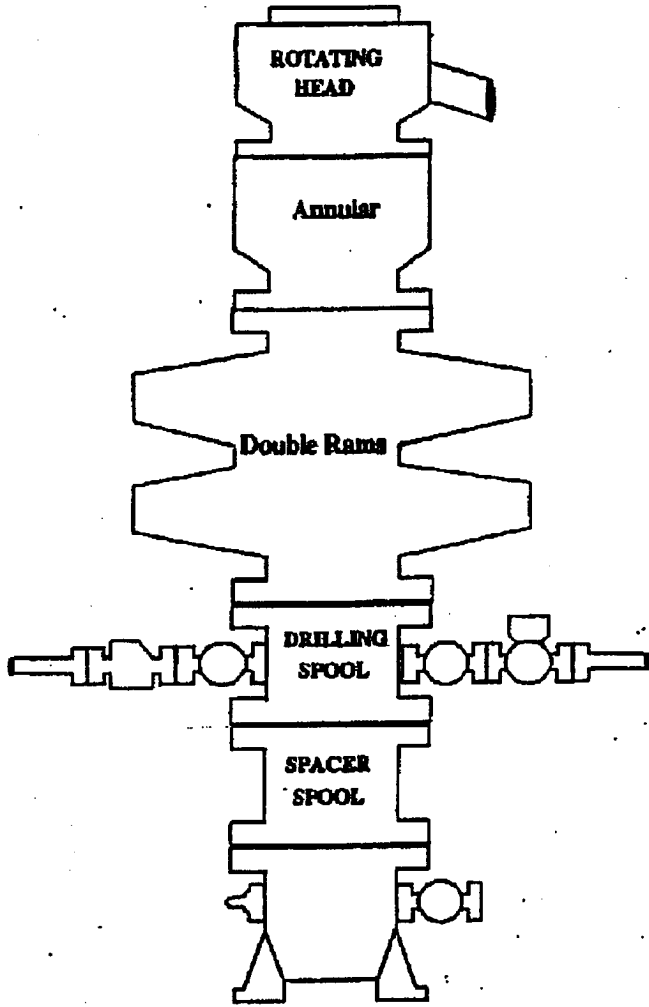
Date Surveyed L.A.

Signature & Seal of Professional Surveyor

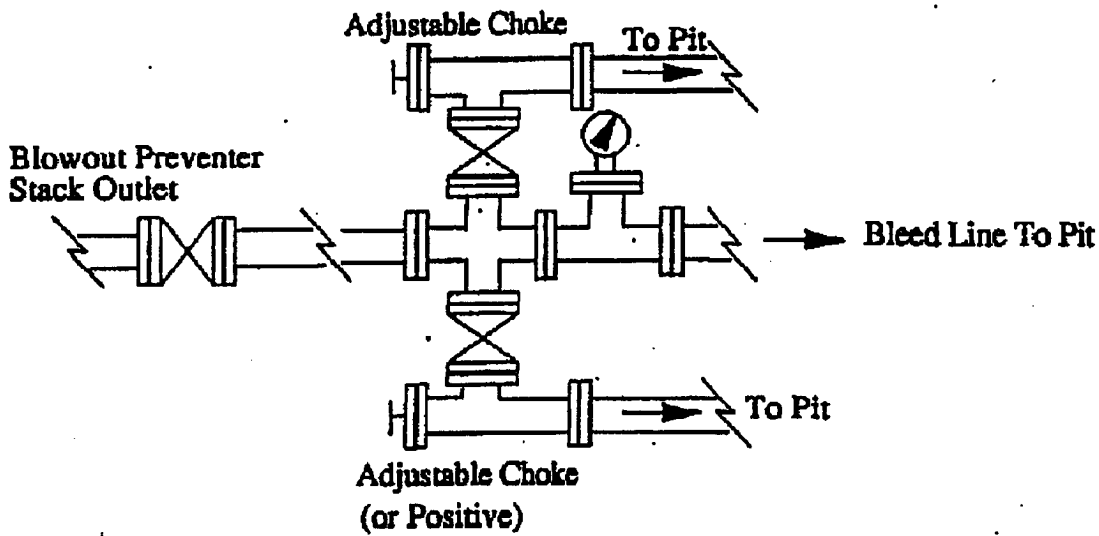
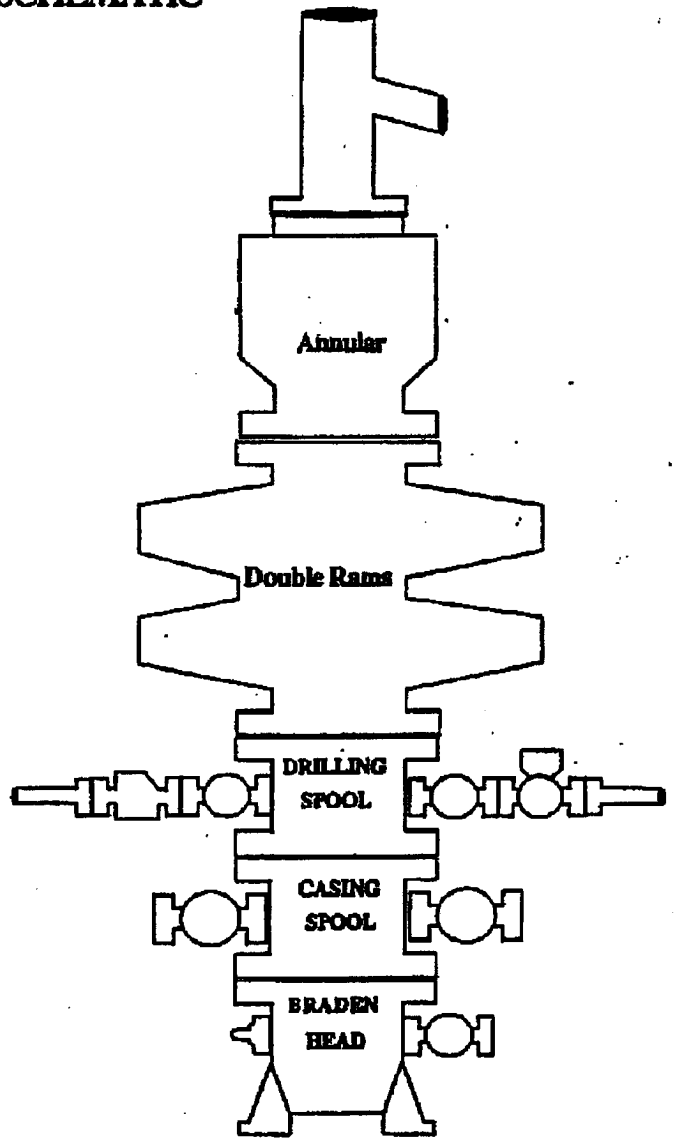
*Ronald J. Eidson*  
02.11.1037

