

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL  
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR Marbob Energy Corporation

3. ADDRESS OF OPERATOR P. O. Drawer 217, Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface 330 FNL 330 FWL  
At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
Approximately 22 air miles east of Artesia, NM

10. NO. OF ACRES IN LEASE 160

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 4600'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3658.9' GR

22. APPROX. DATE WORK WILL START\*  
October, 1991

5. LEASE DESIGNATION AND SERIAL NO.  
LC-056551 (A)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Holder CB Federal

9. WELL NO.  
6

10. FIELD AND POOL, OR WILDCAT  
Grbg Jackson SR Q Grbg SA

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 17-T17S-R30E

12. COUNTY OR PARISH  
Eddy

13. STATE  
NM

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	450'	to circulate
7 7/8"	5 1/2"	17#	J-55	LTC	4600'	Sufficiently attempt to circulate.

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

Attached are: 1. Location & acreage dedication plat  
2. Supplemental drilling data  
3. Surface Use Plan

Part ID-1  
4-26-91  
New loc & API

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

NOTE: On production string, a fluid caliber will be run, will figure cement w/25% excess, attempt to circulate.

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.

24. SIGNED Phonda Nelson TITLE Production Clerk DATE 3/25/91

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 4-16-91

CONDITIONS OF APPROVAL, IF ANY:

\*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 statement.

7-565-717-1

1994

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

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

**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
P.O. Drawer DD, Artesia, NM 88210

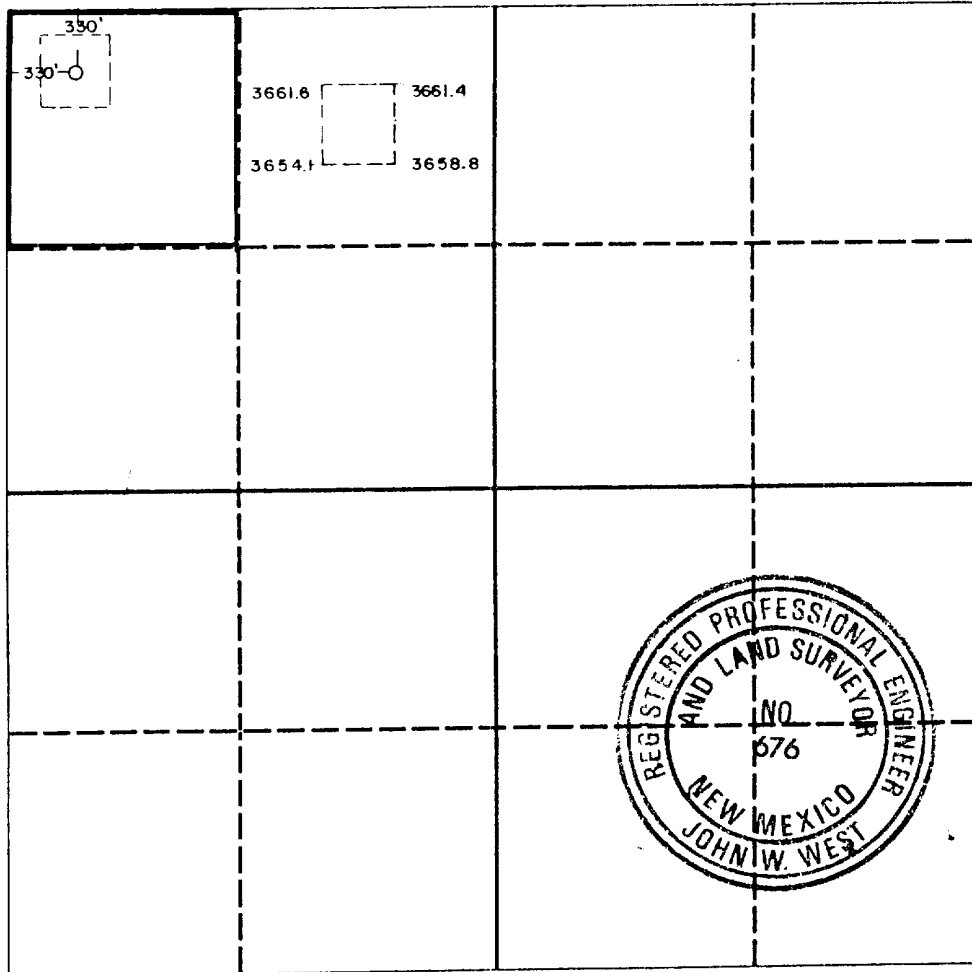
**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator MARBOB ENERGY CORP.			Lease C.B. HOLDER FEDERAL		Well No. 6
Unit Letter D	Section 17	Township 17 SOUTH	Range 30 EAST	County NMPM	EDDY
Actual Footage Location of Well: 330 feet from the NORTH line and 330 feet from the WEST line					
Ground level Elev. 3658.9	Producing Formation San Andres	Pool Grbg Jackson SR Q Grbg SA		Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). \_\_\_\_\_  
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Robin Smith*  
Printed Name  
Robin Smith  
Position  
Production Clerk  
Company  
Marbob Energy Corporation  
Date  
March 25, 1991

