

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 7337

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211-0227		OGRID Number 14049
		API Number 30-015-34067
Property Code 34757	Property Name SALADA VISTA STATE	Well No. 001

Surface Location

UL or Lot A	Section 36	Township 19S	Range 30E	Lot Idn A	Feet From 660	N/S Line N	Feet From 990	E/W Line E	County Eddy
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Proposed Pools

HACKBERRY;MORROW (GAS) 78000

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3423
Multiple N	Proposed Depth 12500	Formation Morrow	Contractor	Spud Date 04/01/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Prod	26	20	96	450	400	0
Int1	17.5	13.375	54	2100	750	0
Int2	12.25	8.625	32	4000	1000	0
Prod	7.875	5.5	17	12500	400	0

Casing/Cement Program: Additional Comments

We propose to drl 26 inch hole w/fresh wtr to 250 ft, run 20 inch 96 lb H-40 csg and set at 250 w/400 sx cmt, circ to surf, drl 17 1/2 inch hole w/brine wtr to 1900 ft, run 13 3/8 inch 54 lb J-55 csg and set at 1900 w/750 sx cmt, circ to surf, drl 12 1/4 inch hole to 4000 ft, run 8 5/8 inch 54 lb J-55 csg and set at 4000 w/1000 sx cmt, tie back in to 13 3/8 inch csg; drl 7 7/8 inch hole to 12500 ft w/cut brine wtr, run 5 1/2 inch 17 lb S95-P110 csg and set at TD w/400 sx cmt; TOC 200 above all oil and gas bearing zones.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
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: 02/24/2005

Phone: 505-748-3303

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 04/18/2005 Expiration Date: 04/18/2006

Conditions of Approval:
There are conditions. See Attached.