

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 25 2009

FORM APPROVED
OMB NO. 1004-0135
Expires July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS** **OCD Artesia**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1 Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other INJECTION		5 Lease Serial No NMNM101108
2 Name of Operator MARBOB ENERGY CORPORATION E-Mail: geology@marbob.com		6 If Indian, Allottee or Tribe Name
3a Address P O BOX 227 ARTESIA, NM 88211-0227		7 If Unit or CA/Agreement, Name and/or No.
3b. Phone No (include area code) Ph: 575-748-3303		8 Well Name and No. WEST BRUSHY 5 FEDERAL SWD 5
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 5 T26S R29E SESE 800FSL 850FEL		9. API Well No. 30-015-31869
		10. Field and Pool, or Exploratory BRUSHY DRAW (DELAWARE)
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Marbob respectfully requests an exception to the requirement to use a third party service company to perform the pressure testing on the BOP and CIT as required in the Drilling--Reentry Pressure Control stipulations attached to the approved APD (page 13 of 17 on West Brushy 5 Fed 5 and page 11 of 18 on West Brushy 8 Fed 1).

We will have a reverse unit on location with a triplex pump capable of producing at least 3500 psi pump pressure and ask that we be able to use this pump to do the pressure testing. We would have a pressure chart recorder to record the low and high pressure tests and would notify you 4 hours in advance to have someone witness the test.

This well is cased to surface, the Delaware is subnormally pressured (requires artificial lift to produce fluid to surface), the Delaware is sweet and we're using a simple double ram workover BOP

SEE ATTACHED FOR**CONDITIONS OF APPROVAL**

14 I hereby certify that the foregoing is true and correct. Electronic Submission #73145 verified by the BLM Well Information System For MARBOB ENERGY CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 08/13/2009 ()			
Name (Printed/Typed) DEBBIE WILBOURN	Title AUTHORIZED REPRESENTATIVE		
Signature (Electronic Submission)	Date 08/12/2009		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved By _____	Title _____	Date _____	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____	Date _____	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make or cause to be made any statement or representation to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #73145 that would not fit on the form

32. Additional remarks, continued

for our reentry operations. For these reasons, we believe BOP/CIT testing with the reverse unit pump, chart recorder and witness are more than adequate for demonstrating the pressure integrity of the BOP equipment and casing.

Marbob also requests on the CIT that we skip the low pressure test and just do the 900 psi test since there is so little difference between a 300 psi CIT and a 900 psi CIT. CIT tests are normally done at the highest test pressure since leakage is most likely to occur at the highest induced pressure.

We would perform the initial BOP test at 300 psi and 2000 psi as requested in the APD.

**West Brushy 5 Federal SWD 5
30-015-31869
Marbob Energy Corporation
August 22, 2009
Conditions of Approval**

- 1. Approved to use the reverse unit triplex pump for the BOP test and CIT test, but must meet requirements in Onshore Order 2.III.2.i. Clear liquid required, cloudy liquid will require shutting down and cleaning system prior to continuing.**
- 2. Each component in simple double ram workover BOP to be tested.**
- 3. Low pressure test to be done first.**
- 4. A copy of the BOP/BOPE test chart will be submitted to the appropriate BLM office in addition to any documentation received onsite by the BLM Petroleum Engineering Technician.**
- 5. There is no requirement in the APD to do a low pressure CIT.**

WWI 082209

CM7 :
OG6C101

ONGARD
C101-APPLICATION FOR PERMIT TO DRILL

09/04/09 14:55:38
OGOJVR -TQAH

OGRID Idn : 778 API Well No: 30 15 31869 APD Status(A/C/P): A
Opr Name, Addr: BP AMERICA PRODUCTION COMPANY Aprvl/Cncl Date : 07-29-2009
PO BOX 22048
TULSA,OK 74121

Prop Idn: 29384 WEST BRUSHY 5 FEDERAL Well No: 5

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn : P	5	26S	29E				FTG 800 F S	FTG 850 F E
OCD U/L : P		API	County	15				

Work typ(N/E/D/P/A) : E Well typ(O/G/M/I/S/W/C): S Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 2881

State Lease No: NM 101108 Multiple Comp (S/M/C) : S
Prpsd Depth : 6050 Prpsd Frmtn : SWD (DELAWARE)

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

OCD-ARTESIA

RTS-09-363
E#-09-662

RM

Form 3160-3
(February 2005)

AUG - 3 2009

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work <input type="checkbox"/> DRILL <input checked="" type="checkbox"/> REENTER		5 Lease Serial No. NMNM101108
1b. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6 If Indian, Allottee or Tribe Name
2 Name of Operator Marbob Energy Corporation		7 If Unit or CA Agreement, Name and No
3a Address P.O. Box 227, Artesia, NM 88211-0228	3b Phone No. (include area code) 575-748-3303	8 Lease Name and Well No. West Brushy 5 Federal #5 SWD
4 Location of Well (Report location clearly and in accordance with any State requirements.) At surface 800' FSL & 850' FEL At proposed prod zone		9 API Well No. 30-015-31869
14 Distance in miles and direction from nearest town or post office*		10 Field and Pool, or Exploratory Brushy Draw (Delaware) <961007
15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drig unit line, if any) 800'		11 Sec, T R M or Blk and Survey or Area Section 5, T26S - R29E
16 No of acres in lease 400.00	17 Spacing Unit dedicated to this well 40	12 County or Parish Eddy County
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft	19 Proposed Depth 6050'	13 State NM
20 BLM/BIA Bond No. on file NMB000412	21 Elevations (Show whether DF, KDB, RT, GL, etc.) 2881' 6L operator	22 Approximate date work will start* 05/15/2009
23 Estimated duration 3 Weeks	24 Attachments	

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form

- | | |
|--|---|
| 1 Well plat certified by a registered surveyor | 4 Bond to cover the operations unless covered by an existing bond on file (see Item 20 above) |
| 2 A Drilling Plan | 5 Operator certification |
| 3 A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office) | 6 Such other site specific information and/or plans as may be required by the BLM. |

25 Signature <i>Nancy T. Agnew</i>	Name (Printed/Typed) Nancy T. Agnew	Date 03/31/2009
Title Land Department		

Approved by (Signature) <i>/s/ Don Peterson</i>	Name (Printed/Typed)	Date JUL 29 2009
Title FOR FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 USC Section 1001 and Title 43 USC Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

*(Instructions on page 2)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached

Carlsbad Controlled Water Basin