

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

REVISION / Amendment of

SWD-1085

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date
e-mail Address			

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? Yes No

II. OPERATOR: MARBOB ENERGY CORPORATION

ADDRESS: P O BOX 227, ARTESIA, NM 88211-0227

CONTACT PARTY: Brian Collins PHONE: 505-748-3303

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? Yes No
If yes, give the Division order number authorizing the project: SWD-1085

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

- Proposed average and maximum daily rate and volume of fluids to be injected;
- Whether the system is open or closed;
- Proposed average and maximum injection pressure;
- Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
- If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

SWD-1085-A

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Brian Collins TITLE: Engineer

SIGNATURE: *Brian Collins* DATE: 08/14/07

E-MAIL ADDRESS: engineering@marbob.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

C-108 Application for Authorization to Inject
South Malaga I-2-25-28 SWD Well No. 1
(Formerly Yates Petroleum Corporation Hoss BHK State #1)
1980' FSL 660' FEL
I-2-25S-28E, Eddy County

Marbob Energy Corporation proposes to re-enter the captioned well and convert it to salt water disposal service into the Delaware and Upper Bone Spring Sands. We are applying for approval to enlarge the injection interval from 2677-3958' (Administrative Order SWD-1085) to 2677-6484'.

- V. Map is attached.
- VI. Wellbore schematics are attached for all the wells that penetrate the proposed injection zone within the 1/2 mile radius area of review.
- VII.
 - 1. Proposed average daily injection rate = 1000 BWPD
Proposed maximum daily injection rate = 3000 BWPD
 - 2. Closed system
 - 3. Proposed maximum injection pressure = 535 psi
(0.2 psi/ft. x 2677 ft.)
 - 4. Source of injected water will be Delaware Sand produced water. The Delaware produced water is the same as the Delaware water in the receiving formation. There is an active Bone Spring SWD well taking Delaware produced water about a mile west of the proposed SWD (State MA-1, H-3-25S-28E). No compatibility problems are expected. An analysis of Delaware water from an analogous field is attached.
 - 5. Disposal zone formation water is essentially the same as the injection water.
- VIII. The injection zone is the Delaware and Upper Bone Spring Sandstone, a fine-grained sandstone from 2677' to 6484'. Any underground water sources will be shallower than 550'.
- IX. The injection interval will be acidized with approximately 20 gals/ft. of 7 1/2% HCl acid. If necessary, the injection interval may be fraced with up to 300,000 lbs. of 16/30 mesh sand.
- X. Well logs have been filed with the Division.
- XI. There is a windmill located NE/4NE/4, Sec. 3, T25S-R28E about a mile northwest of the proposed SWD well. The water analysis is attached.
- XII. After examining the available geologic and engineering data, no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Proof of Notice is attached.

OPERATOR: Marbob Energy Corp

WELL NAME & NUMBER: South Malaga I-2-25-28 SWD (Formerly Hess BHK St. #1 30-015-28002)

WELL LOCATION: 1980' FSL 660' FEL UNIT LETTER: I SECTION: 2 TOWNSHIP: 25s RANGE: 28e

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2" Casing Size: 13 7/8" @ 550'

Cemented with: 425 sx. or - ft³

Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: 12 1/4" Casing Size: 8 5/8" @ 2561'

Cemented with: 1375 sx. or - ft³

Top of Cement: Surface Method Determined: Circulated

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2" @ 6600'

Cemented with: 835 sx. or - ft³

Top of Cement: Surface Method Determined: Circulated

Total Depth: 6600'

Injection Interval

2677 feet to 6484

(Perforated or Open Hole; indicate which)

Before & After Schematics Attached

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: Duoline 20 or IPC
 Type of Packer: IRK nickel plated or stainless steel double grip retrievable
 Packer Setting Depth: 2625' ±
 Other Type of Tubing/Casing Seal (if applicable): N/A

Additional Data

1. Is this a new well drilled for injection? Yes No

If no, for what purpose was the well originally drilled? oil & gas

2. Name of the Injection Formation: Delaware Sand
 3. Name of Field or Pool (if applicable): San Lorenzo

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 6106-84, C18P + 35' cement @ 6370',

6216-29' C18P + 35' cement @ 6170', 4226-5918', C18P + 25' cement @ 4576', 30' cement @ 2322-2629', 30' cement @ 322-594', 20' cement @ 0-60

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Overlying: None
 Underlying: Delaware 4500'-6000' ±, Coni Spring 6000'-8000' ±
Atoka 11700-12300' ±

