Form 3160-3 (July 1992)

1301 W. Grand Avenue

SING

UNITED STATES TOSIA, NM 88240 TRIPLICATE DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

reverse side)

567891011 MULER

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO

LC-029395B 6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE N

9. API WELL NO

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK **DEEPEN** DRILL X b. TYPE OF WELL

WELL X

GAS

OTHER

2. NAME OF OPERATOR

MARBOB ENERGY CORPORATION 3. ADDRESS AND TELEPHONE NO.

ARTESIA, NM 88211-0227 PO BOX 227, 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

1650 FSL 865 FWL, UNIT L

At proposed prod. zone

SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

865

SEE SURFACE USE PLAN

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

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

16 NO OF ACRES IN LEASE

1800 19. PROPOSED DEPTH

6000'

30 -015-32296 10. FIELD AND POOL, OR WILDCAT CEDAR LAKE; YESO

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

SEC. 17- T17S-R31E 12. COUNTY OR PARISH

LEE FEDERAL #30

EDDY

NM

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

ROTARY

22, APPROX. DATE WORK WILL START*

3693' GR

PROPOSED CASING AND CEMENTING PROGRAM

SETTING DEPTH

QUANTITY OF CEMENT

5/5/02

SIZE OF HOLE 17 1/2" 12 1/4"

7.7/8"

23.

13:3/8" H40 8 5/8" J55

5 1/2" J55

GRADE, SIZE OF CASING

48# \N \TN€>5 450' 24# 17#

WEIGHT PER FOOT

1320' -6000**-'** -

300 SX, CIRC 1100 SX, CIRC

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

ATTACHED ARE:

ACREAGE LOCATION & DEDICATION PLAT 1.

Controlled Woter Basin

- SUPPLEMENTAL DRILLING DATA 2.
- SURFACE USE PLAN 3.

Approval Subject to

General Requirements and

Special Sitterit Some

Astrocky d

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

TITLE PRODUCTION ANALYST

4/8/02

(This space for Federal or State office use)

PERMIT NO

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

/S/ JOE G. LARA

TITLE FIELD MANAGER

MAY 0 9 2002

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 United States any false, fictitious or fraudulent statements or representations as to any matter within its invisalistic.