District I 1625 N French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410

State of New Mexico Energy Minerals and Natural Resolutions

June 16, 2008

Oil Conservation Division JUL 12 2010 appropriate District Office

1220 South St. Francis Dr. ☐ AMENDED REPORT Santa Fe, NM 87505 NMOCD ARTESIA District IV 1220 S St Francis Dr., Santa Fe, NM 87505 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE Operator Name and Address OGRID Number Marbob Energy Corporation PO Box 227 14049 API Number Artesia, NM 88211-0227 30 - 015 - 24477Well No Property Code Property Name NG Phillips State 032 6530 10 Proposed Pool 2 9 Proposed Pool 1 Glorieta Surface Location Feet from the North/South line UL or lot no Range Lot Idn Feet from the East/West line County Section Township 28E 440 South 979 Eddy 17S Fast р 27 ⁸ Proposed Bottom Hole Location If Different From Surface Feet from the North/South line Feet from the Lot Idn East/West line County UL or lot no Section Township Additional Well Information 3 Cable/Rotary 15 Ground Level Elevation Work Type Code 12 Well Type Code 14 Lease Type Code 3666' GL R Α 20 Spud Date 16 Multiple 17 Proposed Depth 18 Formation 19 Contractor 5/24/83 3749 San Andres ²¹ Proposed Casing and Cement Program Sacks of Cement Estimated TOC Hole Size Casing Size Casing weight/foot Setting Depth 0 12/1/4" 8 5/8 24# 547 350 sx 7 7/8" 5 ½" 17# 3749 0 1050 sx

²² Describe the proposed program If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone ad proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary Marbob Energy Corporation proposes to perforate, acidize & test the Glorieta zone as follows Glorieta 3502' - 3565' (10 shots) ***Any zone to be abandoned will be done with a CIBP + 35' cmt setwithin 50 - 100' of the top perforation Marginally producing zones will be downhole commingled with NMOCD approval A pkr/RBP, pkr/CBP and/or pkr/CIBP combination will be used when testing each zone.*** ²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief OIL CONSERVATION DIVISION Signatul Approved by Diana J Briggs Title. Printed name

Title Production Manager Approval Date xpiration Date. E-mail Address dbriggs@marbob com Date 7/9/10 Phone (575) 748-3303 Conditions of Approval Attached

District 1				State of New Mexico								Form C-102				
1625 N. French Dr., Hobbs, NM 88240				Energy Minerals & Natural Resources Department								Revised October 15,2009				
<u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210				OIL CONSERVATION DIVISIONE CEIVI									E Subr	nit one c	opy to appropriate	
District III				1000 G 11 G D . D											District Office	
1000 Rio Brazos Rd., Aztec, NM 87410				Santa Fe, NM 87505							JU	JUL 12 2010 AMENDED REPORT				
<u>District IV</u> 1220 S. St. Francis Dr.,	505								IMOCD ARTESIA							
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¹ API Number				² Pool Code					³ Pool Name							
30-015-24477									Glorieta							
⁴ Property Code				⁵ Property Name									⁶ Well Number			
6530				NG Phillips State									32			
⁷ OGRID No.				9 Operator Name										3666' GL		
14049				Marbob Energy Corporation 10 Surface Location										•	5000 GL	
UL or lot no. Se	L or lot no. Section		in I	Range	Lot Idn		Suria Feet from th				Foot	from the	East/We	et line	County	
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<u> </u>					l httom	Ho	le Locatio	n I	f Different I	Fror	n Su	rface	<u> </u>			
UL or lot no. Se	ection	Townsh	nip	Range	Lot I	_	Feet from th		North/South lin			from the	East/West line		County	
12 Dedicated Acres 40	³ Joint o	r Infill	¹⁴ Con:	solidation	Code	¹⁵ Or	der No.			4			1			
No allowable will division.	be ass	igned to	this	comple	tion ur	ntil al	I interests h	ave	been consolida	ated	or a n					
16											,	I hereby certif to the best of a owns a workn the proposed location pursi interest, or to	fy that the inform my knowledge at ng interest or uni- bottom hole locc uant to a contrac a voluntary poo ore entered by th	nation contain ad belief, and leased minera- ation or has a at with an own ling agreemen e division	TIFICATION ned herem is true and complete that this organization either il interest in the land including right to drill this well at this ner of such a mineral or working int or a compulsory pooling 7/9/10 Date duction Manager	
												I hereby c plat was p made by n same is tri Date of Sur	ertify that th blotted from ne or under ue and corre	ne well loc field note. my superv ect to the l 4/26/83	TIFICATION vation shown on this s of actual surveys vision, and that the best of my belief	

REFER TO ORIGINAL PLAT

John W West 676

Certificate Number