**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 knowledge and belief.

Date Surveyed  
2-19-91

Signature & Seal of  
Professional Surveyor

Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239

125630  
0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

SUPPLEMENTAL DRILLING DATA

MARBOB ENERGY CORPORATION  
HOLDER 'CB' FEDERAL NO. 6  
NW/4NW/4 SEC. 17, T-17S, R-30E  
EDDY COUNTY, NEW MEXICO  
(DEVELOPMENT WELL)

1. SURFACE FORMATION: Quaternary.

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Salt	540'	Queen	2022'
Base Salt	970'	Grayburg	2422'
Yates	1156'	San Andres	2712'
Seven Rivers	1500'	Glorietta	4110'

3. ANTICIPATED POROSITY ZONES:

Water	Above 300'
Oil	2027' - 4600'

4. CASING DESIGN:

SIZE	INTERVAL	WEIGHT	GRADE	JOINT	CONDITION
8 5/8"	0-450'	24.0#	J-55	LTC	New
5 1/2"	0-4600'	17.0#	J-55	LTC	New

5. SURFACE CONTROL EQUIPMENT: A double ram-type or annular BOP will be used. (See diagram attached as Exhibit "E")

6. CIRCULATING MEDIUM:

0'- 450'	Fresh water mud with gel or lime as needed for viscosity control.
450' - 4600'	Salt water mud, conditioned as necessary for control of viscosity and water loss or gain.

7. AUXILIARY EQUIPMENT: Drill string safety valve.

8. LOGGING PROGRAM: CNL-FDC W/GR Log will be run to TD.

9. ABNORMAL PRESSURES, TEMPERATURES OR GASES: A water flow may be encountered in the salt section.

10. ANTICIPATED STARTING DATE: It is planned that operations will commence about April 1, 1991. Duration of drilling, testing and completion operations should be one to four weeks.

SURFACE USE PLAN  
FOR  
DRILLING, COMPLETION AND PRODUCTION

MARBOB ENERGY CORPORATION  
HOLDER 'CB' FEDERAL NO. 6  
NW/4NW/4 SEC. 17, T-17S, R-30E  
EDDY COUNTY, NEW MEXICO  
(DEVELOPMENT WELL)

This plan is submitted with the application for permit to drill the above described well. The purpose of the plan is to describe the location of the proposed development well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental affects associated with the operation.

LOCATED: Approximate 22 air miles east of Artesia,  
New Mexico.

FEDERAL LEASE NUMBER: LC-056551 (A)

LEASE ISSUED: July 1, 1978

RECORD LESSEE: Chevron Oil Company

OPERATOR'S AUTHORITY: Operating rights owned by Marbob Energy Corporation.

BOND COVERAGE: Lessees \$150,000 nation-wide bond.

ACRES IN LEASE: 160 acres

SURFACE OWNERSHIP: U.S. Government with a grazing permit issued to Bogle Farms, Inc., P.O. Box 358, Dexter, New Mexico 88230.

