

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONTACT RECEIVING
OFFICE NUMBER
OF COPI. REQUIRED

30-015-30510

BLM Roswell District
Modified Form No.
N060-3160-2

N. M. Off Cons. Division
811 S. 1ST ST.
ARTESIA, NM 88210-2834

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 ☐

2. NAME OF OPERATOR
Marbob Energy Corporation

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
1290 FSL 330 FEL
At proposed prod. zone
SAME

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) 330'

16. NO. OF ACRES OF PROPOSED WELL 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.)
3761' GR

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

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
30-015-30510

8. FARM OR LEASE NAME
LEE FEDERAL

9. WELL NO.
4

10. FIELD AND POOL, OR WILDCAT
FREN Paddock

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

12. COUNTY OR PARISH
EDDY

13. STATE
NM

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 | 450' | 300 SX, CIRC |
| 7 7/8" | 5 1/2" | 17# | J-55 | LTC | 6000' | SUFFICIENT TO COVER 200' ABOVE ALL OIL & GAS HORIZONS |

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

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
(ORIG. SGD.) ARMANDO A. LOPEZ Assistant Field Office Manager, NOV 19 1998
APPROVED BY _____ TITLE Lands and Minerals
CONDITIONS OF APPROVAL, IF ANY: _____ DATE _____

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

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

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

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 4 |
| OGRID No. 14049 | Operator Name MARBOB ENERGY CORPORATION | Elevation 3761 |

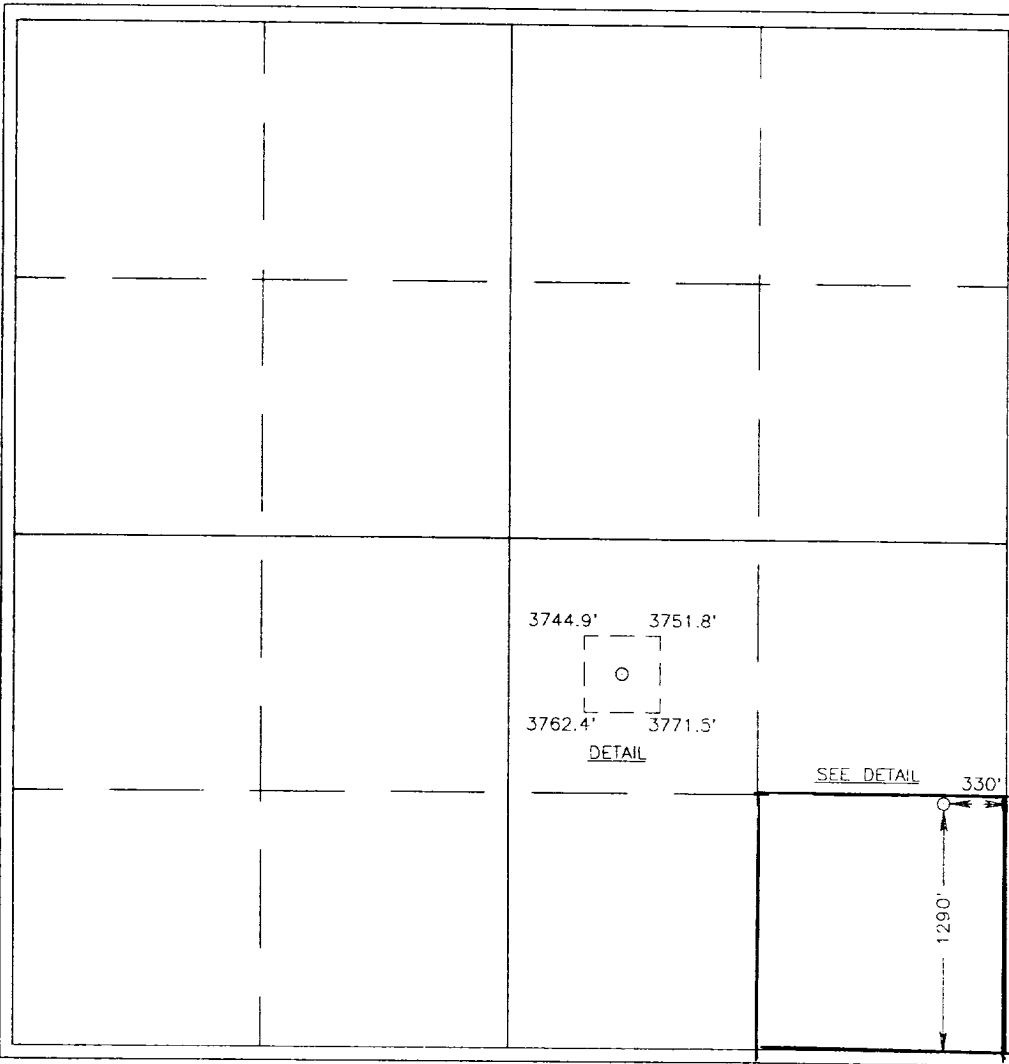

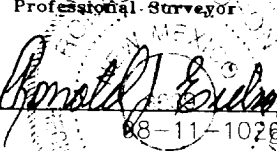
Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot No. P | Section 20 | Township 17 S | Range 31 E | Lot Idn | Feet from the 1290 | North/South line SOUTH | Feet from the 330 | East/West line EAST | County EDDY |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|

