

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MARBOB ENERGY CORP PO BOX 227 ARTESIA , NM 882110227		2. OGRID Number 14049
		3. API Number 30-015-37597
4. Property Code 36827	5. Property Name N B TWEEN STATE	6. Well No. 014

7. Surface Location

UL - Lot B	Section 25	Township 17S	Range 28E	Lot Idn B	Feet From 990	N/S Line N	Feet From 2160	E/W Line E	County EDDY
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8. Pool Information

ARTESIA: GLORIETA-YESO (O)	96830
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3684
14. Multiple N	15. Proposed Depth	16. Formation Yeso Formation	17. Contractor	18. Spud Date 3/3/2010
Depth to Ground water 250		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	350	300	0
Prod	7.875	5.5	17	5600	750	0

Casing/Cement Program: Additional Comments

We propose to drill 12 1/4 inch hole to 350 ft with fresh water, run 24 lb J-55 8 5/8 inch csg and set at 350 ft with 300 sx cmt, TOC 0; drl 7 7/8 inch hole to 5600 ft with brine water, run 17 lb J-55 5 1/2 inch csg and set at 5600 ft with 750 sx cmt, TOC 0

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 NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Diana Briggs		Approved By: Jacqueta Reeves	
Title: Production Manager		Title: District Geologist	
Email Address: production@marbob.com		Approved Date: 2/18/2010 Expiration Date: 2/18/2012	
Date: 2/3/2010 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
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 108878

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-37597	2. Pool Code 96830	3. Pool Name ARTESIA; GLORIETA-YESO (O)
4. Property Code 36827	5. Property Name N B TWEEN STATE	6. Well No. 014
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3684

10. Surface Location

UL - Lot B	Section 25	Township 17S	Range 28E	Lot Idn	Feet From 990	N/S Line N	Feet From 2160	E/W Line E	County EDDY
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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
12. Dedicated Acres 40.00	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: 2/3/2010

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: 1/26/2010
 Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: N B TWEEN STATE #014

API: 30-015-37597

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.	2/3/2010