

State of New Mexico
Energy, Minerals and Natural Resources

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

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 30-015-34515
4. Property Code 35337	5. Property Name T H O STATE	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	34	17S	28E	E	2310	N	990	W	EDDY

8. Pool Information

ARTESIA,QUEEN-GRAYBURG-SAN ANDRES	3230
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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 3664
14. Multiple N	15. Proposed Depth 3500	16. Formation San Andres	17. Contractor	18. Spud Date 1/29/2006
Depth to Ground water 53	Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000	
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 3000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input checked="" 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	12.25	8.625	24	500	300	0
Prod	7.875	5.5	17	3500	600	0

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	Cameron

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCB guidelines <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 12/30/2005	Expiration Date: 12/30/2006
	Printed Name: Electronically filed by Diana Briggs	
	Title: Production Analyst	
Email Address: production@marbob.com		
Date: 12/30/2005	Phone: 505-748-3303	Conditions of Approval Attached

District IIDistrict IIIDistrict IV

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34515	2. Pool Code 3230	3. Pool Name ARTESIA;QUEEN-GRAYBURG-SAN ANDRES
4. Property Code 35337	5. Property Name T H O STATE	6. Well No. 001
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3664

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	34	17S	28E		2310	N	990	W	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
12. Dedicated Acres 40.00	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

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OPERATOR CERTIFICATION

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.

E-Signed By: Diana Briggs

Title: Production Analyst

Date: 12/30/2005

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.

Surveyed By: Gary Eidson

Date of Survey: 12/7/2005

Certificate Number: 12641

Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: T H O STATE #001

API: 30-015-34515

Created By	Comment	Comment Date
MARBOB4	Plan to Drill 12.25 inch hole to 500 with fresh water, set 8.625 inch csg, circ to surf; drill 7.875 hole with brine, set 5.5 inch csg, bring TOC 500 feet above all oil and gas bearing zones.	12/30/2005

Permit Conditions of Approval

Operator: MARBOB ENERGY CORP , 14049

Well: T H O STATE #001

API: 30-015-34515

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines