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 CISP BLM SELd

APPLICATION FOR PERMIT TO DRILL

Marbob Energy	Operator Name and Address Marbob Energy Corporation PO Box 227 Artesia, NM 88211-0227			
PO Box 227				
Property Code 25375	Property Name D STATE	Well No. 016		

Surface Location									
UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
М	25	17S	28E		430	S	330	W	Eddy

Proposed Pools

ARTESIA; GLORIETA-YESO (O) 96830

Work Type	Well Type	Cable/Rotary	Lease Type	Ground Level Elevation
New Well	Oil		State	3664
Multiple	Proposed Depth	Formation	Contractor	Spud Date
N	4700	Yeso Formation		3/12/2003

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	500	300	0
Prod	7.875	5.5	17	4700	600	0

Casing/Cement Program: Additional Comments

Drill to 500 ft., run & cement 8 5/8 in. csg, reduce hole & drill to 4700 ft., run & cement 5 1/2 in. csg, put well on production. Est TOC on the 5 1/2 in. csg will be sufficient to cover 200 ft. above all known water bearing oil & gas horizons.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Cameron

I hereby certify that the information given above is true	OIL CONSERVATION DIVISION Electronically Approved By: Bryan Arrant		
and complete to the best of my knowledge and belief.			
Electronically Signed By: Diana Cannon	Title: Geologist		
Title: Production Analyst	Approval Date: 10/23/2002	Expiration Date: 10/23/2003	
Date: 10/22/2002 Phone: 505-748-3303	Conditions of Approval: There are conditions. See Attached.		

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name	Pool Code
30-15-32491	ARTESIA; GLORIETA-YESO (O)	96830
Property Code	Property Name	Well No.
25375	D STATE	016
OGRID No.	Operator Name	Elevation
14049	Marbob Energy Corporation	3664

Surface And Bottom Hole Location

UL or Lot	Section	Township	Range	Lot ldn	Feet From	N/S Line	Feet From	E/W Line	County
M	25	17S	28E		430	S	330	W	Eddy
Dedicated Acres 40		Joint or	Infill	Consoli	dation Code		Order	No.	

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: 10/22/2002
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 J. Eidson Date of Survey: 9/25/2002 Certificate Number: 3239

APD Conditions Of Approval

Operator:14049Marbob Energy CorporationWell:D STATE 016

OCD Reviewer	Condition
BARRANT	Operator to drill surface hole with fresh water mud.