

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.
NM-100316

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Primero Federal #2

9. API WELL NO.
30-015-30990

10. FIELD AND POOL, OR WILDCAT
WILDCAT Morrow

11. SEC., T., R., M., OR BLK
AND SURVEY OR AREA
Sec. 23-T26s-R24e

12. COUNTY OR PARISH
Eddy

13. STATE
NM

17. NO. OF ACRES ASSIGNED
TO THIS WELL
320

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START*
06/28/99

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J-55 8 5/8"	24#	1075'	350 sx. Circulate
7 7/8"	J-55 5 1/2"	125# 17#	8200'	325 sx. Circulate or sufficient to cover 200' above casing

Pay Zone will be selectively perforated and stimulated as needed for optimum production.

- Attached are: 1) Acreage Dedication Plat
2) Supplemental Drilling Data
3) Surface Use Plan

Notify OCD at SPUD & TIME
to witness cementing the
8 5/8" casing.

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.

24. SIGNED [Signature] TITLE Land Department DATE 05/28/99

(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:

APPROVED BY _____ TITLE Assistant Field Manager DATE _____
Lands And Minerals

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office

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

State Lease - 4 Copies
Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	96913	WASHINGTON RANCH; MORROW, SOUTH
Property Code	Property Name	Well Number
23885	PRIMERO FEDERAL	2
GRID No.	Operator Name	Elevation
14049	MARBOB ENERGY CORP.	3948

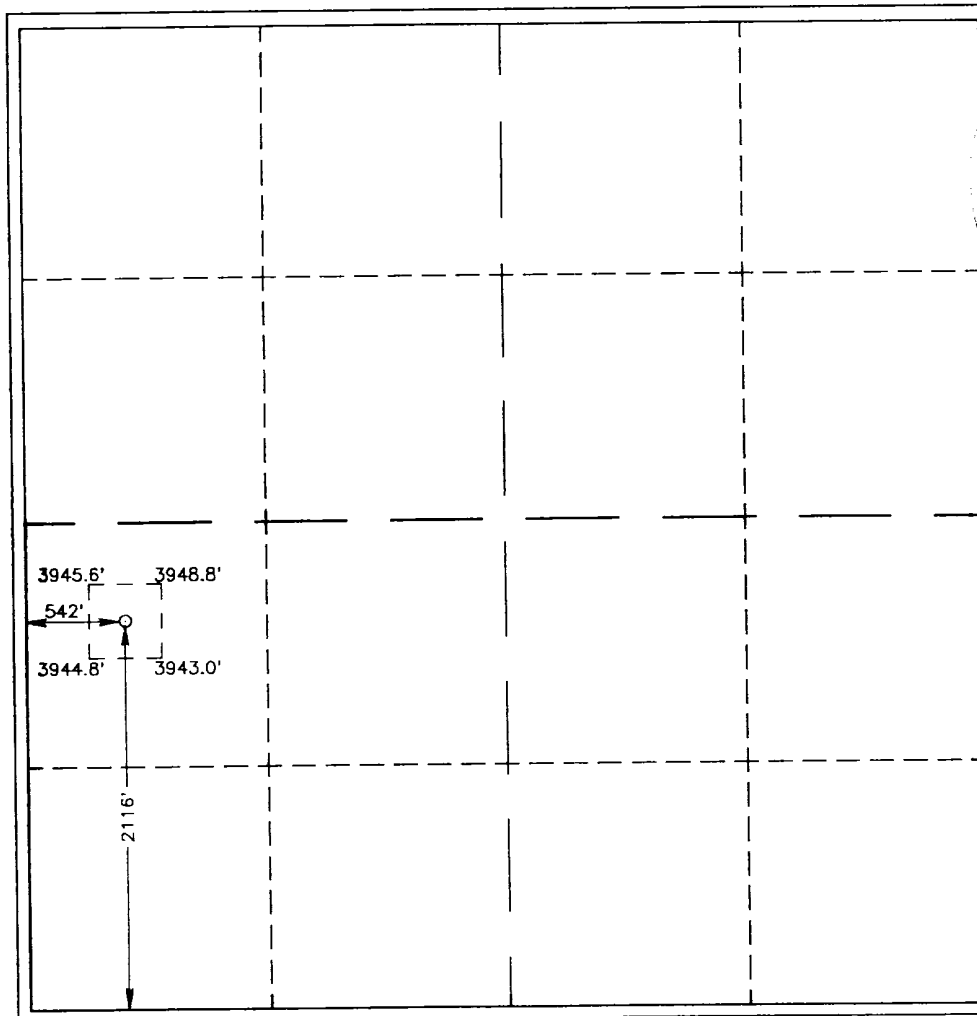
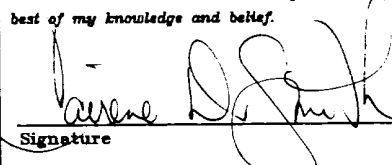
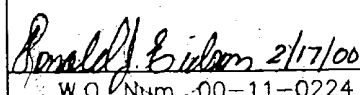
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	23	26 S	24 E		2116	SOUTH	542	WEST	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.						
320									

