

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

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211-0227		2. OGRID Number 14049
		3. API Number 30-015-34396
4. Property Code 35184	5. Property Name ARCO STATE	6. Well No. 002

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	26	17S	28E	D	552	N	508	W	EDDY

**8. Pool Information**

ARTESIA; GLORIETA-YESO (O)	96830
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3680
14. Multiple N	15. Proposed Depth 5000	16. Formation Yeso Formation	17. Contractor	18. Spud Date 11/15/2005
Depth to Ground water 150		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 3000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	500	300	0
Prod	7.875	5.5	17	5000	600	0

**Casing/Cement Program: Additional Comments**

We propose to drill to 500 ft with fresh water run 8 5/8 inch 24 lb J-55 csg and set at 500 ft with 300 sx cmt, circ to surface. Drill to 5000 ft with brine water, run 5 1/2 inch 17 lb J-55 casing to TD and set with 600 sx cmt with TOC being 200 ft above all oil and gas bearing zones.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NM OCD guidelines ☐ a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Diana Briggs

Title: Production Analyst

Email Address: production@marbob.com

Date: 10/27/2005

Phone: 505-748-3303

**OIL CONSERVATION DIVISION**

Approved By: Bryan Arant

Title: Geologist

Approved Date: 10/28/2005 | Expiration Date: 10/28/2006

Conditions of Approval Attached

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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Form C-102  
Permit 17633

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34396	2. Pool Code 96830	3. Pool Name ARTESIA; GLORIETA-YESO (O)
4. Property Code 35184	5. Property Name ARCO STATE	6. Well No. 002
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3680

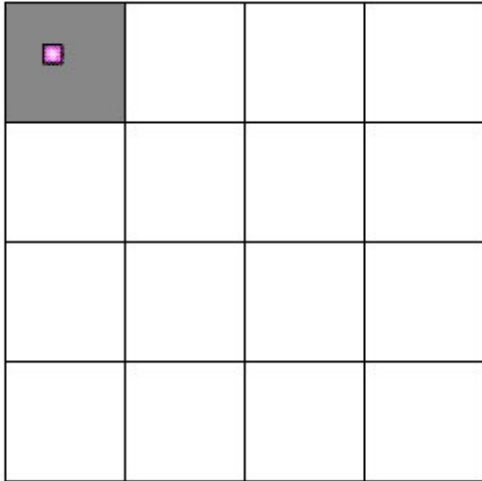
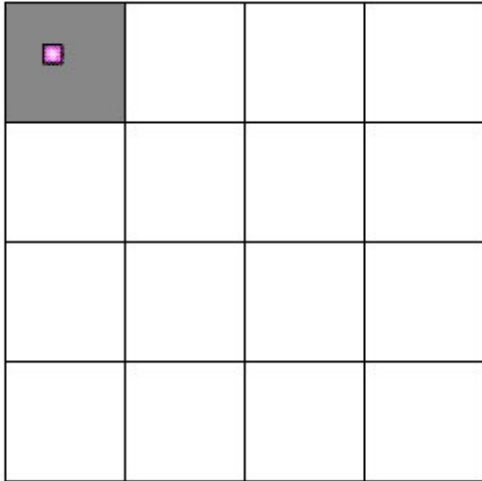
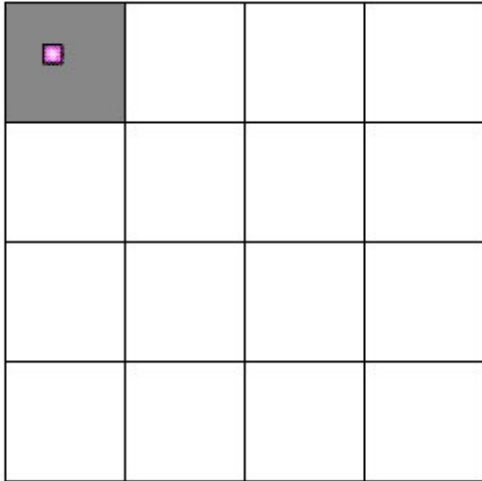
10. Surface Location

UL - Lot D	Section 26	Township 17S	Range 28E	Lot Idn D	Feet From 552	N/S Line N	Feet From 508	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 34	Township 17S	Range 28E	Lot Idn D	Feet From 552	N/S Line N	Feet From 508	E/W Line W	County EDDY
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code		15. Order 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

<table><tr><td></td></tr></table>		<p><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>E-Signed By: Diana Briggs Title: Production Analyst Date: 10/27/2005</p> <hr/> <p><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: RONALD EIDSON Date of Survey: 10/12/2005 Certificate Number: 3239</p>
		

## Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: ARCO STATE #002

API: 30-015-34396

Created By	Comment	Comment Date
MARBOB4	We plan on completing this well in the Yezo formation and do not anticipate cutting any formations during the drilling of this well that contain H2S gas. Therefore, we do not believe an H2S contingency plan is necessary.	10/27/2005

# Permit Conditions of Approval

Operator: MARBOB ENERGY CORP , 14049

Well: ARCO STATE #002

API: 30-015-34396

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	Production casing to be tied back to surface casing or circulated to surface.