WELL NAME: Hoss BHK State No. 1 FIELD: San Lorenzo

LOCATION: 1,980' FSL & 660' FEL Sec 2-25S-28E Eddy County, NM

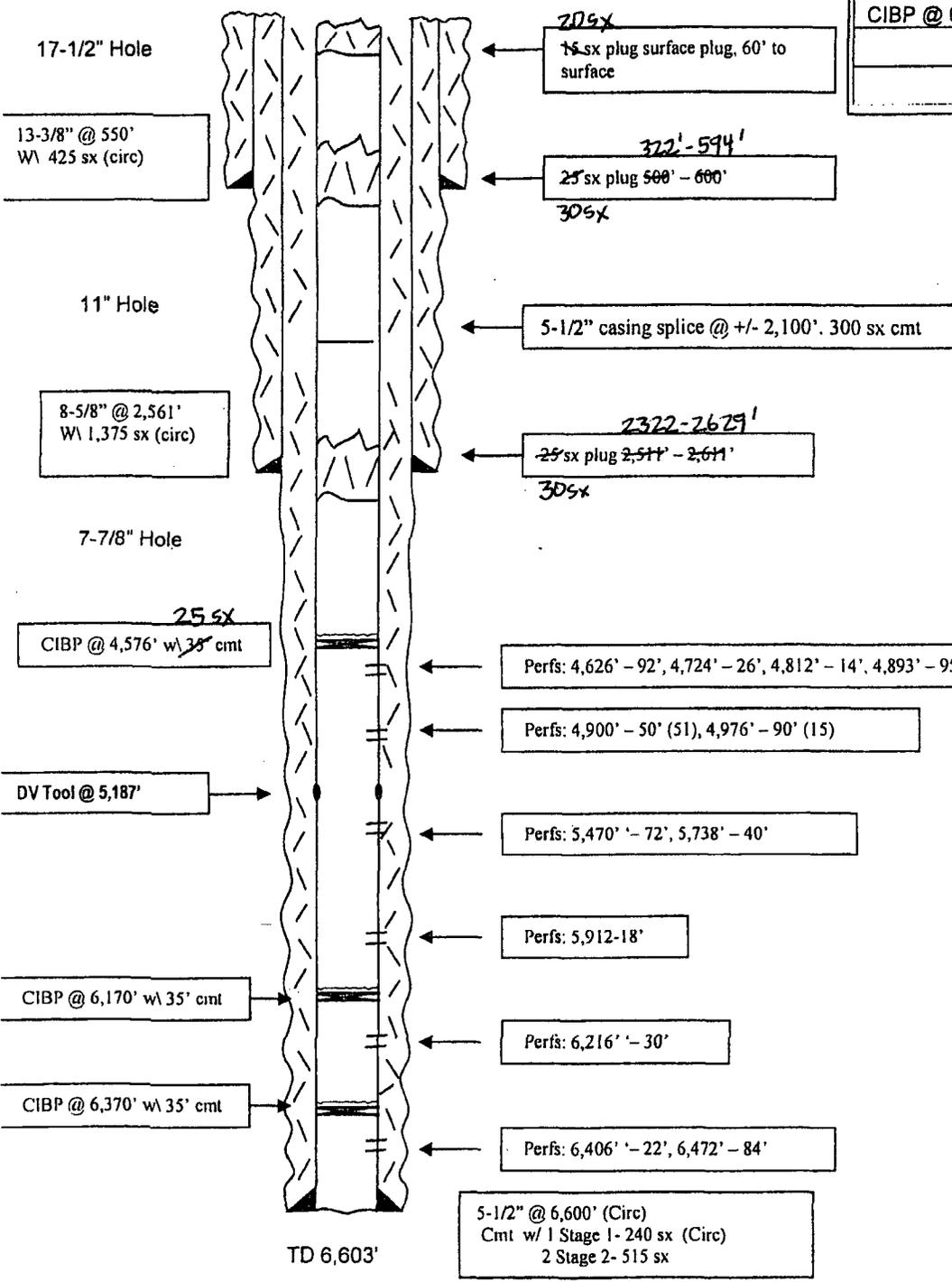
GL: 2,946' ZERO: KB: 2,958'

SPUD DATE: 11-21-94 COMPLETION DATE: 12-09-94

COMMENTS: API #30-015-28002
P & A 6/17/98 (Formerly Conadero Hoss St. #1)

CASING PROGRAM

13-3/8" 48# H40 ST&C	550'
8-5/8" 24 & 32# J55 ST&C	2,561'
5-1/2" 17# J55 LT&C	6,600'
CIBP @ 6,170' w/35' cmt	
CIBP @ 6,370' w/35' cmt	



BEFORE

Formation tops	
Lamar	: 2615'
Bell Canyon	: 2670'
Cherry Canyon	: 3554'
Brushy Canyon	: 4831'
Bone Springs	: 6320'

Not to Scale
 1/24/07
 MFH

South Malaga I-2-25-28 SWD

1980' FSL, 660' FEL

I-2-25s-28e

Eddy, NM

P&A: 4/98, 4/07

600 SHEETS FULLER SQUARE
 50 SHEETS EYE-GLASS SQUARE
 100 SHEETS EYE-GLASS SQUARE
 200 SHEETS EYE-GLASS SQUARE
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Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

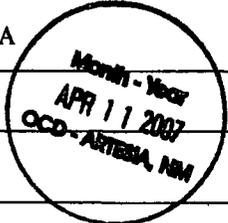
State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004



OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-28002
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5919
7. Lease Name or Unit Agreement Name Hoss BHK State
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Willow Lake; Delaware, Southwest



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.)

