

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		2. OGRID Number 14049
		3. API Number 30-015-36220
4. Property Code 37060	5. Property Name SHOCKER 32 STATE	6. Well No. 003H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	32	25S	29E	A	330	N	330	E	EDDY

8. Pool Information

WILLOW LAKE,BONE SPRING, SOUTHEAST	96217
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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 2983
14. Multiple N	15. Proposed Depth	16. Formation 2nd Bone Spring Sand	17. Contractor	18. Spud Date 4/17/2008
Depth to Ground water 250		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	350	350	0
Int1	12.25	9.625	36	2850	550	0
Prod	7.875	5.5	17	10900	700	200

Casing/Cement Program: Additional Comments

We propose to drl 17 1/2 inch hole to 350 ft w/fresh water, run 13 3/8 inch 48 lb H-40 csg. set at 350 ft w/350 sx cmt, circ to surface; 12 1/4 inch hole to 2850 feet with brine water, run 9 5/8 36 lb J-55 csg. set at 2850 ft w/550 sx cmt, circ to surface; drl 7 7/8 inch hole w/cut brine water to 10900 ft, run 5 1/2 inch 17 lb N-80 csg. set at 10900 ft w/700 sx cmt, circ to 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 NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/>. Printed Name: Electronically filed by Diana Briggs Title: Production Analyst Email Address: production@marbob.com Date: 3/18/2008 Phone: 505-748-3303	OIL CONSERVATION DIVISION	
	Approved By: Tim Gum	
	Title: District Supervisor	
	Approved Date: 3/26/2008	Expiration Date: 3/26/2010
	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 71512

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-36220	2. Pool Code 96217	3. Pool Name WILLOW LAKE;BONE SPRING, SOUTHEAST
4. Property Code 37060	5. Property Name SHOCKER 32 STATE	6. