State of New Mexico

Form C-101 Permit 108134

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	
PO BOX 227 ARTESIA , NM 882110227		3. API Number 30-015-37549	
4. Property Code 5. Property Name 38013 BILLY GRAHAM STATE		6. Wett No. 001H	

7. Surface Location

UL - La	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	1	26S	28E	M	380	S	200	W	EDDY

8. Pool Information

Wildcat Bone Spring 0

Additional Well Information

9. Work Type	10. Wett Type	11. Cable/Rotary	12. Lesse Type	13. Ground Level Elevation	
New Well	OIL		State	2941	
14. Multiple	15. Proposed Depth	16. Formation	17. Contractor	18. Spud Date	
N	11400	Bone Spring		2/18/2010	
Depth to Ground	water	Distance from nearest fre	esh 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	48	300	300	0
Int1	12.25	9.625	36	2500	600	0
Prod	7.875	5.5	17	11500	900	2500

Casing/Cement Program: Additional Comments

DRILL 17 1/2" HOLE TO 300' WITH FRESH WATER, RUN 13 3/8 48# H-40 CASING AND CEMENT TO SUFACE TO SURFACE. DRILL 12 1/4" HOLE TO 2500' WITH BRINE, RUN 9 5/8" 36# J-55 AND CEMENT TO SURFACE. DRILL 7 7/8" PILOT HOLE TO 9600', RUN ELECTRIC LOGS THEN PLUG BACK AND DRILL TO NEW BHL WITH CUT BRINE, RUN 17# N-80 CASING AND CEMENT TO 2500'. MEASURED DEPTH 11500', TVD 6800'.

Proposed Blowout Prevention Program

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

I hereby certify that the information give of my knowledge and belief. I further certify that the drilling pit	en above is true and complete to the best	OIL CONSERVATION DIVISION			
NMOCD guidelines , a general per OCD-approved plan .		Approved By: Jacqueta Ree	ves		
Printed Name: Electronically file	d by Diana Briggs	Title: District Geologist			
Title: Production Manager		Approved Date: 2/3/2010	Expiration Date: 2/3/2012		
Email Address: production@mai	bob.com				
Date: 1/18/2010	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 108134

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 30-015-37549	2. Pool Code	3. Pool Name Wildcat Bone Spring			
4. Property Code 38013	5. Property Nar BILLY GRAHAM				
7. OGRID No. 14049	8. Operator Nar MARBOB ENERG				

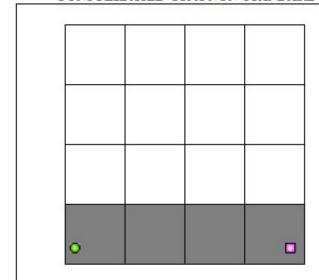
10. Surface Location

1 - NAV - 10 - 10	(a) 4 (b)	07/200 - 1000 - 00	77237	- Co Co Co Co Co Co Co Co	1220	2 (12 to \$160 N)	120 No.	02/25/25/25	G- 52
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
2.6	1	26S	28E		380	c	200	111	EDDV
M	1	205	28E		380	2	200	W	EDD1

11. Bottom Hole Location If Different From Surface

UL - Lot	Section 1	Township 26S	Range 28E	Lot Idn P	Feet From 380	N/S Line S	Feet From 330	E/W Line E	County EDDY
V	cated Acres 0.00	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



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: 1/18/2010

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 J. EIDSON

Date of Survey: 1/8/2010 Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049 Well: BILLY GRAHAM STATE #001H

API: 30-015-37549

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.	1/18/2010