Form 31.60-3 (July 1989) (formerly 9-331C)

N. M. Oil Cons. Division or cop. تغايلانه وتنفثنا المتحاطية OFFICE FOR NUMBER

811 S. 1ST ST.

(Other It.

ns on reverse side)

RIME ModIf NM060-3160-2

7. UNIT AGREEMENT NAME

S. FARM OR LEASE NAME

9. WELL NO.

844

BURCH KEELY UNIT

10. FIELD AND FOOL, OR WILDCAT

GRBG JACKSON SR Q GRBG S.

22. APPROX. DATE WORK WILL START*

NM

| • | | 1. |
|---|---|-------|
| | | Ŋ |
| | ì | り |
| | • | · /) |

| | • | 5.5 | | perdicting in | № 88210-283 | 4 |
|------|-----|------|----|---------------|--------------------|---|
| DEPA | RTM | IENT | OF | THE | INTERIO | 5 |

| BUREAU OF LAND MANAGEMENT | TAILED BOOK AND BEREIO |
|---|-------------------------------------|
| | LC-028793C |
| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK | G. IF INDIAN, ALLOTTEE OR TRIBE NAM |
| TPE OF WORK | |

DRILL X DEEPEN [PLUG BACK b. TIPE OF WELL WELL X

NINGLE Zone MULTIPLE ZONE OTHER 2. NAME OF OPERATOR 3a. Area Code & Phone No.

Marbob Energy Corporation 505-748-3303 3. ADDRESS OF OPERATOR

0. Box 221 Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

2625 FSL 660 FEL At proposed prod. zone

SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR FOST OFFICE EAST OF ARTESIA ON HWY 82 APPROX 20.7 MILES

11. SEC., T., B., M., OR SEK. AND SURVEY OR AREA APR 09 1997 SEC. 23-T17S-R29E 12. COUNTY OR PARISH | 13. STATE

10. DISTANCE FROM PROPUSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig, unit line, if any) EDDY 18. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL 660' 1120 40

18. DISTANCE FROM PROPOSED LOCATIONS 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 4800' ROTARY

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

3589' GR

APRIL 15, 1997

PROPOSED CASING AND CEMENET POCOMTROLLED WATER PASIN HOLE SIZE CASING SIZE WE IGHT/FOOT GRADE THREAD TYPE BETTING DEPTH QUANTITY OF CEMENT 1/4" <u>8 5/8"</u> 24# J-55 CARGUE 350**'** LT&C7/8" 1/2" 5 17# J-55 CHACINA LT&C 4800

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

SUBJECATTOCHED ARE:

LIKE APPROVAL

BY STATE FO.

LOCATION & DEDICATION PLAT 2. SUPPLEMENTAL DRILLING DATA

3. SURFACE USE PLAN

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

PLEASE SEE MASTER SURFACE USE PLAN ON FILE AT BLM OFFICE

TITLE

IN ABOVE SPACE DESCRIBE PROFOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths.

| preventer program, if any. | and the state of t |
|--|--|
| signen Thorda Clerk Production Clerk | DATE 3/7/97 |
| (This space for Federal or State office use) | |
| | |

(ORIG. SGD.) TONY ... FERGUSON

ADM. MINERALS

4.1-91

CONDITIONS OF APPROVAL, IF ANY :

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

State Lease - 4 Copies Fee Lease - 3 Copies

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

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

DISTRICT IV P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | Pool Code 28509 | Pool Name GRBG JACKSON SR Q GRBG SA |
|-----------------------|--------------------|--|
| Property Code 6497 | | y Name Well Number EELY UNIT 844 |
| OGRID No. 14049 | • | or Name Elevation GY COPORATION 3589' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | 23 | 17 S | 29 E | | 2625 | SOUTH | 660 | EAST | EDDY |

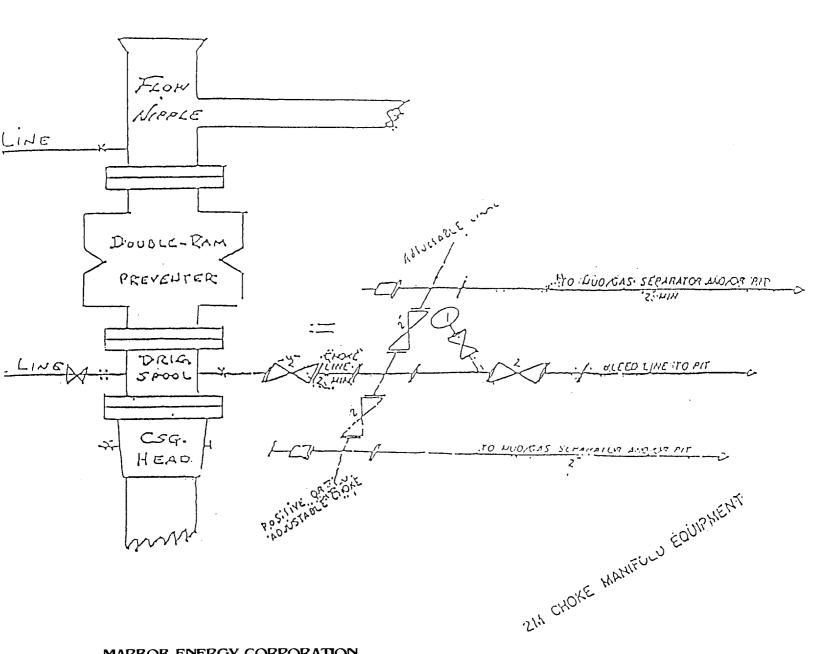
Bottom Hole Location If Different From Surface

| UL or lot No. Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------------|--------------|----------------|----------|---------------|------------------|---------------|----------------|--------|
| Dedicated Acres Join | or Infill Co | onsolidation (| Code Ore | der No. | | | | |

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

| · · · · · · · · · · · · · · · · · · · | | |
|---------------------------------------|--|---|
| | 3591.3' 3589.1' 660' - 3585.5' 3585.7' | OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature RHONDA NELSON Printed Name PRODUCTION CLERK Title 3/6/97 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 supervisors and that the same is true and correct to the best of my belief. FEBRUARY 19, 1997 Date Surveyed COG Signature & Seal of Professional Surveyor |
| | 3585.5' 3585.7' | on this plat was plotted from field notes of actual surveys made by me or under my supervison and that the same is true and correct to the best of my belief. FEBRUARY 19, 1997 Date Surveyed CDG Signature & Seal of Processional Surveyor |
| | | Cardiscase No. John W. Jest 676 RONALD BIDSON 3239 12641 |

10"/900 Cameron SS Space Saver 3000# Working Pressure 3.000# Working Pressure Choke Manifold



MARBOB ENERGY CORPORATION

Burch Keely Unit No. 844 2625' FSL and 660' FEL Section 23-17S-29E Eddy County, New Mexico Exhibit #1

Attachment to Exhibit #1 NOTES REGARDING THE BLOWOUT PREVENTERS

- 1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
- 2. Wear ring to be properly installed in head.
- 3. Blow out preventer and all fittings must be in good condition, 3000 psi W.P. minimum.
- 4. All fittings to be flanged.
- 5. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 3000 psi W.P. minimum.
- 6. All choke and fill lines to be securely anchored, especially ends of choke lines.
- 7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
- 8. Kelly cock on kelly.
- 9. Extension wrenches and hand wheels to be properly installed.
- 10. Blow out preventer control to be located as close to driller's position as feasible.
- 11. Blow out preventer closing equipment to include minimum 40 gallon accumulator, two independent sources of pump power on each closing unit installation, and meet all API specifications.