1. Type of Well: Oil Well Gas Well Other P&A

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
 Unit Letter I : 1980 feet from the South line and 660 feet from the East line
 Section 2 Township 25S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
2946'GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/2/07 - Set a CIBP at 4576'. Tagged CIBP. Circulated mud. Spotted 25 sx cement on top of CIBP. Spotted 30 sx cement at 2629'. WOC.
 4/3/07 - Tagged at 2322'. Spotted 30 sx cement at 594'. WOC. Tagged at 322'. Circulated 20 sx cement 60' to surface. Cut off wellhead. Installed dry hole marker. **WELL IS PLUGGED AND ABANDONED. FINAL REPORT.**

**Plugging of the well bore.
 Liability under bond is retained
 until surface restoration,
 environmental remediation and
 final inspection is completed.**

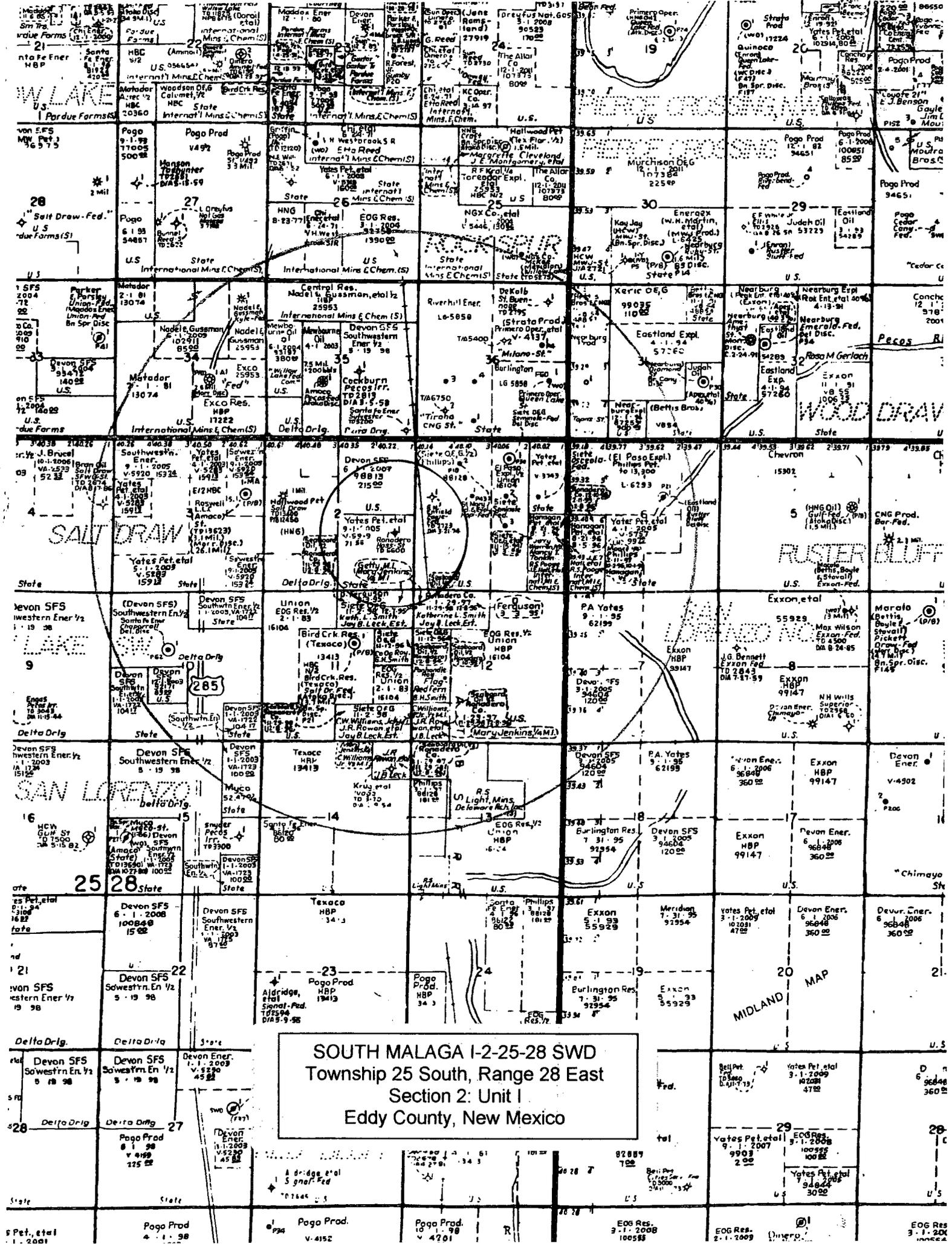
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE April 10, 2007
 Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only
 APPROVED BY: Gary Guye TITLE Deputy Field Inspector DATE APR 11 2007
 Conditions of Approval (if any): District II - Artesia

V.

MAP



SOUTH MALAGA I-2-25-28 SWD
Township 25 South, Range 28 East
Section 2: Unit I
Eddy County, New Mexico

5 Pet. et al 1. 2001 Pogo Prod 4. 1. 98 Pogo Prod. v. 4152 Pogo Prod. 10. 1. 98 Pogo Prod. v. 4201 EOG Res. 3. 1. 2008 100588 EOG Res. 2. 1. 2009 EOG Res. 3. 1. 2008 100588 EOG Res. 3. 1. 2008 100588

VI.

