|              | Form 3160-3<br>(July 1989)<br>(formerly 9-331  |  | Draw  | DIL CONS COMMI<br>Ver DD<br>TATES 8821                              | OF COP1 f<br>O (Other Instru-<br>reverse s            | MBER<br>REQUIRED<br>ctions on | BLM ROSING<br>Modified<br>NN060-310  |  |  |  |
|--------------|--|--|---|---|---|-------------------------------|--|--|--|--|
| 1            |  | DEP  | 5. LEASE DESIGNATION AND SERIAL NO.                   |   |   |                               |  |  |  |  |
| •            |  |  | LC-028793A<br>6. IF INDIAN, ALLOTTEE OB TBIBE NAME    |   |   |                               |  |  |  |  |
| <del>,</del> | 1a. TYPE OF WOR  | ATION FOR                                  |   |   |   |                               |  |  |  |  |
|              | b. TYPE OF WEL   | DRILL 🗷                                    | 7. UNIT AGBEEMENT NAME                                |   |   |                               |  |  |  |  |
| 3            | OIL<br>WELL X  | GAS<br>WELL                                | OTHER   | OCT 12.34   | MULTIF<br>ZONE<br>3a. Area Code &                     |                               | BURCH KEE<br>8. FARM OR LE   | LY UNIT 6497   |  |  |
| Ŧ            | Marbob 1<br>3. Address of O  | Energy Corpo                               | pration 14  | 1049  | 505-748-330   | 03                            | 9. WELL NO.  |  |  |  |
| ¢            |  | rawer 217, A                               | #245  |   |   |                               |  |  |  |  |
| 4            | 4. LOCATION OF<br>At SULLACE   | WELL (Report locat                         | 10. FIELD AND FOOL, OR WILDCAT                        |   |   |                               |  |  |  |  |
|              |  | SL 1650 FWL,                               | UNIT K  |   |   |                               | GRBG JACKSON SR Q GRBG SA<br>11. SEC., T., R., M., OR BLK.<br>AND SUEVEY OF AREA 28509 |  |  |  |
|              | At proposed  | orod. zone                                 |   | AND SURVEY OF AREA 28509  |   |                               |  |  |  |  |
| ĭ            | SAME<br>14. DISTANCE IN  | MILES AND DIRECT                           | ION FROM NEAREST TOW                                  | N OR POST OFFICE*   | SEC. 19-T17S-R30E<br>12. COUNTY OR FARISH   13. STATE |                               |  |  |  |  |
|              | APPROX.  | 23 MILES E                                 | AST OF ARTESIA  | ON HWY. 82  |   |                               | EDDY   | NM   |  |  |
| 1            | LOCATION TO  | DM PROPUSED*                               |   | 16. NO. OF  | ACRES IN LEASE  |                               | OF ACRES ASSIGNE   |  |  |  |
| ī            | (Also to nea   | rest drig. unit line,<br>OM PROPOSED LOCAT |   |   | 29.44   |                               | 4  | •  |  |  |
|              | TO NEAREST WELL, DEILLING, COMPLETED,<br>OR APPLIED FOR, ON THIS LEASE, FT. 660' 4800' |  |   |   |   |                               | TART OR CABLE TOOLS<br>TARY  |  |  |  |
| _            | 21. ELEVATIONS (Show whether DF, RT, GR, etc.)<br>3616' GR                             |  |   |   |   |                               |  | 22. APPROX. DATE WORK WILL START*<br>SEPTEMBER 26, 1994      |  |  |
| 2            |  |  | PROPOSI   | ED CASING AND CE  | MENTING PROGRAM                                       | M                             |  |  |  |  |
| •            | HOLE SIZE CASING SIZE WEIGHT/FOOT GRADE THREAD TYPE                                    |  |   |   |   |                               |  | QUANTITY OF CEMENT   |  |  |
|              | <u>12 1/4"</u><br>7 7/8"   | 8 5/8"                                     | 24#   | J-55  |   |                               | 350'   | 300 SXCOLOURA  |  |  |
|              |  | 5 1/2"                                     | 17#   | J-55  | LT&C  |                               | 4800'  | 1100 SX-SEE STIP   |  |  |
|              |  | :  | Pay zone will b<br>stimulated as n<br>Attached are:   | <ol> <li>Location</li> <li>Supplement</li> <li>Surface I</li> </ol> | num producti<br>& Dedicatio<br>ntal Drillin           | on.<br>n Acre                 | age Plat   | 10-21-94<br>whor 4 APF                                       |  |  |
|              |  |  |   | Ψ • COLLERDER OF CH   |   |                               |  |  |  |  |
| zo           | nic. If propier<br>reventer program<br>i.<br>SIGNER                                    | h is to drill or dee<br>n, if any.         | PROGRAM : If proposal is<br>pen directionally, give p | )   | ack, give data on pr<br>surface locations an<br>      | esent prod<br>d measure       | d and true vertica   | proposed new productive<br>1 depths. Give blowout<br>2/29/94 |  |  |
| zo<br>pr     | nic. If propier<br>reventer program<br>i.<br>SIGNER                                    | i is to drill or dee                       | pen directionally, give p                             | )   | surface locations an                                  | esent prod<br>d measure       | d and true vertica   | l depths. Give blowout                                       |  |  |

## \*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

AUG 2 5 1994

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

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DISTRICT II P.O. Drawer DD, Artesia, NM 88210 State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Instruction on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number                            |                     |   | Pool Code    |                |          | Pool Name<br>GRAYBURG JACKSON SEVEN RIVERS QN GRAYBURG SA |                  |                             |  |            |  |
|---------------------------------------|---------------------|---|--------------|----------------|----------|---|------------------|-----------------------------|--|------------|--|
|                                       | -28/5               | <u>'</u> 6                                | 28           | 8509           |          |   |                  | SEVEN RIVE                  |  |            |  |
| Property Code<br>6497                 |                     |   |              | -              | -        | rty Nam   |                  |                             | Well Num<br>245  | 1          |  |
|                                       |                     |   | t            | BURCH K        |          |   | <u> </u>         |                             |  |            |  |
| OGRID N<br>14049                      |                     | Operator Name<br>MARBOB ENERGY CORPORTION |              |                |          |   | Elevatio<br>3616 |                             |  |            |  |
|                                       |                     |   |              | MARDU          |          |   |                  |                             |  |            |  |
|                                       | -                   |   |              |                | Surfac   | e Loca  | ation            |                             | •  |            |  |
| UL or lot No.                         | Section             | Township                                  | Range        | Lot Idn I      | Feet fro | eet from the  | North/South line | Feet from the               | East/West line   | County     |  |
| K 19                                  |                     | 17 S                                      | 30 E         | 1              |          | 50  | SOUTH            | 1650                        | WEST   | EDDY       |  |
|                                       | <b></b>             | · · · ·                                   | Bottom       | Hole Loc       | ation I  | f Diffe   | erent From Sur   | face                        |  |            |  |
| UL or lot No.                         | Section             | Township                                  | Range        | Lot Idn        | Feet fro | m the   | North/South line | Feet from the               | East/West line   | County     |  |
|                                       |                     |   |              |                |          |   |                  |                             |  |            |  |
| Dedicated Acre                        | l<br>I Joint a      | or Infill Co                              | onsolidation | Code Or        | der No.  |   | I                | <u> </u>                    | 1  | └          |  |
| bediction Acre                        |                     |   | JESOHUAUON   |                | 201 110. |   |                  |                             |  |            |  |
|                                       |                     |   |              |                |          |   |                  |                             | · · · · · · · · · · · · · · · · · · ·                                    |            |  |
| NO ALLO                               | OWABLE V            |   |              |                |          |   | JNTIL ALL INTER  |                             | EEN CONSOLIDA  | ATED       |  |
|                                       |                     | OR A I                                    | NON-STAN     | IDARD UN       | IT HAS   | BEEN  | APPROVED BY      | THE DIVISION                |  | ·          |  |
| · · · · · · · · · · · · · · · · · · · | [                   |   | · · ·        | 1              |          | <u> </u>  |                  | ODEDAT                      | OR CERTIFICAT  |            |  |
|                                       |                     |   |              |                |          | l   |                  |                             |  |            |  |
|                                       | l                   |   |              |                |          |   |                  | 11                          | ny certify the the in<br>in is true and compl                            |            |  |
|                                       |                     |   |              |                |          | 1   |                  |                             | wledge and belief.   |            |  |
|                                       | İ                   |   |              |                |          | 1   |                  |                             | • • • •  | ,          |  |
|                                       |                     |   |              |                |          | 1   |                  |                             | 1 11   |            |  |
|                                       |                     |   |              |                |          | l   |                  | Khon                        | alle   | UST        |  |
