

N. M. Oil & Gas Division
Office for Number
of Wells
8100
Artesia, NM 88210-2834

50-015-30508
BLM Roswell District
Modified Form No.
ND60-3160-2
CSF

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Marbob Energy Corporation 14049

3. ADDRESS OF OPERATOR
 P. O. BOX 227 Artesia, NM 88210

3a. Area Code & Phone No.
 505-232-2303

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 2310 FNL 890 FEL
 At proposed prod. zone: SAME Unit H

5. LEASE DESIGNATION AND SERIAL NO.
 LC-029395B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 30-015-30508

8. FARM OR LEASE NAME
 LEE FEDERAL 23300

9. WELL NO.
 12

10. FIELD AND POOL, OR WILDCAT
 FIELD: FREN
 PADDOCK 26770

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SEC. 20-T17S-R31E

12. COUNTY OR PARISH
 EDDY

13. STATE
 NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 EAST OF ARTESIA ON HWY 82 APPROX 30.1 MILES

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 890'

16. NO. OF ACRES IN LEASE
 1800

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 6000'

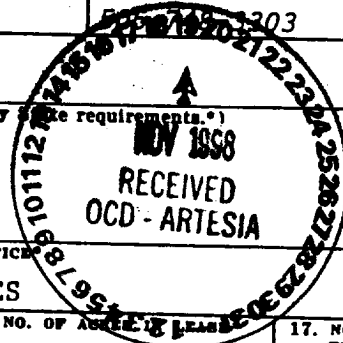
19. PROPOSED DEPTH
 6000'

20. ROTARY OR CABLE TOOLS
 ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3717' GR

22. APPROX. DATE WORK WILL START
 SEPTEMBER 15, 1998

23. PROPOSED CASING AND CEMENTING PROGRAM



HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	J-55	LTC	50'	300 SX, CIRC
7 7/8"	5 1/2"	17#	J-55	LTC	6000'	SUFFICIENT TO COVER 200' ABOVE ALL OIL & GAS HORIZONS

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

PAY ZONE WILL BE SELECTIVELY PERFORATED AND STIMULATED AS NEEDED FOR OPTIMUM PRODUCTION.

- ATTACHED ARE:
1. ACREAGE LOCATION & DEDICATION PLAT
 2. SUPPLEMENTAL DRILLING DATA
 3. SURFACE USE PLAN

Post FD-1
11-30-98
API & Loc

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Robin Cockrum TITLE Production Clerk DATE 8/4/98

PERMIT NO. _____ APPROVAL DATE: _____
 Acting Assistant Field Office Manager,
 APPROVED BY (ORIG. SGD.) ARMANDO A. LOPEZ TITLE Lands and Minerals DATE NOV 18 1998

*See Instructions On Reverse Side

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10. 10. 1910

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 86211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

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 96718	Pool Name LOCO HILLS PADDOCK
Property Code 23300	Property Name LEE FEDERAL	Well Number 12
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3717

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	20	17 S	31 E		2310	NORTH	890	EAST	EDDY

Bottom Hole Location If Different From Surface

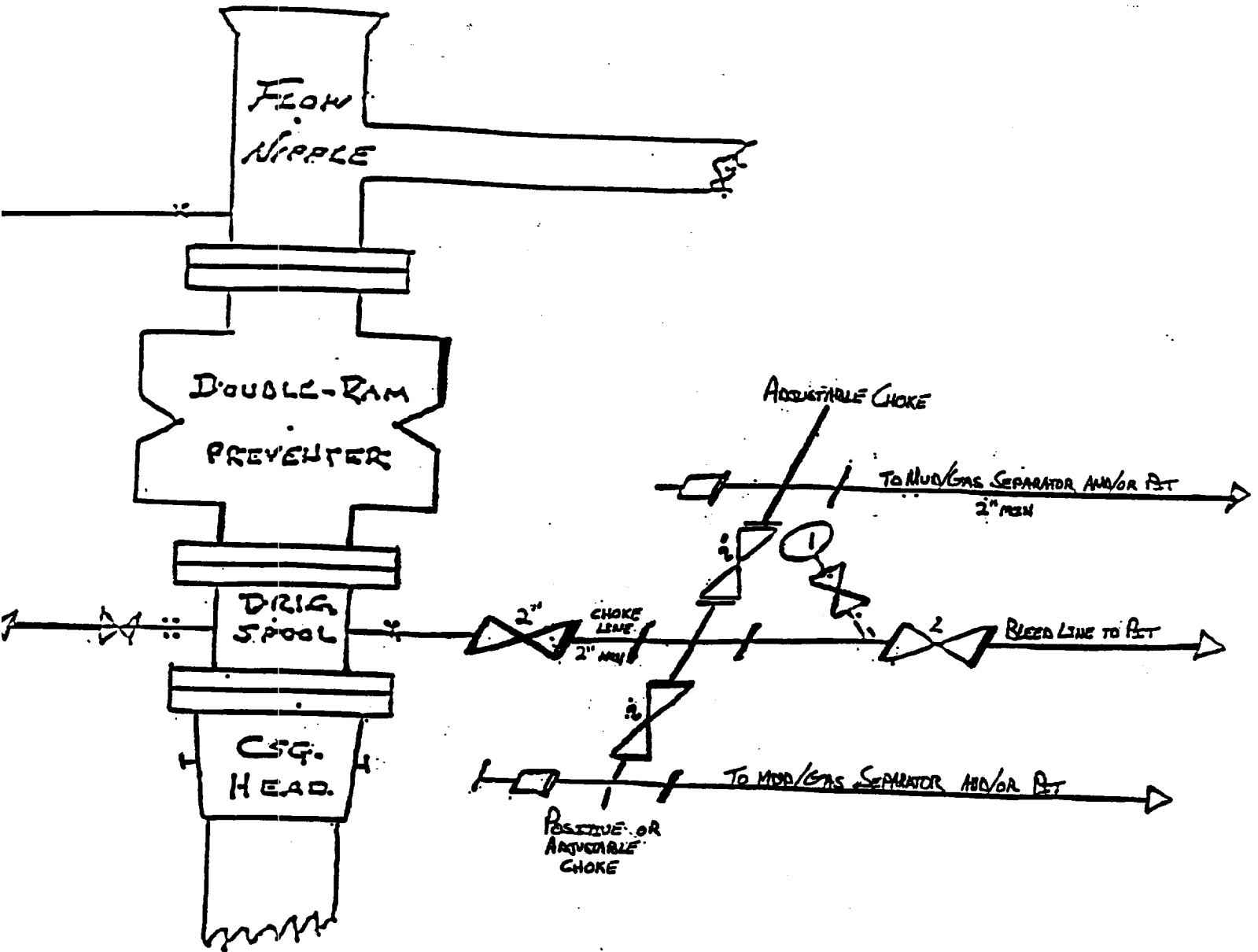
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Robin Cockrum</i> Signature</p> <p>ROBIN COCKRUM Printed Name</p> <p>PRODUCTION ANALYST Title</p> <p>8/4/98 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JULY 30, 1998</p> <p>Date Surveyed _____ DMCC</p> <p>Signature: <i>Ronald J. Eidson</i> Professional Surveyor</p> <p><i>Ronald J. Eidson</i> Professional Surveyor</p> <p>Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641 MICHAEL W. McDONALD 12185</p>

BLOW OUT PREVENTER AND CHOKE MANIFOLD



10"/900 Cameron SS Space Saver
 3000# Working Pressure
 3000# Working Pressure Choke Manifold

Lee Federal # 12
 2310' FNL & 890' FEL
 Section 20; T17s -- R31e
 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, 1000 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 1000 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.
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.