

**Santa Fe, NM 87505**

1. Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211		2. OGRID Number 14049
		3. API Number 30-015-35915
4. Property Code 36827	5. Property Name N B TWEEN STATE	6. Well No. 001

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	25	17S	28E	H	2310	N	990	E	EDDY

ARTESIA: GLORIETA-YESO (O)	96830
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3676
14. Multiple N	15. Proposed Depth	16. Formation Yeso Formation	17. Contractor	18. Spud Date 12/2/2007
Depth to Ground water 250		Distance from nearest fresh water well		Distance to nearest surface water
<b>Pit:</b> Liner: Synthetic <input type="checkbox"/> mils thick      Clay <input type="checkbox"/> Pit Volume:      bbls      Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	350	300	0
Prod	7.875	5.5	17	4500	650	0

We propose to drill 12 1/4 inch hole to 350 ft with fresh water, run 24 lb J-55 8 5/8 inch csg and set at 350 ft with 300 sx cmt, TOC 0; drill 7 7/8 inch hole to 4500 ft with brine water, run 17 lb J-55 5 1/2 inch csg and set at 4500 ft with 650 sx cmt, TOC 0

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

Conditions of Approval Attached

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**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**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 63635

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-35915	2. Pool Code 96830	3. Pool Name ARTESIA; GLORIETA-YESO (O)
4. Property Code 36827	5. Property Name N B TWEEN STATE	6. Well No. 001
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3676

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	25	17S	28E	H	2310	N	990	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
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**


**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: 11/2/2007

**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: Ronald Eidson  
 Date of Survey: 10/23/2007  
 Certificate Number: 3239

## Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: N B TWEEN STATE #001

API: 30-015-35915

Created By	Comment	Comment Date
MARBOB4	This is a closed mud loop system with fresh water pits.	11/1/2007
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.	11/1/2007

# Permit Conditions of Approval

Operator: MARBOB ENERGY CORP , 14049

Well: N B TWEEN STATE #001

API: 30-015-35915

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
BArrant	As noted, operator to drill surface hole w/fresh water mud.
BArrant	Operator to set surface casing above the Salado. Please refer to offset geology for more information.