POOL: Grayburg-Jackson, SR, Q, Gb, SA

FOOTAGE LOCATION OF DRILLSITE: 330 FNL and 330 FWL

EXHIBITS: A. Portion of Eddy County Topographical Map  
B. Oil & Gas Map

- C. Road Map & Wells in vicinity of  
Proposed Drillsite
- D. Sketch of Well Pad
- E. Sketch of BOP

#### THIRTEEN POINT PROGRAM

1. EXISTING ROADS: From Artesia go approximately 24.4 miles east on Federal Highway US-82 to Loco Hills, New Mexico. Turn left (North) in Loco Hills on County Road 217 and proceed .9 miles. From this starting point turn left (West) on dirt road for .5 miles across cattleguard, then turn right (Northeast) .2 miles, then turn left (Northwest) .35 miles, then turn left (West) .2 miles, then turn right at Holder CB Federal Tank Battery and proceed Northwest .2 miles. The lease road runs right through the middle of the pad and continues Northwest to another lease.
2. PROPOSED NEW ROAD: No new roads are necessary since existing road is adjacent to the drillsite.
3. LOCATION OF EXISTING WELLS: The nearest production to the proposed well is the Holder CB No. 2 well located east of the proposed drillsite. This well and all existing wells in the vicinity of the proposed drillsite are shown on Exhibits "B" and "C".
4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
  - A. This is a producing lease and central tank battery is located in the NW/4NW/4 of Section 17, 17S-30E.
  - B. If the well is productive, the flowline will be laid along the proposed and existing roadbeds to the battery.
  - C. There are powerlines on the lease, the closest pole being located approximately 380 feet east of the well location. The proposed electric powerline would be approximately 300 feet in length and run from the above referenced pole to a pole on the east side of the well pad, which will have to be inserted. See Exhibit "E".
5. WATER SUPPLY: It is not planned to drill a water supply well. Water for leasehold operations will be purchased from a commercial water hauler.
6. CONSTRUCTION MATERIALS: Material for construction of the proposed new road and well pad will be obtained from either

an existing approved caliche pit located on federal land in the SE/4 NE/4 of Section 14-17S-29E, or from the reserve pit.

7. WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during tests will be disposed of in the pits.
- D. Oil produced during tests will be produced into temporary test tanks.
- E. Trash, waste paper, garbage, and junk will be buried in a trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "D".
- F. All trash and debris will be buried or removed from the wellsite within 45 days after finishing each drilling and/or completion operation.

8. ANCILLARY FACILITIES: None anticipated.

9. WELLSITE LAYOUT: Refer to Exhibit "D" for direction orientation and access.

- A. The wellsite has been surveyed and an area has been staked and flagged.
- B. The dimensions and relative location of the drill pad and pit with respect to the well bore are shown on Exhibit "D".
- C. The location contains numerous sand dunes which will need to be leveled.
- D. The well pad will be surfaced with caliche.

10. RESTORATION OF SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.

- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment, all equipment, trash and junk will be removed and the location cleaned. Any special rehabilitation and/or special revegetation requirements of the BLM will be complied with and accomplished as expeditiously as possible.

11. OTHER INFORMATION:

- A. Topography: The undisturbed wellsite is at an elevation of 3658.9 feet. The terrain of the area surrounding the location is relatively flat. Regional slope is to the southwest toward the Pecos River.
- B. Soil: Top soil at the wellsite is silty loam.
- C. Land Use & Type: The vicinity surrounding the drillsite is semiarid rangeland and its primary use is for production of oil and gas.
- D. Flora: Flora in the vicinity surrounding the drillsite is sparse. It consists primarily of javalina, saltbush, broomweed and mesquite.
- E. Fauna: No wildlife was observed, however fauna for this type of habitat normally consists of lizards, snakes, rabbits, rodents, coyotes, skunks, quail, dove, and other small birds.
- F. Ponds & Streams: None.
- G. Water Wells: The nearest known water well is over 2.5 miles to the west.
- H. Residences & Other Structures: There are no occupied dwellings within one (1) mile of the proposed drillsite.
- I. Archaeological, Historical & Cultural Sites: An archaeological survey has been conducted by Pecos Archaeology Consultants and a formal report has been or will be furnished directly to BLM upon its completion.

