

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 3032

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211-0227		OGRID Number 14049
		API Number 30-015-33756
Property Code 34436	Property Name AGAVE STATE	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	9	19S	28E	G	1980	N	1670	E	Eddy

Proposed Pools

MILLMAN;MORROW, SOUTH (GAS) 81365

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3539
Multiple N	Proposed Depth 12400	Formation Morrow	Contractor	Spud Date 12/07/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	350	0
Int1	12.25	9.625	36	3000	1050	0
Prod	8.75	5.5	17	12400	400	8400

Casing/Cement Program: Additional Comments

Drill 17 1/2 in. hole to 400 ft w/fresh water, cmt 13 3/8 in. csg, circ cmt; drill 12 1/4 in. hole to 3000 ft w/brine wtr, cmt 9 5/8 in. csg, circ cmt; drill 8 3/4 in. hole to 12400 ft w/cut brine wtr, cmt 5 1/2 in. csg, TOC 200 ft above all oil and gas bearing zones.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	Cameron
Double Ram	5000	5000	Cameron

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

Electronically Signed By: Diana Cannon

Title: Production Analyst

Date: 11/30/2004

Phone: 505-748-3303

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 12/04/2004

Expiration Date: 12/04/2005

Conditions of Approval:

There are conditions. See Attached.