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 CAIRENE D. SMITH Printed Name PRODUCTION ANALYST Title 02/18/2000 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. FEBRUARY 16, 2000 Date Surveyed JLP Signature & Seal of Professional Surveyor  W.O. Num 00-11-0224
	Certificate No. RONALD J. EIDSON, 3239 GARY G. EIDSON, 12641 MACON McDONALD, 12185

DRILLING PROGRAM

Attached to Form 3160-3
Marbob Energy Corporation
Primero Federal No. 2
1650' FSL and 1650' FWL
Section 23-26S-24E
Eddy County, New Mexico

1. Geologic Name of Surface Formation:

Castile

2. Estimated Tops of Important Geologic Markers:

Delaware	1040'	Strawn	6835'
Bone Springs	4335'	Atoka	7145'
Dean	6235'	Morrow	7785'
Wolfcamp	6585'		

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas:

Delaware	1040'
Bone Springs	4335'
Dean	6235'
Wolfcamp	6585'
Strawn	6835'
Atoka	7145'
Morrow	7785'

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 8 5/8" intermediate casing to the top of the Delaware Lime Formation at $\pm 1075'$ and circulate cement to surface or sufficient to tie in. Any shallower zones above TD which contain commercial quantities of oil and/or gas will have cement circulated across them by inserting a float shoe joint into the 5 1/2" production casing which will be run at TD.

DRILLING PROGRAM

PAGE 2

4. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OD csg</u>	<u>Weight, Grade, It. Cond. Type</u>
12 1/4"	0 - 1075'	8 5/8"	24# J-55 LTC NEW R-3
7 7/8"	1075' - 8200'	5 1/2"	17.5# J-55 LTC NEW R-3

Cement Program:

8 5/8" Casing: Cemented to surface with 350sx of Class C w/2% cc.
 5 1/2" Production Casing: Cemented with 325sx Class C or sufficient to cover 200' above all known oil and gas horizons.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram-type (3000 psi wp) preventer. This unit will be hydraulically operated and the ram-type preventer will be equipped with blind rams on top and 4-1/2" drill pipe rams on bottom. This BOP will be nipped up on the 8 5/8" csg and used continuously until TD is reached. All BOP's and accessory equipment will be tested by independent tester to 3000 psi.

