

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

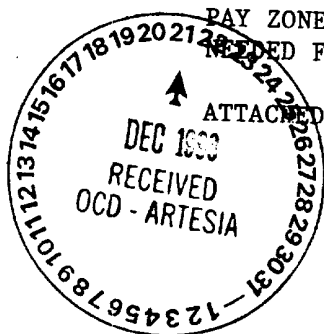
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-028992E
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Marbob Energy Corporation 14049		7. UNIT AGREEMENT NAME 30-015-30538
3. ADDRESS OF OPERATOR P. O. BOX 227 Artesia, NM 88210		8. FARM OR LEASE NAME BRETT FEDERAL 23967
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface: 330 FSL 1090 FEL At proposed prod. zone: SAME Unit P		9. WELL NO. 3
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* EAST OF LOCO HILLS ON HWY 82 APPROX 2.9 MILES		10. FIELD AND POOL, OR WILDCAT LOCO HILLS PADDOCK 96718
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 IN LEASE 80	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 23-T17S-R30E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH 6000'	12. COUNTY OR PARISH EDDY
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3661' GR	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	13. STATE NM
22. APPROX. DATE WORK WILL START* 12/13/98		

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	4000'	800 SX. CIRC
7 7/8"	5 1/2"	17#	J-55	LTC	6000'	1400 SX. ATTEMPT TO CIRC

Post ID-2
12-31-98
API + Loc



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

- ATTACHED ARE:
1. WELL LOCATION AND ACREAGE DEDICATION PLAT
 2. SURFACE USE PLAN
 3. ADDITIONAL DRILLING DATA

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

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 11/18/98
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY Emilio Smith Acting Assistant Field Office Manager.
CONDITIONS OF APPROVAL, IF ANY: _____ TITLE Lands and Minerals DATE _____

RECEIVED

NOV 19 '98

WILLIAM
WILLIAM

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

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

1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088, Santa Fe, NM 87604-2088

Energy, Minerals and Natural Resources Department

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		96718	LOCO HILLS PADDOCK
Property Code	Property Name		Well Number
	BRETT FEDERAL		3
OGRID No.	Operator Name		Elevation
14049	MARBOB ENERGY CORPORATION		3661'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	23	17 S	30 E		330	SOUTH	1090	EAST	EDDY

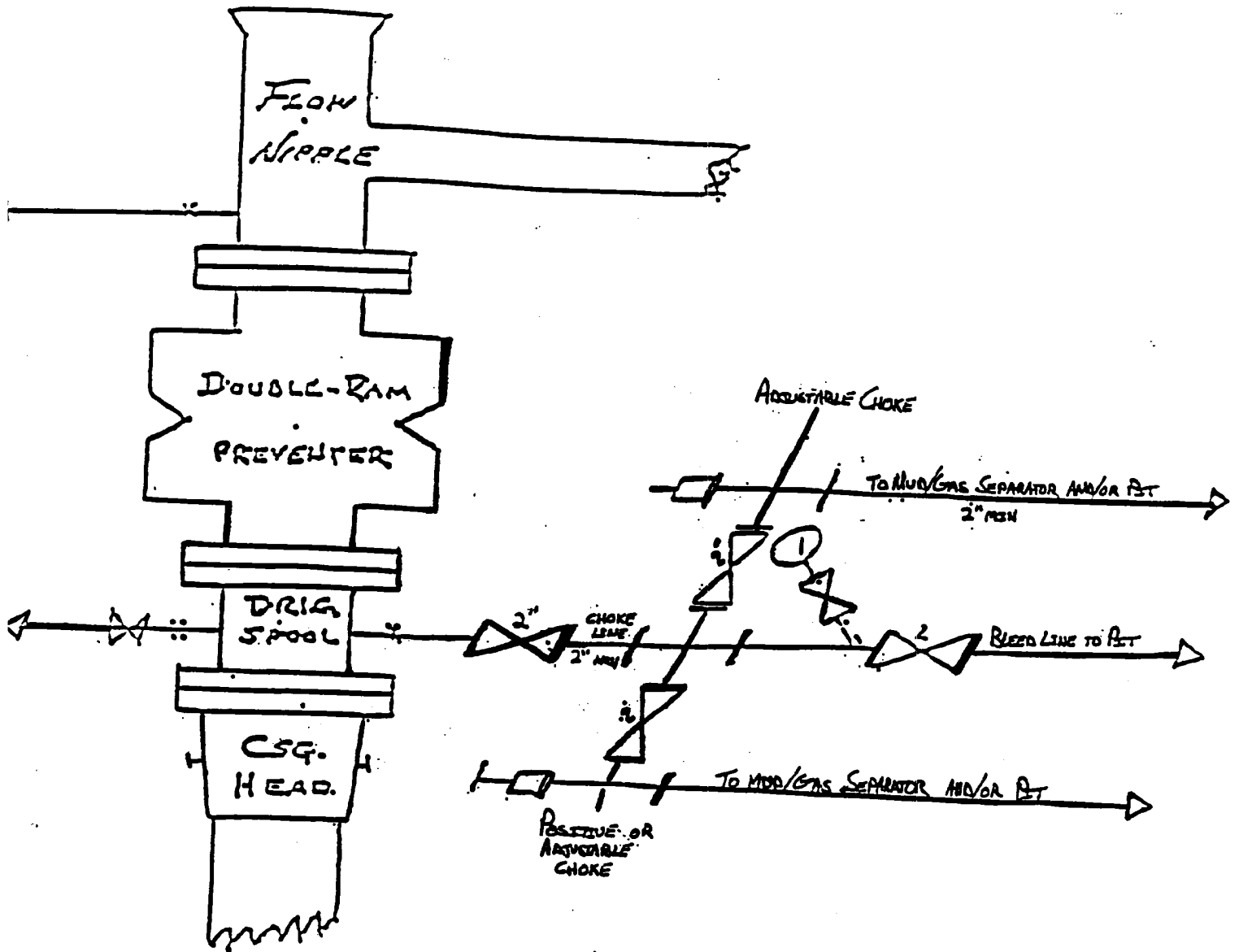
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
40									