12. OPERATOR'S REPRESENTATIVE: Representatives responsible for assuring compliance with the approved Surface Use Plan:

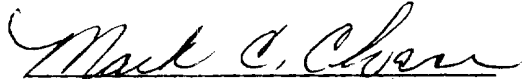
Mack Chase or John R. Gray  
P. O. Drawer 217  
Artesia, New Mexico 88210  
Phone 505-748-3303

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by MARBOB ENERGY CORPORATION and its sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

March 20, 1991

Date

  
Mack C. Chase, President  
MARBOB ENERGY CORPORATION

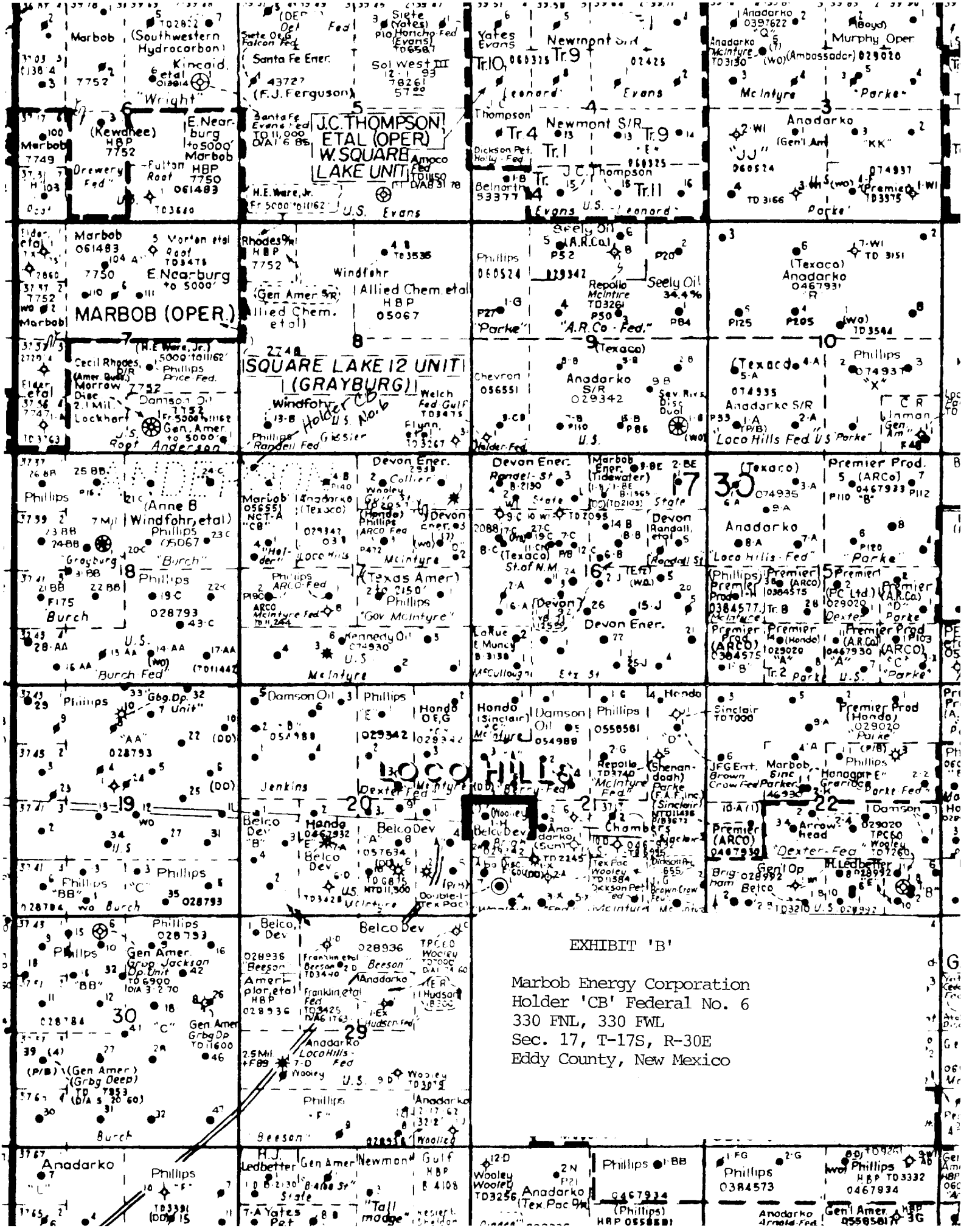
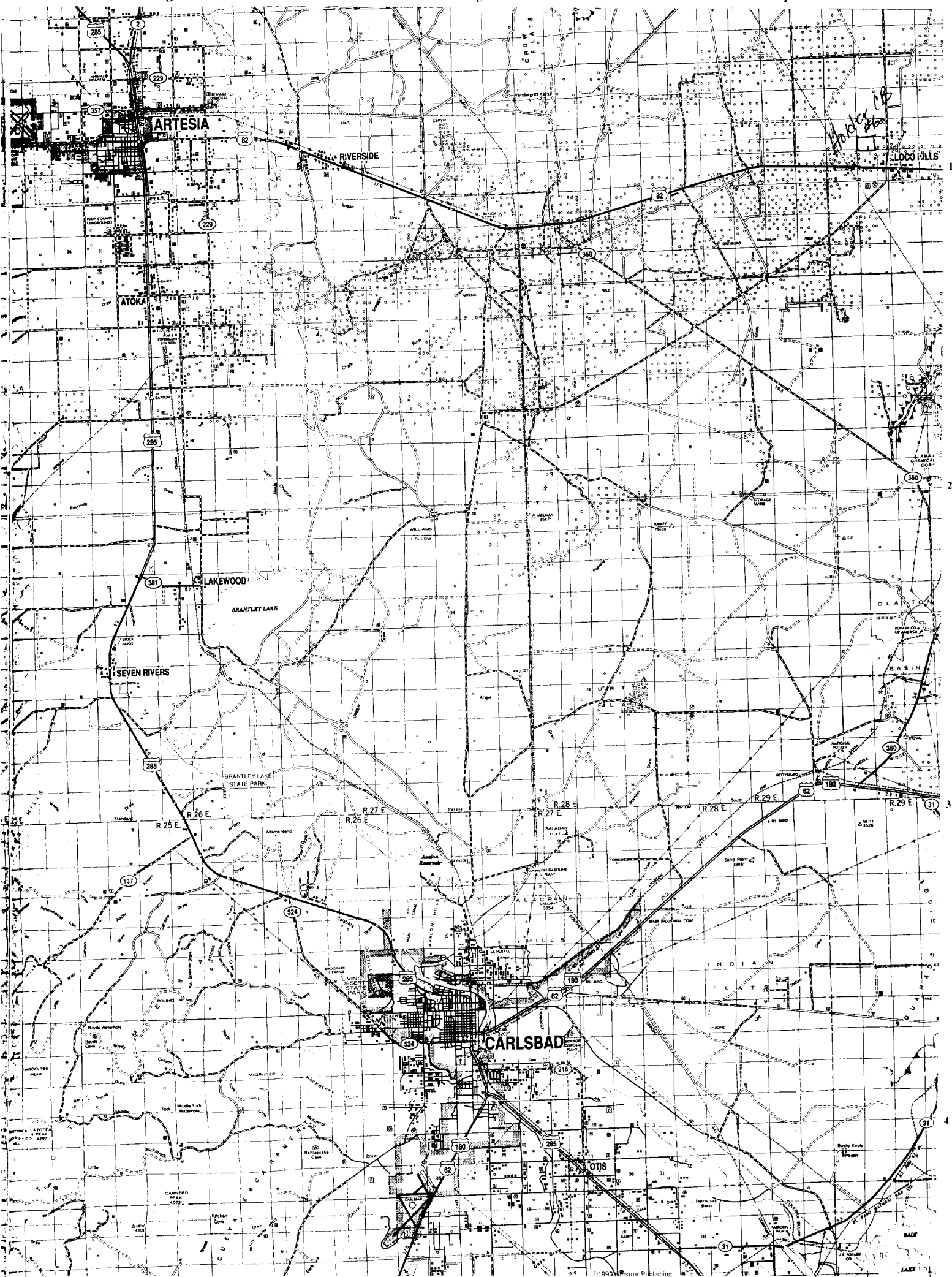


