

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

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C/S
Bmw
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Form C-101

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address Marbob Energy Corporation PO Box 227 Artesia, NM 88211-0227		OGRID Number 14049
		API Number 30-15-32605
Property Code 28866	Property Name OXY RUGER STATE	Well No. 002

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	9	19S	28E		990	N	660	W	Eddy

Proposed Pools

MILLMAN;MORROW, SOUTH (GAS) 81365

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 3545
Multiple N	Proposed Depth 12400	Formation Morrow	Contractor	Spud Date 6/1/2003

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	350	0
Int l	12.25	9.625	36	3000	1050	0
Prod	8.75	5.5	17	12400	400	9000

Casing/Cement Program: Additional Comments

Drill to 400 ft, run & cement 13 3/8 in csg, reduce hole & drill to 3000 ft, run & cement 9 5/8 in csg, reduce hole size & drill to 12400 ft., run & cement 5 1/2 in. csg, put well on production. Est TOC on the 5 1/2 in. csg will be sufficient to cover 500 ft. above all known water bearing oil & gas horizons.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	Cameron
Double Ram	5000	5000	Cameron