<u>District I</u>

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, NIM

87505

State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

Permit 1394

Form C-101

APPLICATION FOR PERMIT TO DRILL

	Operator Name and Address	OGRID Number 14049
MARBOB ENERGY COR PO Box 227 Artesia, NM 88211-0227		API Number 30-015-33630
Property Code 34219	Property Name BISCUIT STATE	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	7	258	30E	P	330	S	330	E	Eddy

Proposed Pools

undes, corral canyon; delaware

Work Type	Well Type	Cable/Rotary	Lease Type	Ground Level Elevation
New Well	OIL		State	3179
Multiple	Proposed Depth	Formation	Contractor	Spud Date
N	7600	Delaware		09/01/2004

Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	750	350	0
Prod	8.75	5.5	17	7600	1350	0

Casing/Cement Program: Additional Comments

Propose to drl 12 1/4 in. hole w/fresh water to 750 ft, run 9 5/8 in. csg and set w/350 sx cmt, circ to surface. Drl 8 3/4 in. hole w/brine water to 7600 ft, run 5 1/2 in. csg and set at TD w/1350 sx cmt. TOC 500 ft. above all oil and gas bearing zones.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Mamufacturer
Double Ram	3000	3000	Cameron

Electron	nically Signed By:	Diana Cannon
Title: F	roduction Analys	t
Date: 0	08/18/2004	Phone: 505-748-3303

OIL CONSERVA	ATION DIVISION
Electronically Approved By:	Bryan Arrant
Title: Geologist	
Approval Date: 09/21/2004	Expiration Date: 09/21/2005
Approval Date: 09/21/2004 Conditions of Approval: There are conditions. See At	W 85