State of New Mexico

Form C-101 Permit 106152

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

MARBO	or Name and Address B ENERGY CORP	2. OGRID Number 14049	
Control of the Contro	O BOX 227 A , NM 882110227	3. API Number 30-015-37424	
4. Property Code 37898	5. Property Name SRO STATE UNIT COM	6. Well No. 105H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	16	26S	28E	A	660	N	330	E	EDDY

8. Pool Information

WC BONE SPRING 0

Additional Well Information

9. Work Type New Well	Wax and	10. Well Type 11. Cable/Rotary OIL		12. Lesse Type State	13. Ground Level Elevation 3036
14. Multiple N			16. Formation 17. Contra Bone Spring		18. Spud Date 12/27/2009
Depth to Groun	d water		Distance from nearest	fresh water well	Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syst	em	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	48	325	325	0
Int1	12.25	9.625	36	2400	800	0
Prod	7.875	5.5	17	11500	900	2200

Casing/Cement Program: Additional Comments

DRILL 17 1/2" HOLE TO 325' WITH FRESH WATER RUN 13 3/8 48# H-40 CASING AND CEMENT TO SURFACE. DRILL 12 1/4" HOLE TO 2400' WITH BRINE RUN 9 5/8 36# J-55 AND CEMENT TO SURFACE. DRILL 7 7/8" HOLE TO 9300 WITH CUT BRINE, RUN ELECTRIC LOGS, PLUG BACK AND DRILL TO NEW BHL @ TVD OF 6700' RUN 5 1/2 17# N-80 AND CEMENT TO 2000'

Proposed Blowout Prevention Program

Γ	Type	Working Pressure	Test Pressure	Manufacturer	٦
T	DoubleRam	3000	3000	CAMERON	

I hereby certify that the information giv of my knowledge and belief. I further certify that the drilling pit	ven above is true and complete to the best	OIL CONSERVATION DIVISION			
NMOCD guidelines , a general pe OCD-approved plan .	rmit , or an (attached) alternative	Approved By: Jacqueta Reeves			
Printed Name: Electronically file	ed by Diana Briggs	Title: District Geologist			
Title: Production Manager		Approved Date: 12/15/2009	Expiration Date: 12/15/2011		
Email Address: production@ma	rbob.com				
Date: 12/3/2009	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

<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

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-37424	2. Pool Code	3. Pool Name WC BONE SPRING	
4. Property Code	5. Property Nam		6. Well No.
37898	SRO STATE UNIT		105H
7. OGRID No.	8. Operator Nan		9. Elevation
14049	MARBOB ENERG		3036

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	16	26S	28E		660	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
D	16	26S	28E	D	660	N	330	W	EDDY
7.1.11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	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

Form C-102

Permit 106152

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: 12/3/2009

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: 11/19/2009 Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049 Well: SRO STATE UNIT COM #105H

API: 30-015-37424

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.	12/3/2009