State of New Mexico

Form C-101 Permit 107295

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

	or Name and Address B ENERGY CORP	2. OGRID Number 14049	
PO BOX 227		3. API Number	
ARTESIA , NM 882110227		30-015-37547	
4. Property Code	5. Property Name	6. Weti No.	
38011	CLUSTER STATE COM	001H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	16	26S	27E	D	380	N	330	W	EDDY

8. Pool Information

WELCH:BONE SPRING 64

Additional Well Information

9. Work Type	10. Well Type	11. Cable/Rotary	12. Lesse Type	13. Ground Level Elevation	
New Well	OIL		State	3285	
14. Multiple	15. Proposed Dept	h 16. Formation			
N	10775	Bone Spring			
Depth to Ground	water	Distance from nearest fresh	water well	Distance to nearest surface water	
Pit: Liner: Synthetic Closed Loop Syste	mils thi	ck 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	250	250	0
Int1	12.25	9.625	36	2100	500	0
Prod	7.875	5.5	17	10775	900	1900

Casing/Cement Program: Additional Comments

Plan to drill 17 1/2" hole to 250' w/ fresh water, set 13 3/8" 48# H-40 casing and cement to surface. Drill 12 1/4 inch hole to 2100' with brine and set 9 5/8 inch 36# J-55 casing and cement to surface. Drill 7 7/8" pilot hole to 9200' with cut brine, run electric logs then plug back and drill to new BHL (TVD 6300)

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: 2/3/2010	Expiration Date: 2/3/2012		
Email Address: production@marbob.com	177			
Date: 1/14/2010 Phone: 575-748-3303				

District I

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

District I

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 107295

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	2. Pool Code		3. Pool Name
30-015-37547	64010	WELCH;BONE SPRING	
4. Property Code	5. Property N	ame	6. Well No.
38011	CLUSTER STATE COM		001H
7. OGRID No.	8. Operator N	ame	9. Elevation
14049	MARBOB ENER	GY CORP	3285

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	16	26S	27E	1.	380	N	330	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section 16	Township 26S	Range 27E	Lot Idn A	Feet From 380	N/S Line N	Feet From 330	E/W Line F.	County
12. Dedi	cated Acres	1000000	oint or Infill		. 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: 1/14/2010

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: 1/4/2010 Certificate Number: 3239

Permit Comments

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

API: 30-015-37547

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.	12/30/2009