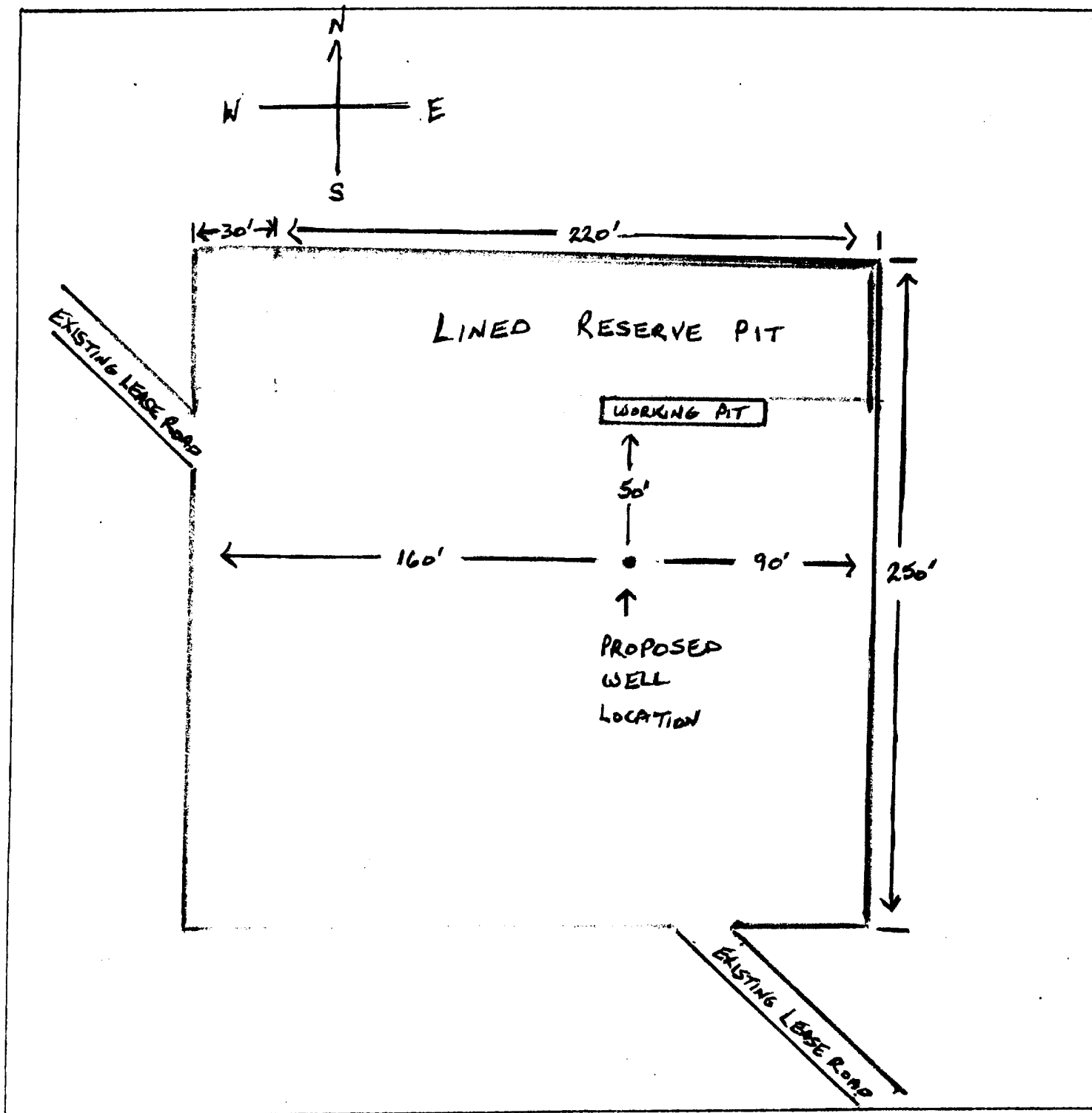
EXHIBIT 'B'

Marbob Energy Corporation  
Holder 'CB' Federal No. 6  
330 FNL, 330 FWL  
Sec. 17, T-17S, R-30E  
Eddy County, New Mexico



## EXHIBIT 'C'

Marbob Energy Corporation  
 Holder 'CB' No. 6  
 330 FNL, 330 FWL  
 Sec. 17, T-17S, R-30E  
 Blaine County, New Mexico