| LOT 1 - 3                             | $\frac{37.43AC}{1}$ |   |              | +              |          | -+-   |                  | - Signature                 |  |            |  |
|                                       | 1                   |   |              |                |          | 1   |                  | RHONDA 1                    |  |            |  |
|                                       | 1                   |   |              |                |          | Ì   |                  | Printed Nam                 |  |            |  |
|                                       | 1                   |   |              |                | i        |   | 11               | PRODUCTION CLERK            |  |            |  |
|                                       |                     |   |              |                |          | i   |                  | AUGUST 2                    | 29, 1994   |            |  |
|                                       |                     |   |              |                |          | 1   |                  | Date                        |  | []         |  |
|                                       |                     |   |              |                |          | 1   |                  |                             |  |            |  |
| LOT 2 - 3                             | 37.43AC             |   |              |                |          |   |                  | SURVEY                      | OR CERTIFICAT  | FION       |  |
|                                       |                     |   |              |                |          | +   |                  | I hereby certif             | y that the well locat  | ion shown  |  |
|                                       |                     |   |              |                |          | 1   |                  | on this plat u              | vas plotted from field   | d notes of |  |
|                                       |                     |   |              |                |          |   |                  |                             | : made by те от<br>nd <b>.statilbhe</b> , same is                        |            |  |
|                                       | 361                 | 99' 36                                    | 18.8'        |                |          | 1   |                  | correct tank                | nd <b>(that i styr</b> , same is<br>he nest fill nm <sup>1</sup> , belie | f.         |  |
|                                       | 001                 |   | 10.0         |                |          |   |                  | - II - S - S                | 10.494024 g  | a          |  |
| 1                                     | 650' ——             |   |              |                |          | 1   |                  | hi Chia                     |  | <u> </u>   |  |
| LOT 3 - 3                             | 7.41AC 3            | 14 7' 36                                  | 15.2'        |                |          | 1   |                  | Date Strevey<br>Signature & |  |            |  |
| F                                     | *                   |   |              | <b>†</b> — — – |          | +   |                  | Professionel                |  |            |  |
|                                       |                     |   |              |                |          | 1   |                  | 1 30                        | D. A. Sh   |            |  |
|                                       |                     | 650'-                                     |              |                |          | ļ   |                  | Kon                         | 111 8  |            |  |
|                                       | 1                   | 16  |              |                |          |   |                  |                             | My Cl  | WAG-       |  |
|                                       | 1                   |   |              |                |          | 1   |                  | W.O. N                      | um2 94+11-1  | 458        |  |
|                                       | 1                   |   |              |                |          | 1   |                  | Certificate 1               |  | []         |  |
|                                       |                     |   |              |                |          | 1   |                  |                             | RONALD J. EIDSC  | DN, 3239   |  |
| LOT 4 - :                             | 37.41AC             | ¥   |              | 1              |          | l   |                  |                             |  | l          |  |



## MARBOB ENERGY CORPORATION

Burch Keely Unit No. 245 1650' FSL & 1650' FWL Sec. 19, T17S, R30E Eddy County, New Mexico

Exhibit #1

## Attachment to Exhibit #1 NOTES REGARDING THE BLOWOUT PREVENTERS

- 1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
- 2. Wear ring to be properly installed in head.
- 3. Blow out preventer and all fittings must be in good condition, 3000 psi W.P. minimum.
- 4. All fittings to be flanged.
- 5. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 3000 psi W.P. minimum.
- 6. All choke and fill lines to be securely anchored, especially ends of choke lines.
- 7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
- 8. Kelly cock on kelly.

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- 9. Extension wrenches and hand wheels to be properly installed.
- 10. Blow out preventer control to be located as close to driller's position as feasible.
- 11. Blow out preventer closing equipment to include minimum 40 gallon accumulator, two independent sources of pump power on each closing unit installation, and meet all API specifications.