**Wells Within 1/2
Mile Area of
Review That
Penetrate
Proposed
Disposal Zone**

EnField Eagle Federal No. 1

1980' FML, 660' FWL

E-1-25s-28e

Eddy County



11" hole

6 3/4" hole

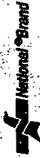
8 5/8" / 24 e 209'
125 "C" + 115 "C" with 1" (circ)

Within Area of Review

Elev: 2944' GL

MBCollins / 11 Sept 03

500 SHEETS FILLER 5 SQUARE
50 SHEETS EYE CASE 5 SQUARE
100 SHEETS EYE CASE 5 SQUARE
200 SHEETS EYE CASE 5 SQUARE
400 SHEETS EYE CASE 5 SQUARE
200 RECYCLED WHITE 5 SQUARE
Made in U.S.A.



VII.

WATER ANALYSIS

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT

No. W45-93

TO Hanagan Petroleum

Date February 7, 1993

P. O. Box 1737

Roswell, NM 88201

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Submitted by _____ Date Rec. _____

Well No. Gehrig #2 Depth 5050' Formation Delaware

Field Brushy Draw 9-26s-29e County Eddy Source Produced Water

Resistivity052

Specific Gravity .. 1.1856

pH 7.0

Calcium 24,250

Magnesium 9,000

Chlorides 170,000

Sulfates 250

Bicarbonates 350

Soluble Iron + 500

Water Analysis Representative of Produced Delaware Water to be Injected and of Delaware Water in the Proposed Injection Interval

Remarks:

Art Carrasco
Respectfully submitted

Analyst: Art Carrasco - Technical Advisor

HALLIBURTON SERVICES

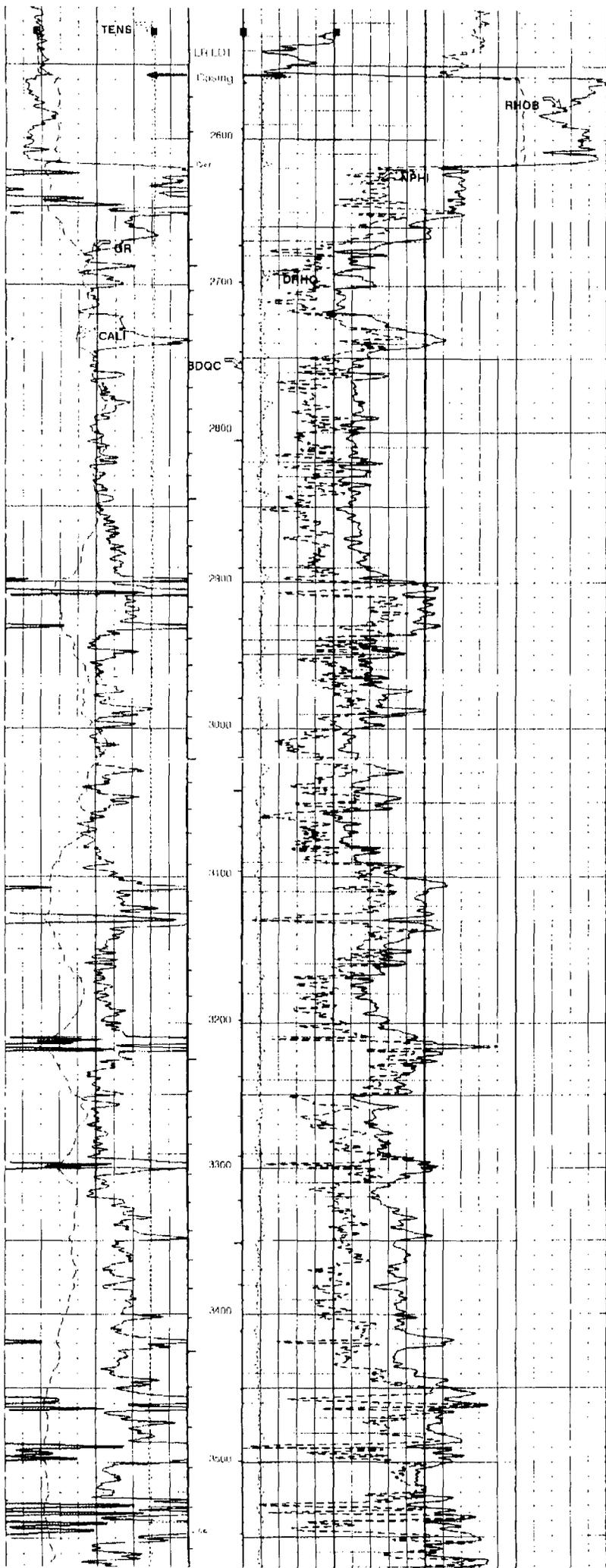
NOTICE:

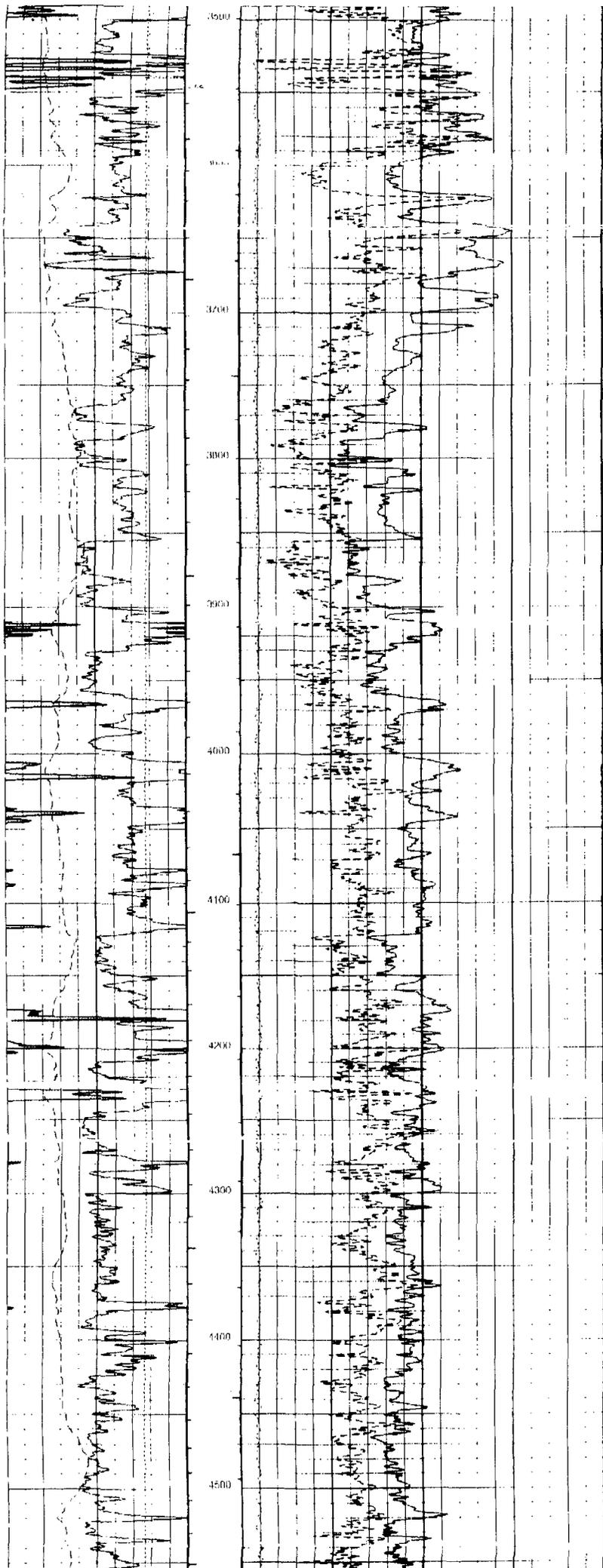
This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, resulting from the use hereof

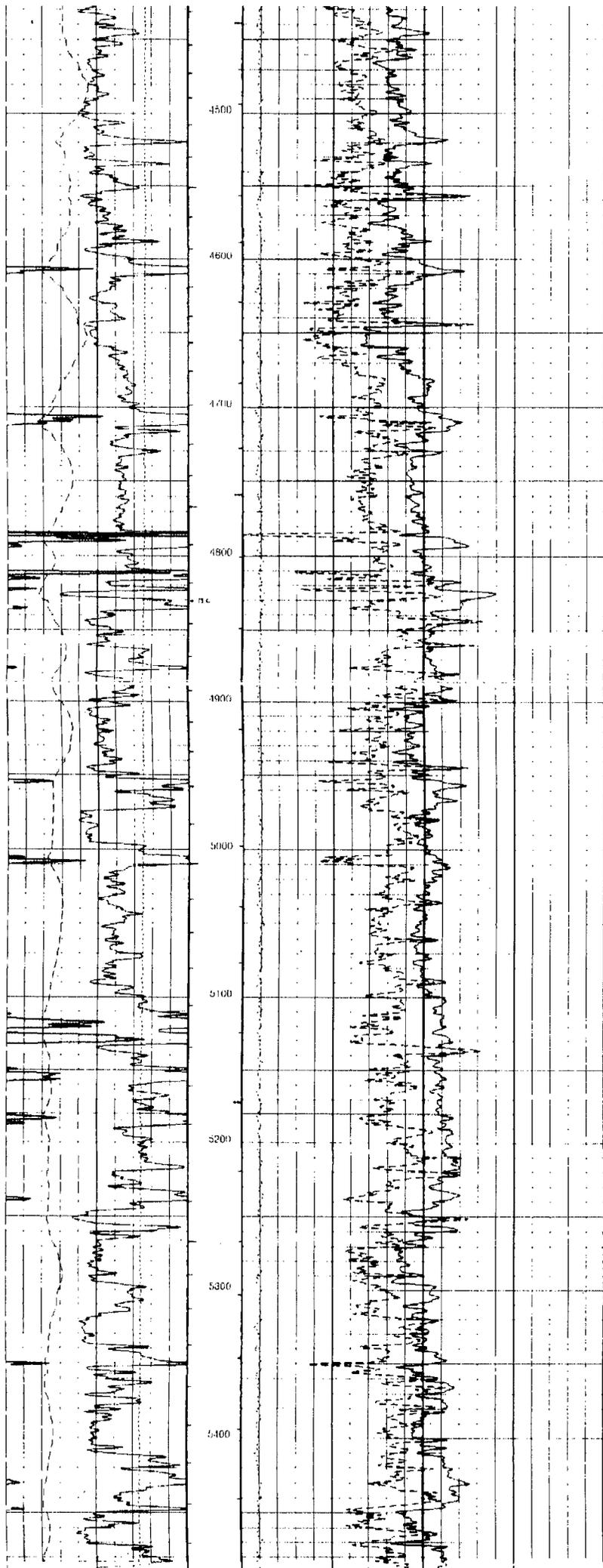
X.