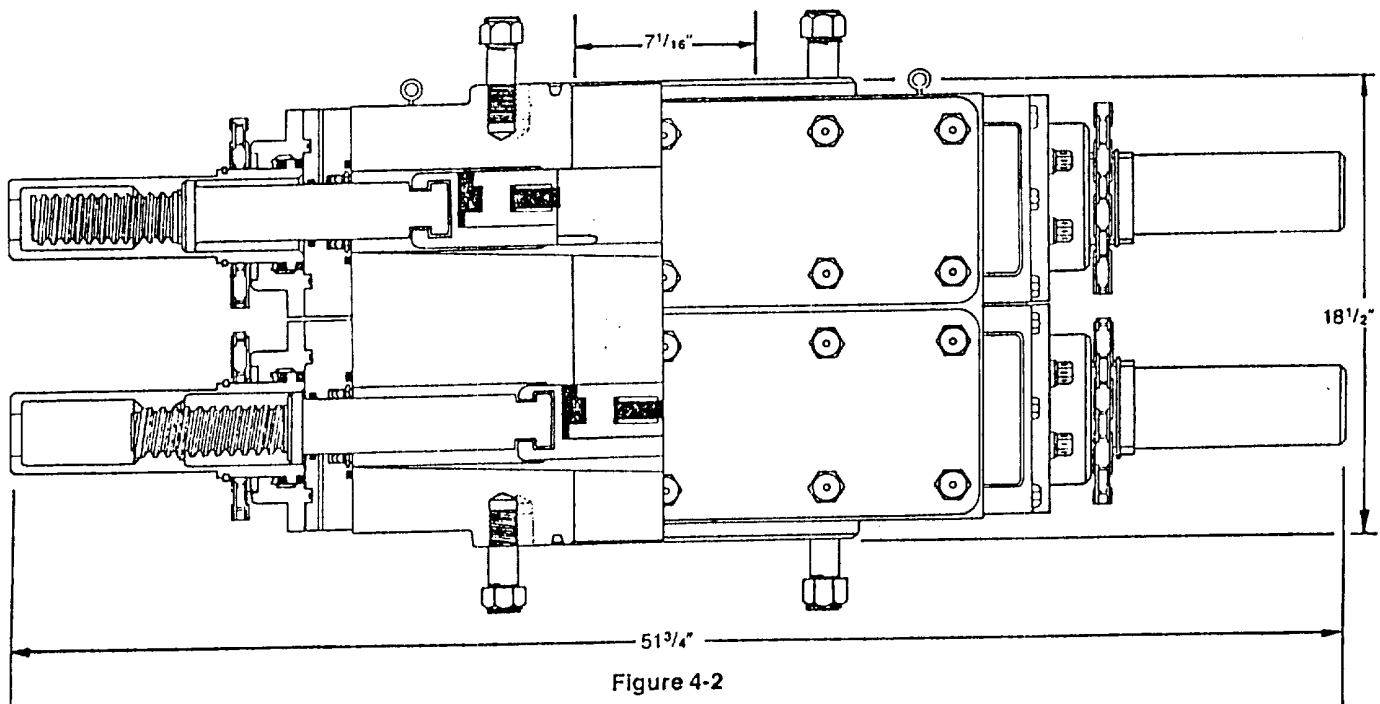


LEGEND

1cm = 20 ft.

SUP Exhibit "D"

SKETCH OF PROPOSED WELL PAD  
 Marbob Energy Corporation  
 Holder 'CB' No. 6  
 330 FNL, 330 FWL  
 Sec. 17, T-17S, R-30E  
 Eddy County, New Mexico



## DIMENSIONS AND WEIGHTS

		Manual
Weight	Single (pounds)	1,272
	Double (pounds)	2,335
Overall height, less studs	Single (inches)	10
	Double (inches)	18 1/2
Overall length (inches)		51 3/4
Overall width, less handwheel (inches)		20 1/4
Opening through preventer (inches)		7 1/16
Working pressure (psi)		3,000
Test pressure (psi)		6,000
Handwheel diameter (inches)		20
Ring joint gasket API number		R-45

SUP Exhibit "E"  
Marbob Energy Corporation  
Holder 'CB' No. 6  
330 FNL, 330 FWL  
Sec. 17, T-17S, R-30E  
Eddy County, New Mexico