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

<div style="border: 1px dashed black; height: 400px; margin-bottom: 20px;"></div> <div style="border: 1px dashed black; height: 200px; margin-bottom: 20px;"></div> <div style="border: 1px dashed black; height: 200px;"></div>	<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center; margin: 0;">OPERATOR CERTIFICATION</p> <p style="font-size: small; margin: 5px 0;"><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <div style="margin-top: 10px;"> <p style="text-align: center; margin: 0;">Signature</p> </div> <div style="margin-top: 10px;"> <p style="text-align: center; margin: 0;">ROBIN COCKRUM</p> <p style="text-align: center; margin: 0;">Printed Name</p> </div> <div style="margin-top: 10px;"> <p style="text-align: center; margin: 0;">PRODUCTION ANALYST</p> <p style="text-align: center; margin: 0;">Title</p> </div> <div style="margin-top: 10px;"> <p style="text-align: center; margin: 0;">11/18/98</p> <p style="text-align: center; margin: 0;">Date</p> </div> </div>			
<div style="border: 1px dashed black; height: 200px; margin-bottom: 20px;"></div> <div style="border: 1px dashed black; height: 200px;"></div>	<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center; margin: 0;">SURVEYOR CERTIFICATION</p> <p style="font-size: small; margin: 5px 0;"><i>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.</i></p> <div style="margin-top: 10px;"> <p style="text-align: center; margin: 0;">AUGUST 10, 1998</p> <p style="text-align: center; margin: 0;">Date Surveyed</p> </div> <div style="margin-top: 10px;"> <p style="text-align: center; margin: 0;">CDG</p> <p style="text-align: center; margin: 0;">Signature & Seal of Professional Surveyor</p> </div> <div style="margin-top: 10px;"> <p style="text-align: center; margin: 0;">W.O. Num. 98-11-1126</p> </div> </div>			
<div style="border: 1px dashed black; height: 200px;"></div>	<div style="border: 1px solid black; padding: 5px;"> <div style="text-align: right; margin-bottom: 10px;"> <p style="margin: 0;">3668.0'</p> <p style="margin: 0;">3660.9'</p> </div> <div style="text-align: center;"> </div> </div>			
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%; border-bottom: 1px solid black; padding-bottom: 5px;"> <p style="font-size: small; margin: 0;">Certificate No.</p> </td> <td style="width: 40%; border-bottom: 1px solid black; padding-bottom: 5px;"> <p style="font-size: small; margin: 0;">RONALD J. EIDSON, GARY S. EIDSON, MACON, McDONALD,</p> </td> <td style="width: 30%; border-bottom: 1px solid black; padding-bottom: 5px;"> <p style="font-size: small; margin: 0;">3239 12841 12185</p> </td> </tr> </table>		<p style="font-size: small; margin: 0;">Certificate No.</p>	<p style="font-size: small; margin: 0;">RONALD J. EIDSON, GARY S. EIDSON, MACON, McDONALD,</p>	<p style="font-size: small; margin: 0;">3239 12841 12185</p>
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BLOW OUT PREVENTER AND CHOKE MANIFOLD



Brett Federal #3
 330' FSL & 1090' FEL
 Section 23; T17s -- R30e
 Eddy County, New Mexico

Exhibit # 1

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

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.