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
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Marbob Energy	OGRID Number 14049	
PO Box 227 Artesia, NM 8	API Number 30-15-32900	
Property Code 29595	Property Name TDF STATE	Well No.

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	2	18S	27E		1650	N	2305	W	Eddy
}L		L	L	L	1	L		Lamana	Lamana

Proposed Pools

RED LAKE; GLORIETA YESO, NORTHEAST 96836

Work Type New Well	Well Type Oil	Cable/Rotary	Lease Type State	Ground Level Elevation 3571
Multiple N	Proposed Depth 4000	Formation Yeso Formation	Contractor	Spud Date 8/1/2003

Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	350	350	0
Prod	7.875	5.5	17	4000	750	0

Casing/Cement Program: Additional Comments

Surface casing - circulate Production casing - will bring TOC 500 above all oil and gas bearing zones

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer	
Double Ram	2000	2000	Cameron	

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

Electronically Signed By: Diana Cannon

Title: Production Analyst

Date: 7/21/2003

Phone: 505-748-3303

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 7/24/2003 Expiration Date: 7/24/2004

Conditions of Approval: There are conditions. See Attached.

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> Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-15-32900	Pool Name RED LAKE; GLORIETA YESO, NORTHEAST	Pool Code 96836
Property Code 29595	Property Name TDF STATE	Well No. 002
OGRID No. 14049	Operator Name Marbob Energy Corporation	Elevation 3571

Surface And Bottom Hole Location

UL or Lot F	Section 2	Township 18S	Range 27E	Lot Idn	Feet From 1650	N/S Line N	Feet From 2305	E/W Line W	County Eddy
Dedicate	ed Acres	Joint or	Infill	Consoli	dation Code		Order 1	No.	0.0000

OPERATOR CERTIFICATION

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

Electronically Signed By: Diana Cannon

Title: Production Analyst

Date: 7/21/2003

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.

Electronically Signed By: Ronald Eidson

Date of Survey: 7/15/2003 Certificate Number: 3239 Print Conditions Page 1 of 1

APD Conditions Of Approval

Operator: 14049 Marbob Energy Corporation

Well: TDF STATE 002

OCD Reviewer	Condition	Charles de la constitución
BARRANT	Operator to notify OCD if plans are to deviate from projected plans of circulating cemnet on production string.	



July 24, 2003

Oil Conservation Division 1301 W. Grand Ave. Artesia, NM 88210

Attention: Bryan Arrant

Re: TDF State #2

1650' FNL & 2305' FWL, Unit F

Section 2, T18S, R27E Eddy County, New Mexico

Dear Bryan:

In reviewing the requirement of an H2S contingency plan on the above referenced well we have determined the following: The nearest paved road is approximately one-half mile away from the proposed location. The ROE is determined to be far less than the one-half mile distance to the paved road, therefore we do not believe that a contingency plan is necessary.

If you have questions or need further information, please call.

Sincerely,

Melanie J. Parker Land Department

/mp