

1. Operator Name and Address MARBOB ENERGY CORP PO BOX 227 ARTESIA , NM 882110227		2. OGRID Number 14049
		3. API Number 30-015-37254
4. Property Code 37805	5. Property Name DOWN SOUTH STATE COM	6. Well No. 002

UL - Lot H	Section 19	Township 26S	Range 28E	Lot Idn H	Feet From 1980	N/S Line N	Feet From 330	E/W Line E	County EDDY
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HAY HOLLOW BONE SPRING	30215
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3046
14. Multiple N	15. Proposed Depth 6550	16. Formation Bone Spring	17. Contractor	18. Spud Date 9/21/2009
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mills thick      Clay <input type="checkbox"/> Pit Volume:      bbls      Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" 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	17.5	13.375	48	400	400	0
Int1	12.25	9.625	36	2300	600	0
Prod	7.875	5.5	17	10500	750	2000

Plan to drill 17 1/2 hole to 400' with fresh water, set 13 3/8 casing cement with 400 sk toc 0. Drill 12 1/4 hole to 2300 with Brine water, set 9 5/8 casing cement with 600 sk cement toc 0. Drill 7 7/8 pilot hole to 9400' with cut Brine run electric logs then plug back and drill Horizontal at TVD of 6550 to new BHL run 5 1/2 casing, cement with 750 sk cement TOC 2000

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

Date: 8/25/2009	Phone: 575-748-3303
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Approved Date: 9/2/2009	Expiration Date: 9/2/2011
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**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 101106

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-37254	2. Pool Code 30215	3. Pool Name HAY HOLLOW;BONE SPRING
4. Property Code 37805	5. Property Name DOWN SOUTH STATE COM	6. Well No. 002
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3046

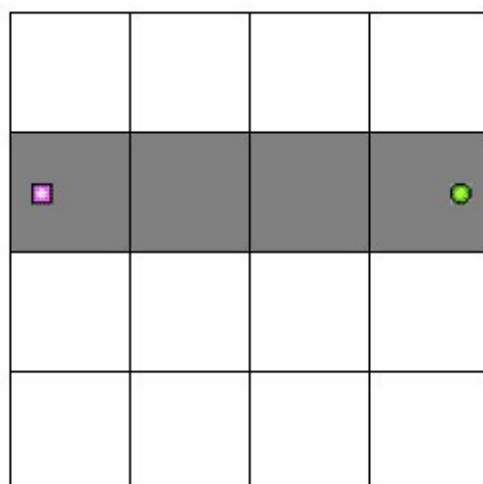
**10. Surface Location**

UL - Lot H	Section 19	Township 26S	Range 28E	Lot Idn	Feet From 1980	N/S Line N	Feet From 330	E/W Line E	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot E	Section 19	Township 26S	Range 28E	Lot Idn 2	Feet From 1980	N/S Line N	Feet From 330	E/W Line W	County EDDY
12. Dedicated Acres 160.06		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 Manager

Date: 8/25/2009

**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 J. Eidson

Date of Survey: 8/4/2009

Certificate Number: 3239

## Permit Comments

**Operator:** MARBOB ENERGY CORP , 14049

**Well:** DOWN SOUTH STATE COM #002

**API:** 30-015-37254

Created By	Comment	Comment Date
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.	8/21/2009