Form 3160-3 (July 1992)

G-74- N.M. Oil Cons. DIV-Qist. 2

1301 W. Grand A. Anue

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

DEPARTMENT OF THE INTERIOR Artesia, (Che instruction 210

5. LEASE DESIGNATION AND SERIAL NO.

NM 0557371

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

BUREAU OF LAND MANAGEMENT

FOR PERMIT TO DRILL OR DEEPEN **APPLICATION**

1a. TYPE OF WORK

b. TYPE OF WELL

WELL X

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.*) At surface 9 90 430 FNL 2310 FWL, LOT 1

990'

At proposed prod. zone

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

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.)

50**\$**

16. NO. OF ACRES IN LEASE

4000

19. PROPOSED DEPTH

440.30

-748-3**803**EIVED

222232425 THRLE ZONE

8. FARM OR LEASE NAME, WELL NO AAO FEDERAL #4 9, API WELL NO.

30-015-

10. FIELD AND POOL, OR WILDCAT

RED LAKE; GLORIETA YESO, 11. SEC., T., R., M., OR BLK. NORTHEAST AND SURVEY OR AREA

SEC. 1-T18S-R27E 12. COUNTY OR PARISH 13. STATE

EDDY

MM

17 NO OF ACRES ASSIGNED TO THIS WELL

40.41

20. ROTARY OR CABLE TOOLS

ROTARY

22. APPROX. DATE WORK WILL START

3663' GR

23.

PROPOSED CASING AND CEMENTING PROGRAM

QUANTITY OF CEMENT SETTING DEPTH WEIGHT PER FOOT GRADE, SIZE OF CASING SIZE OF HOLE 300 SX TO SURFACE 1320' 24# 8 5/8" J55 12 1/4" 4000 5 1/2" J55 17#

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

ATTACHED ARE:

- WELL LOCATION AND ACREAGE DEDICATION PLAT
- SUPPLEMENTAL DRILLING DATA
- SURFACE USE PLAN 3.

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

Kennell Controlled Water Bes

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 deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any

SIGNED

PRODUCTION ANALYST TITLE

DATE

4/15/02...

(This space for Federal or State of ide

PERMIT NO

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

/s/ Mary J. Rugwell

ELD MANAGER

MAY 2 3 2002

APPROVED BY

*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 agents of the EAR United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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