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

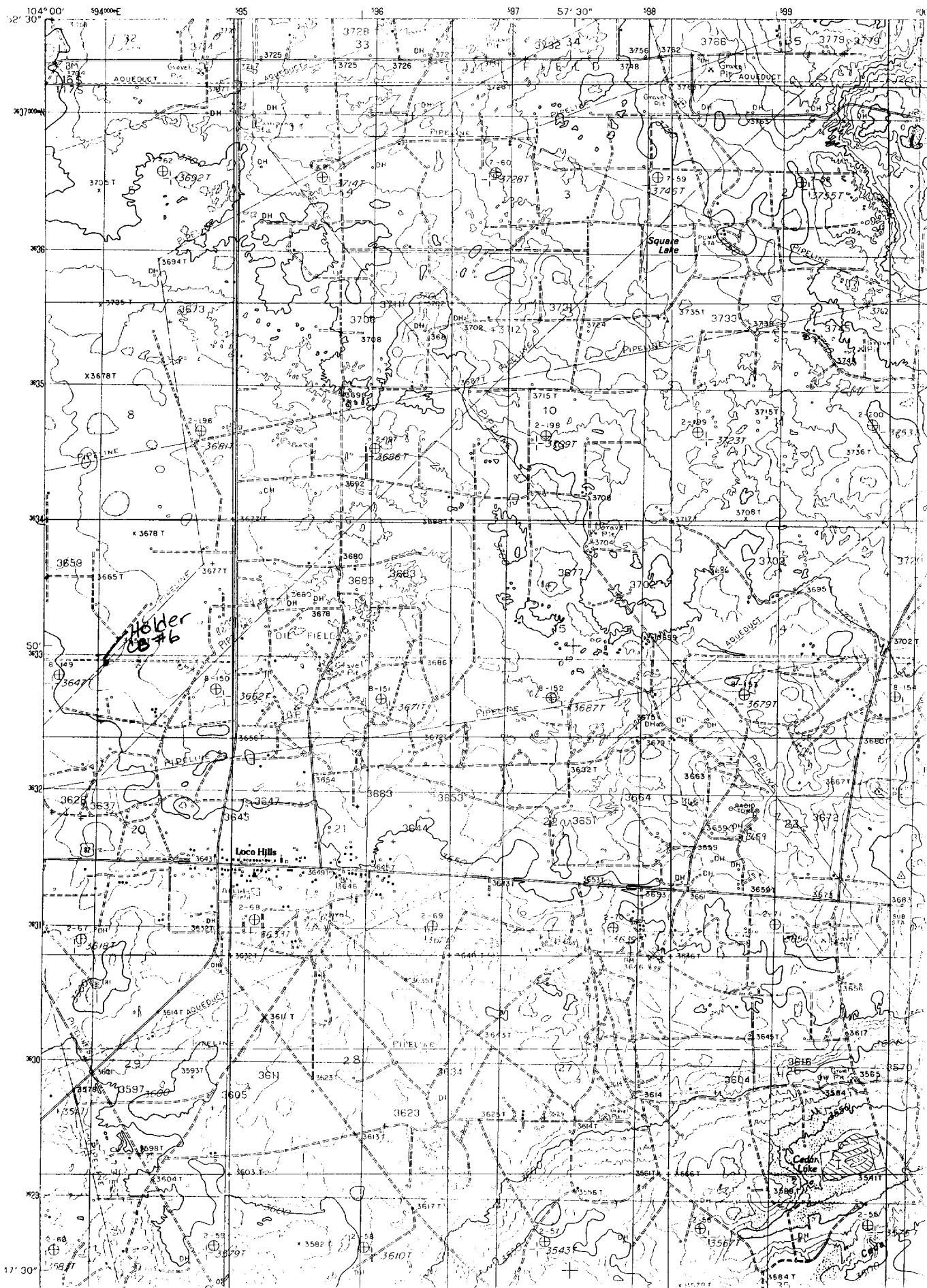


Exhibit 'A'

Marbob Energy Corporation  
Holder 'CB' No. 6  
330 FNL, 330 FWL  
Sec. 17, T-17S, R-30E  
Eddy County, New Mexico