

Santa Fe, NM 87505

1. Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211		2. OGRID Number 14049
		3. API Number 30-015-36087
4. Property Code 36980	5. Property Name ARAPAHOE FEE	6. Well No. 001

UL - Lot M	Section 3	Township 26S	Range 24E	Lot Idn M	Feet From 660	N/S Line S	Feet From 660	E/W Line W	County EDDY
---------------	--------------	-----------------	--------------	--------------	------------------	---------------	------------------	---------------	----------------

WC:DEVONIAN (GAS)DO NOT USE	96061
-----------------------------	-------

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3727
14. Multiple N	15. Proposed Depth	16. Formation Devonian	17. Contractor	18. Spud Date 3/5/2008
Depth to Ground water 125		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic ☐ miles thick Clay ☐ Pit Volume: bbls Drilling Method: Closed Loop System ☒ Fresh Water ☐ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	500	250	0
Prod	7.875	5.5	17	7900	900	300

We propose to drill 12 1/4 inch hole to 500 ft w/fresh water, run 9 5/8 inch 36 lb J-55 csg, set at 500 ft w/250 sx cmt, circ to surface; drill 7 7/8 inch hole w/cut brine water to 7900 ft, run 5 1/2 inch 17 lb N-80 csg, set at 7900 ft w/900 sx cmt, TOC 300'.

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	Cameron

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

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

Form C-102
 Permit 68893

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-36087	2. Pool Code 96061	3. Pool Name WC DEVONIAN (GAS) DO NOT USE
4. Property Code 36980	5. Property Name ARAPAHOE FEE	6. Well No. 001
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3727

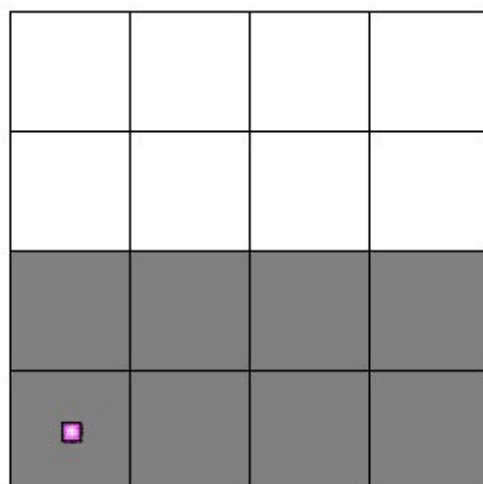
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	3	26S	24E	M	660	S	660	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00		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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Diana Briggs
 Title: Production Analyst
 Date: 2/5/2008

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.

Surveyed By: Gary Eidson
 Date of Survey: 1/17/2008
 Certificate Number: 12641

Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: ARAPAHOE FEE #001

API: 30-015-36087

Created By	Comment	Comment Date
MARBOB4	We plan to complete this well in the Devonian which is sweet and we don't anticipate cutting any formations that contain H2S gas during the drilling of the above referenced well. Therefore, we do not believe that an H2S contingency plan is necessary.	2/5/2008
MARBOB4	Marbob will be using a closed mud loop system with fresh water pits.	2/5/2008

Permit Conditions of Approval

Operator: MARBOB ENERGY CORP , 14049

Well: ARAPAHOE FEE #001

API: 30-015-36087

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	Operator must us fresh water mud in surface drilling.