Certificate No. RONALD J. EIDSON 3239  
GARY EIDSON 12841

# BOPE SCHEMATIC

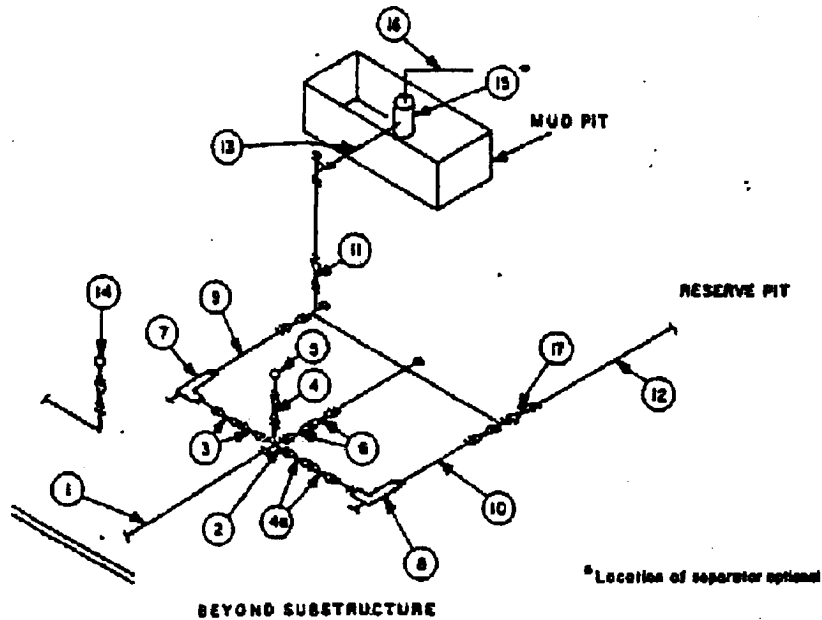


**Choke Manifold**



**MINIMUM CHOKE MANIFOLD**  
3,000, 5,000 and 10,000 PSI Working Pressure

3 MWP - 5 MWP - 10 MWP



MINIMUM REQUIREMENTS										
No.		3,000 MWP			5,000 MWP			10,000 MWP		
		I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING
1	Line from drilling spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3"x3"x3"x2"			3,000			5,000			
	Cross 3"x3"x3"x3"									10,000
3	Valves(1) Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
4	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	1-13/16"		3,000	1-13/16"		5,000	1-13/16"		10,000
4a	Valves(1)	2-1/16"		3,000	2-1/16"		5,000	3-1/8"		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
7	Adjustable Choke(3)	2"		3,000	2"		5,000	2"		10,000
8	Adjustable Choke	1"		3,000	1"		5,000	2"		10,000
9	Line		3"	3,000		3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000		3"	10,000
11	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
12	Lines		3"	1,000		3"	1,000		3"	2,000
13	Lines		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound standpipe pressure gauge			3,000			5,000			10,000
15	Gas Separator		2'x5'			2'x5'			2'x5'	
16	Line		4"	1,000		4"	1,000		4"	2,000
17	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000

(1) Only one required in Class 3M.

(2) Gate valves only shall be used for Class 10M.

(3) Remote operated hydraulic chokes required on 5,000 psi and 10,000 psi for drilling.

**EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS**

- All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
- All flanges shall be API 6B or 6BX and ring gaskets shall be API FX or BX. Use only BX for 10 MWP.
- All lines shall be securely anchored.
- Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
- Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
- Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make