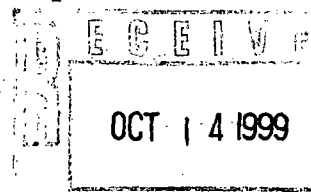


New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131



SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE

District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

APPLICATION FOR NEW WELL STATUS CONSERVATION DIVISION

I. Operator and Well

Operator name & address MARBOB ENERGY CORPORATION P.O. BOX 227 ARTESIA, NM 88210							OGRID Number 14049	
Contact Party ROBIN COCKRUM							Phone 505-748-3303	
Property Name MONCRIEF STATE					Well Number 2	API Number 30-015-30744		
UL L	Section 23	Township 17S	Range 28E	Feet From The 2310	North/South Line SOUTH	Feet From The 531	East/West Line WEST	County EDDY

II. Date/Time Information

Spud Date 9/8/99	Spud Time 9:30 A.M.	Date Completed 9/30/99	Pool RED LAKE QUEEN GRBG SA
---------------------	------------------------	---------------------------	--------------------------------

- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
- IV. Attach a list of all working interest owners with their percentage interests.
- V. AFFIDAVIT:

State of NEW MEXICO)
ss.
County of EDDY)

ROBIN COCKRUM being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature Robin Cockrum Title PRODUCTION ANALYST Date 10/11/99

SUBSCRIBED AND SWORN TO before me this 11th day of October, 1999



CAIRENE D. SMITH
NOTARY PUBLIC
STATE OF NEW MEXICO

Cairene D. Smith
Notary Public

My Commission Expires: 9-13-01

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Blum</u>	Title <u>P.E. Spec.</u>	Date <u>NOV 30 1999</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 11/30/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PV12V2007040432

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30-015-30744

Indicate Type of Lease

STATE ☒

FEE ☐

State Oil & Gas Lease No.
V-220

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

Lease Name or Unit Agreement Name

MONCRIEF STATE

Type of Well:

OIL
WELL ☒

GAS
WELL ☐

OTHER

Name of Operator
MARBOB ENERGY CORPORATION

Well No.
2

Address of Operator
P.O. BOX 227, ARTESIA, NM 88210

Pool name or Wildcat
RED LAKE QUEEN GRBG SA

Well Location

Unit Letter L : 2310 Feet From The SOUTH Line and 531 Feet From The WEST Line

Section 23 Township 17S Range 28E NMPM EDDY County

Elevation (Show whether DF, RKB, RT, GR, etc.)
3593'

11

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ANBANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: SPUD, CMT CSG ☒

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

SPUD WELL @ 9:30 A.M. 9/8/99. DRLD 12 1/4" HOLE TO 540'. RAN 13 JTS 8 5/8" 24# J-55 CSG TO 532', CMTD W/300 SX, PLUG DOWN @ 9:10 A.M. 9/9/99, CIRC 15 SX TO SURF. WOC 18 HRS, TSTD CSG TO 600# FOR 20 MINUTES - HELD OK.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Robin Cockrum

TITLE ROBIN COCKRUM

DATE 09-10-99

TYPE OR PRINT NAME ROBIN COCKRUM

TELEPHONE NO. 748-3303

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

- Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-30744
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-220

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		7. Lease Name or Unit Agreement Name MONCRIEF STATE	
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____			
2. Name of Operator MARBOB ENERGY CORPORATION		8. Well No. 2	
3. Address of Operator P.O. BOX 227, ARTESIA, NM 88210		9. Pool name or Wildcat RED LAKE QUEEN GRBG SA	
4. Well Location Unit Letter <u>L</u> : <u>2310</u> Feet From The <u>SOUTH</u> Line and <u>531</u> Feet From The <u>WEST</u> Line Section <u>23</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>EDDY</u> County			
10. Date Spudded 09/08/99	11. Date T.D. Reached 09/17/99	12. Date Compl. (Ready to Prod.) 09/30/99	13. Elevations (DF & RKB, RT, GR, etc.) 3593' GR
14. Elev. Casinghead			
15. Total Depth 4025'	16. Plug Back T.D. 4000'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools <input checked="" type="checkbox"/> Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 3444-3728' SAN ANDRES			20. Was Directional Survey Made No
21. Type Electric and Other Logs Run DLL, CSNG			22. Was Well Cored No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	532'	12 1/4"	300 SX	CIRC 15 SX
5 1/2"	17#	4012'	7 7/8"	775 SX	CIRC TRACE

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	3401'	

26. Perforation record (interval, size, and number) 3444-3728' 17 SHOTS	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	3444-3728'	ACD W/2000 ALS 15% NEFE ACID

28. PRODUCTION							
Date First Production 10/02/99		Production Method (Flowing, gas lift, pumping - Size and type pump) PUMPING				Well Status (Prod. or Shut-in) PROD	
Date of Test 10/04/99	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - BbL. 18	Gas - MCF 54	Water - BbL. 1023	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - BbL.	Gas - MCF	Water - BbL.	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD	Test Witnessed By SHANE GRAY
--------------------------------------------------------------------	---------------------------------

30. List Attachments LOGS, DEVIATION SURVEY

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Robin Cockrum Printed Name ROBIN COCKRUM Title PRODUCTION ANALYST Date 10/11/99

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____ 1472'	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 2012'	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____ 3422'	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from to
No. 2, from to
No. 3, from to
No. 4, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from	....	.....	.....	.....	to	...	.....	.....	.....	.....	feet	.....	.....	.....	.....
No. 2, from	....	.....	.....	.....	to	...	.....	.....	.....	.....	feet	.....	.....	.....	.....
No. 3, from	....	.....	.....	.....	to	...	.....	.....	.....	.....	feet	.....	.....	.....	.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

SEP 23 1999

WELL NAME AND NUMBER Moncrief State No. 2
 LOCATION NW/4, SW/4, Section 23, T17S, R28E, Eddy County NM
 OPERATOR Marbob Energy Corporation
 DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/4° 540'</u>	<u> </u>	<u> </u>
<u>1/4° 997'</u>	<u> </u>	<u> </u>
<u>1/2° 1498'</u>	<u> </u>	<u> </u>
<u>1/2° 1994'</u>	<u> </u>	<u> </u>
<u>1/4° 2521'</u>	<u> </u>	<u> </u>
<u>1/2° 3018'</u>	<u> </u>	<u> </u>
<u>1/4° 3516'</u>	<u> </u>	<u> </u>
<u>1/2° 4025'</u>	<u> </u>	<u> </u>

Drilling Contractor United Drilling, Inc.

By: Dwight A. Aho

Title: Business Manager

Subscribed and sworn to before me this 20th day of September, 1999.

Karina Tarkenton
 Notary Public

My Commission Expires: 9-25-2003

Chaves NM
 County State

MARBOB ENERGY CORPORATION
MONCRIEF STATE #2
2310 FSL 531 FWL, SEC. 23-T17S-R28E
30-015-30744

<u>Working Interest Owner</u>	<u>Percentage Interests</u>
Marbob Energy Corporation P.O. Box 227 Artesia, NM 88210	65.00%
Pitch Energy Corporation P.O. Box 304 Artesia, NM 88210	34.00%
Raye P. Miller Oil & Gas 2308 Sierra Vista Artesia, NM 88210	1.00%
	<hr/>
	100.00%