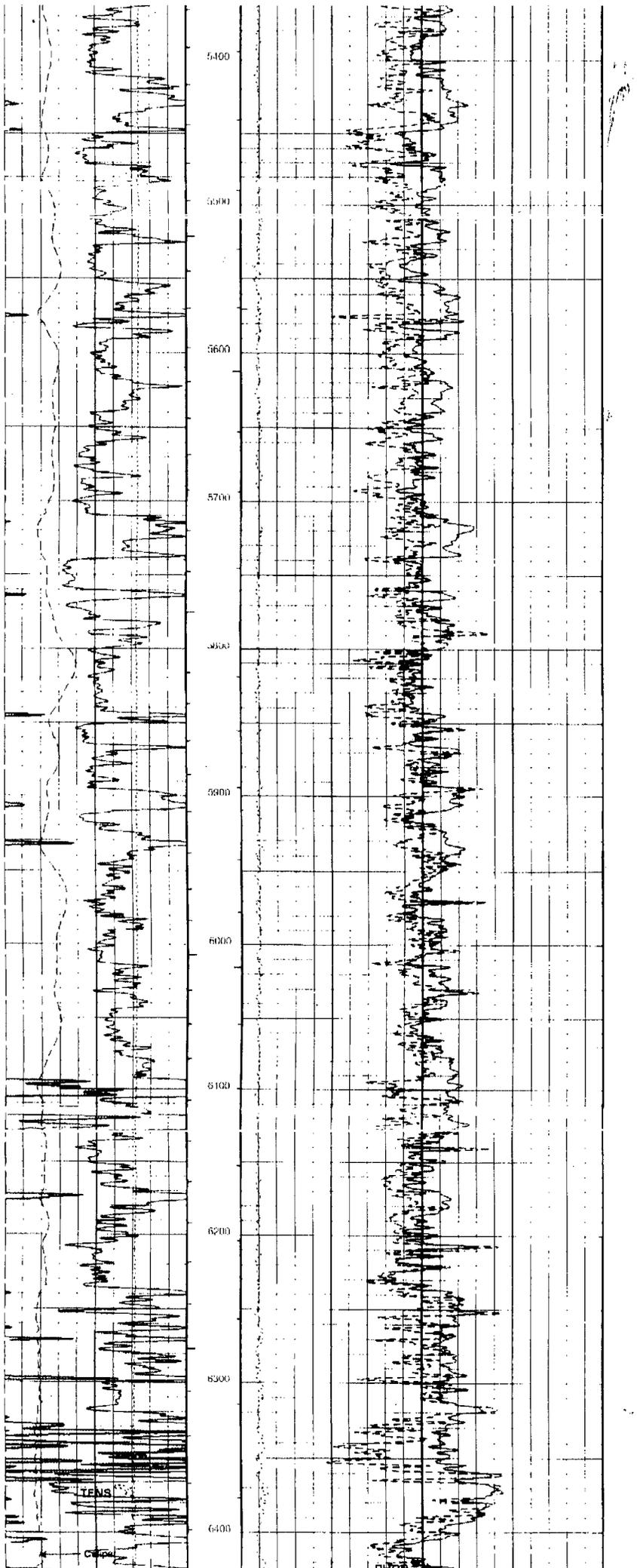
**NEUTRON
DENSITY LOG**

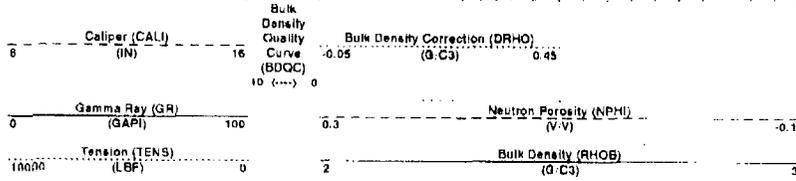
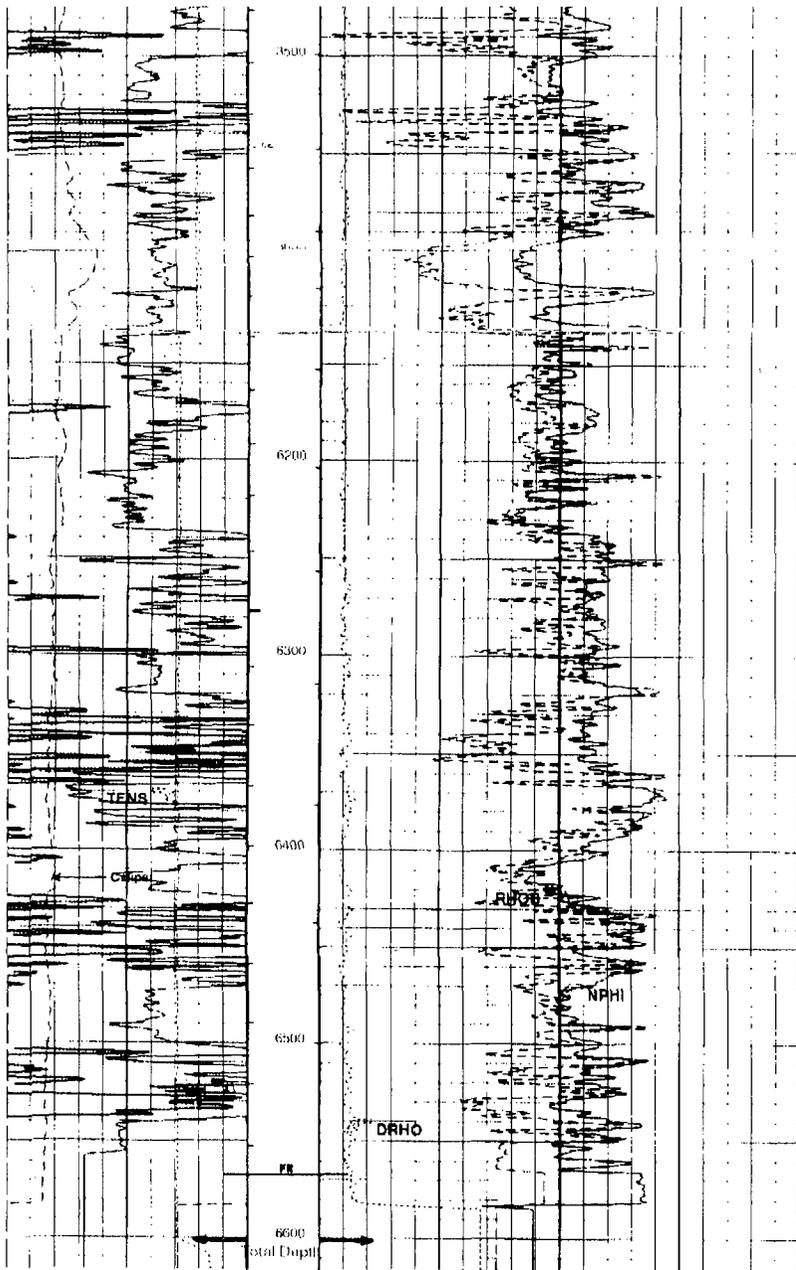
**Across Proposed
Disposal Interval**