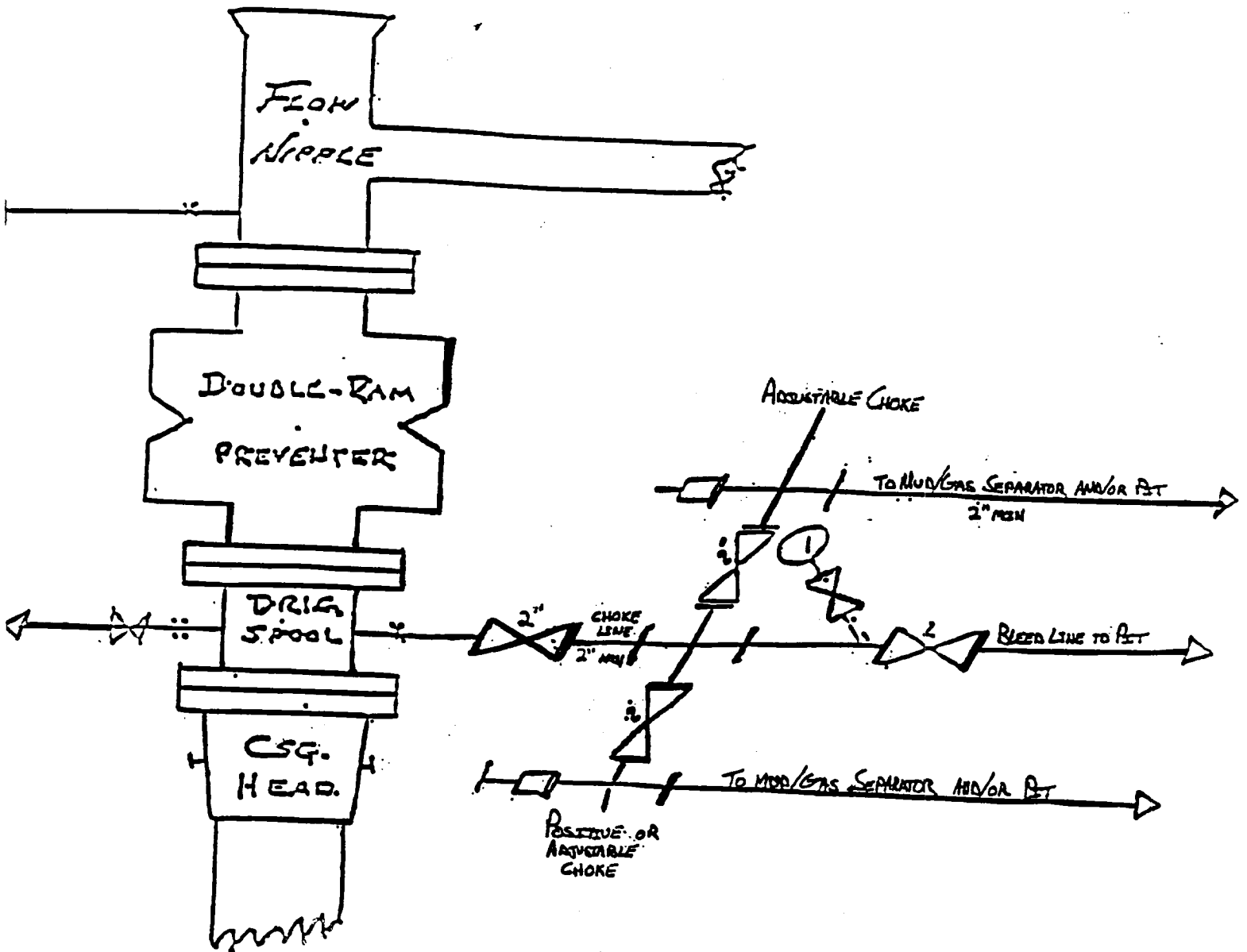
Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|-----------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| 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. | | | | | | |

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

| | | | | | |
|-------------------------------------------------------------------------------------|--|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  | | | | OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature ROBIN COCKRUM Printed Name PRODUCTION ANALYST Title 8/4/98 Date | |
| | | | | 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. JULY 20, 1998 Date Surveyed Signature & Seal of Professional Surveyor  7-21-98 88-11-1026 Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641 MATON McDONALD 12185 | |

B. JW OUT PREVENTER AND CHOKE MANIFOLD



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

Lee Federal # 4
1290' FSL & 330' 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.