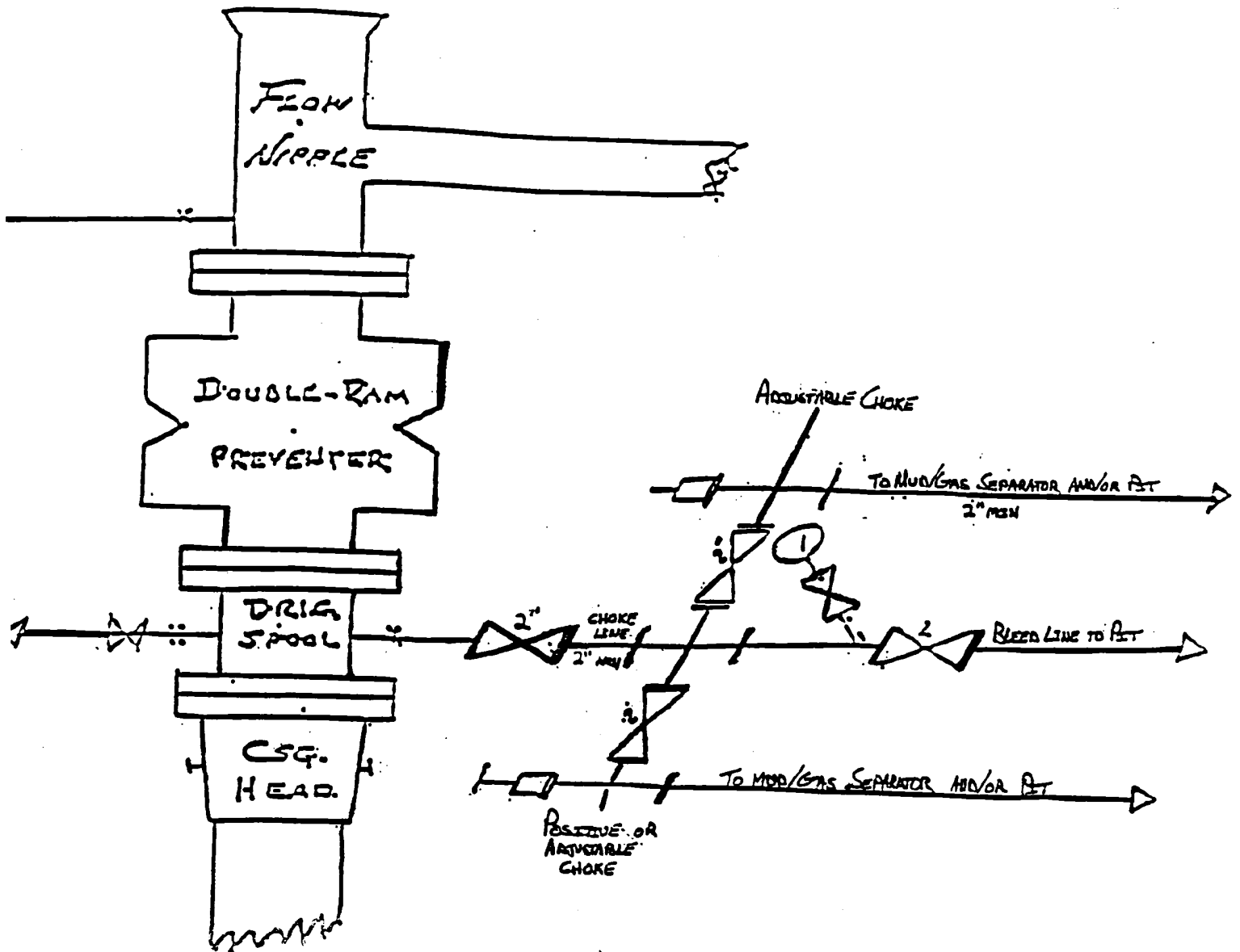
Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A 2" kill line and a 3" choke line will be included in the drilling spool located below the ram-type BOP. Other accessories to the BOP equipment will include a kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 3000 psi WP rating.

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to TD with cut brine. The applicable depths and properties of this system are as follows:

<u>Depth</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Viscosity (sec)</u>	<u>Waterloss (cc)</u>
0 - 1075'	Fresh Water	8.5	28	N.C.
1075'-8000'	Cut Brine	9.5 - 9.6+	29 - 32	5-15

BLOW OUT PREVENTER AND CHOKE MANIFOLD



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

Primero Federal No. 2
1650' FSL & 1650' FWL
Section 23; T26s—R24e
Eddy County, New Mexico

Exhibit One