PIP SUMMARY
 Integrated Hole Volume Minor Pip Every 10 F3
 Integrated Hole Volume Major Pip Every 100 F3
 Integrated Cement Volume Minor Pip Every 10 F3
 Integrated Cement Volume Major Pip Every 100 F3

Time Mark Every 60 S

Parameters		
DLIS Name	Description	Value
BFM	Borehole Fluid Medium	LIQUID
BHS	Bore Hole Status	OPEN
BS	Bit Size	7.875 IN
DHC	Density Hole Correction	BS
DPPM	Density Porosity Processing Mode	HIRS
FD	Fluid Density	1.1 G/C3
QCSE	Generalized Caliper Selection	CALI
MATR	Rock Matrix Type	LIMESTONE
MDEN	Matrix Density	2.71 G/C3
WMUD	Mud Weight	6.3 LB/G

Format: Density_2ln Vertical Scale: 2" per 100' Graphics File Created: 6-DEC-1994 20:00

OP System Version: 7C0-428
MBM

Output DLIS Files				
DEFAULT	DSTE .007	FN 8	FIELD	6-DEC-1994 20:00

Output DLIS Files				
DEFAULT	DSTE .007	FN 8	FIELD	6-DEC-1994 20:00

XI.

FRESH WATER WELL ANALYSIS

**Windmill NE/4NE/4
Sec. 3**

HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY
 WATER ANALYSIS REPORT
 HOBBS, NEW MEXICO

COMPANY Marbob

REPORT W03-189
 DATE September 10, 2003
 DISTRICT Hobbs

SUBMITTED BY Fresh Water Analyses 25s-28e

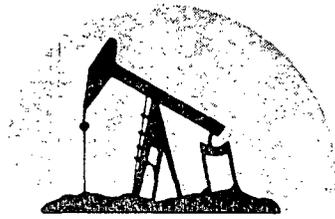
WELL	DEPTH	FORMATION		
COUNTY	FIELD	SOURCE		
<u>Eddy</u>				
<u>Windmill NE1/4 Sec.3</u>	<u>Windmill NE1/4 SE1/4 Sec.4</u>			
<u>St. MA-1 SWD</u>	<u>SE SWE Well</u>			
SAMPLE				
Sample Temp.	<u>78</u> °F	<u>78</u> °F		
RESISTIVITY	<u>3.34</u>	<u>2.99</u>		
SPECIFIC GR.	<u>1.001</u>	<u>1.001</u>		
pH	<u>7.71</u>	<u>7.42</u>		
CALCIUM	<u>900</u> mpl	<u>1,250</u> mpl		
MAGNESIUM	<u>540</u> mpl	<u>135</u> mpl		
CHLORIDE	<u>90</u> mpl	<u>473</u> mpl		
SULFATES	<u>light</u> mpl	<u>light</u> mpl		
BICARBONATES	<u>92</u> mpl	<u>61</u> mpl		
SOLUBLE IRON	<u>0</u> mpl	<u>0</u> mpl		
KCL				
Sodium			<u>0</u> mpl	<u>0</u> mpl
TDS			<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F

REMARKS

MPL = Milligrams per liter
 Resistivity measured in: Ohm/m2/m

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ANALYST: Mike Armstrong



marbob
energy corporation

August 14, 2007

Evelyn Cooksey
Cooksey Ranch
P. O. Box 91
Orla, TX 79970-0091

Re: Application to Inject
South Malaga I-2-25-28 SWD No. 1
Township 25 South, Range 28 East, NMPM
Section 2: 1980 FSL 660 FEL, Unit I
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to expand the injection interval in the referenced well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

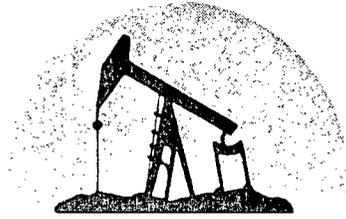
Please do not hesitate to contact us should you have any questions.

