State of New Mexico

Form C-101 Permit 102301

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

MARBOB	Name and Address ENERGY CORP	2. OGRID Number 14049	
PO BOX 227		3. API Number	
ARTESIA , NM 882110227		30-015-37300	
4. Property Code	5. Property Name	6. Wett No.	
37851	BACON STATE	001	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	7	25S	30E	A	380	N	330	E	EDDY

8. Pool Information

WC;BONE SPRING	96053
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Additional Well Information

9. Work Type	10. Wett Type	11. Cable/Rotary	12. Lesse Type	13. Ground Level Elevation		
New Well	OIL		State	3181		
14. Multiple	15. Proposed Depth	16. Formation	17. Contractor	18. Spud Date		
N	7785	1st Bone Spring Sa		10/15/2009		
Depth to Ground	water	Distance from nearest fre	sh water well	Distance to nearest surface water		
Pit: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air		

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	675	500	0
Int1	11	8.625	24	3425	700	0
Prod	7.875	5.5	17	10000	700	3200

Casing/Cement Program: Additional Comments

17 1/2" HOLE TO 675' WITH FRESH WATER WITH 13 3/8 J-55 CASING AND 11" HOLE TO 3425' WITH BRINE WITH 8 5/8 J-55 CASING 7 7/8 HOLE TO 10000' WITH CUT BRINE AND RUN 5 1/2 N80 CASING

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	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	OIL CONSERVATION DIVISION				
NMOCD guidelines, a general permit, or an (attached) alternative OCD-approved plan.	Approved By: Jacqueta Reeves				
Printed Name: Electronically filed by Diana Briggs	Title: District Geologist				
Title: Production Manager	Approved Date: 10/2/2009 Expiration Date: 10/2/2011				
Email Address: production@marbob.com	[17]				
Date: 9/18/2009 Phone: 575-748-3303					

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

Form C-102 Permit 102301

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 30-015-37300	2. Pool Code 96053	3. Pool Name WC;BONE SPRING		
4. Property Code 37851	5. Property Nan BACON STA			
7. OGRID No. 14049	8. Operator Nan MARBOB ENERG			

10. Surface Location

Š	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	A	7	25S	30E	1.	380	N	330	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
В	7	25S	30E	В	380	N	2310	E	EDDY
	cated Acres	13. J	oint 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 Manager

Date: 9/18/2009

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: 8/26/2009 Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049 Well: BACON STATE #001

API: 30-015-37300

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.	9/18/2009