State of New Mexico

Form C-101 Permit 76398

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

ATBICATIONTOR	ATTECATION FOR FEMALE TO DRIBE, RE-ENTER, DELFEN, FEODBACK, OR ADD A ZONE						
1.	Operator Name and Address	2. OGRID Number					
MA	MARBOB ENERGY CORP						
	PO Box 227 Artesia , NM 88211	3. API Number					
	Altesia, MW 00211	30-015-36393					
4. Property Code	5. Property Name	6. Well No.					
37229	HURL STATE COM	001					

7. Surface Location

UL	- Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	Α	16	18S	30E	Α	660	И	660	E	EDDY

8. Pool Information

SAND TANK; CHESTER 96573

Additional Well Information

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9. Work Type New Well	20033177	all Type AS	11. Cable/Rotary	r	12. Lease Type State	13. Ground Level Elevation 3467	
14. Moultiple N	15. Prop	osed Depth	16. Formatio Chester	n	17. Contractor	18. Spud Date 7/9/2008	
Depth to Groun 250	d water		Distance from neares	t fresh water well		Distance to nearest surface water	
Pit: Liner: Synthetic Closed Loop Syst	tem 🛮	mils thick	Clay Pit Volume:		ling Method: h Water Brine 1	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54	400	400	0
Int1	12.25	9.625	36	3400	750	0
Prod	7.875	5.5	17	11800	1100	

Casing/Cement Program: Additional Comments

We propose to drill 17 1/2 inch hole to 400 ft with fresh water, run 54 lb J-55 13 3/8 inch csg and set at 400 ft with 400 sx cmt, circ to surface; drl 12 1/4 inch hole to 3400 ft with brine water, run 36 lb J-55 9 5/8 inch csg and set at 3400 ft with 750 sx cmt, circ to surface; drl 7 7/8 inch hole to 11800 ft with cut brine water, run 5 1/2 inch 17 lb S95-P110 csg and set at 11800 ft with 1100 sx cmt, TOC 200' above all O & G bearing zones.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer	
DoubleRam	5000	5000	Cameron	

I hereby certify that the information given above is true and complete to the bes of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Tim Gum				
Printed Name: Electronically filed by Diana Briggs	Title: District Supervisor	8%			
Title: Production Analyst	Approved Date: 6/26/2008	Expiration Date: 6/26/2010			
Email Address: production@marbob.com					
Date: 6/9/2008 Phone: 505-748-3303	Conditions of Approval Attac	hed			

District I

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

<u>District II</u>

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 76398

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

	EDD DO CHILION ID HOLD	TOP DEDICATION TELL			
1. API Number	2. Pool Code	3. Pool Name	Pool Name		
30-015-36393	96573	SAND TANK; CHESTER			
4. Property Code	5. Property N	ame 6. Well No.			
37229	HURL STATE	COM 001			
7. OGRID No.	8. Operator Name 9. Elevation				
14049	MARBOB ENERGY CORP 3467				

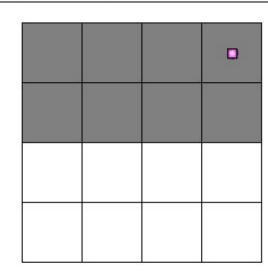
10. Surface Location

77.0 (1/10) 77.0 (
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Α	16	18S	30E	A	660	N	660	E	EDDY

11. Bottom Hole Location If Different From Surface

	ALI DOVINGHI AND MOVIMENT AT PARTY OF A TOTAL PROPERTY OF A TOTAL										
UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
10757475	cated Acres	13.	Joint or Intill		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: 6/9/2008

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: 5/27/2008 Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049 Well: HURL STATE COM #001

API: 30-015-36393

Created By	Comment	Comment Date
	We plan to complete this well in the Chester and do not anticipate cutting any formations during drilling that contain H2S gas. Therefore we do not believe an H2S contingency plan is necessary.	6/5/2008

Permit Conditions of Approval

Operator: MARBOB ENERGY CORP , 14049 Well: HURL STATE COM #001

30-015-36393 API:

OCD Reviewer	Condition
kmwilson	NOTE: New Pit Rule - 19.15.17