Sincerely,



Brian Collins
Petroleum Engineer

BC/dlw
enclosure



marbob
energy corporation

August 14, 2007

NM State Land Office
Oil, Gas & Mineral Division
P. O. Box 1158
Santa Fe, NM 87504-1148

Re: Application to Inject
South Malaga I-2-25-28 SWD No. 1
Township 25 South, Range 28 East, NMPM
Section 2: 1980 FSL 660 FEL, Unit I
Eddy County, New Mexico

Ladies and Gentlemen:

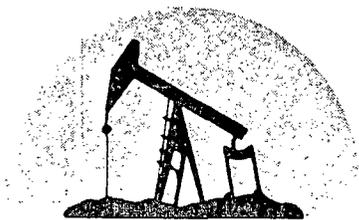
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Sincerely,

Brian Collins
Petroleum Engineer

BC/dlw
enclosure



marbob
energy corporation

August 14, 2007

Vernon E. Faulconer, Inc.
P. O. Box 7995
Tyler, TX 75711

Re: Application to Inject
South Malaga I-2-25-28 SWD No. 1
Township 25 South, Range 28 East, NMPM
Section 2: 1980 FSL 660 FEL, Unit I
Eddy County, New Mexico

Ladies and Gentlemen:

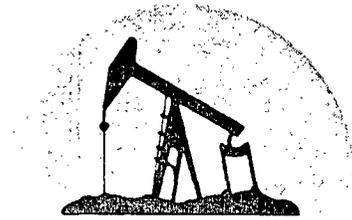
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Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins
Petroleum Engineer

BC/dlw
enclosure



marbob
energy corporation

August 14, 2007

St. Mary Land & Exploration
1776 Lincoln St., Ste. 1100
Denver, CO 80203-0180

Re: Application to Inject
South Malaga I-2-25-28 SWD No. 1
Township 25 South, Range 28 East, NMPM
Section 2: 1980 FSL 660 FEL, Unit I
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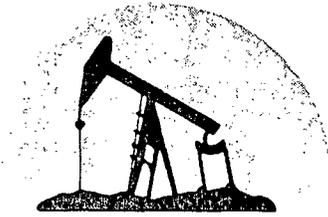
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Please do not hesitate to contact us should you have any questions.

Sincerely,

Brian Collins
Petroleum Engineer

BC/dlw
enclosure



marbob
energy corporation

August 14, 2007

Artesia Daily Press
P. O. Box 190
Artesia, NM 88211-0190

Re: Legal Notice
Water Disposal Well

Gentlemen:

Enclosed is a legal notice regarding New Mexico Oil Conservation Division C-108 Application for Authorization to Inject for a water injection well.

Please run this notice and return the proof of notice to the undersigned at Marbob Energy Corporation, P. O. Box 227, Artesia, NM 88211-0227.

Sincerely,

Brian Collins
Petroleum Engineer

BC/dlw

enclosure

ARTESIA DAILY PRESS
LEGAL NOTICES

Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico, 88211-0227, has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to expand the injection interval from 2677-3958' to 2677-6484' for a salt water disposal well. The proposed well, the South Malaga I-2-25-28 SWD (formerly the Hoss BHK State No. 1) is located 1980' FSL and 660' FEL, Section 2, Township 25 South, Range 28 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware formation. The disposal water will be injected into the Delaware and Bone Spring formations at a depth of 2677' - 6484' at a maximum surface pressure of 535 psi and a maximum rate of 3000 BWPD. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico 88211-0227, or call 505-748-3303.

Published in the Artesia Daily Press, Artesia, New Mexico
_____, 2007.

PLACE STICKER ON TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE. **CERTIFIED MAIL**

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7004 0550 0000 7457 8790

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Total Postage & Fees	\$

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 SANTA FE NM 87504-1148
 DW S. Malaga

PS Form 3800, June 2002 See Reverse for Instructions

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Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

Sent to
 Street or P.O. Box
 City, State, ZIP+4
 VERNON E FAULCONER INC
 P O BOX 7995
 TYLER TX 75711
 DW S. Malaga

PS Form 3800, June 2002 See Reverse for Instructions

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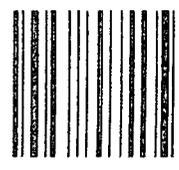
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Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

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 City, State, ZIP+4
 ST MARY LAND & EXPLORATION
 1776 LINCOLN ST STE 1100
 DENVER CO 80203-0180
 DW S. Malaga

PS Form 3800, June 2002 See Reverse for Instructions

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7004 0550 []

PS Form 3800, June 2002 See Reverse for Instructions
 PS Form 3800, June 2002 See Reverse for Instructions
 DW S. Malaga
 EVELYN COOKSEY
 COOKSEY RANCH
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(Endorsement Required) Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

RMV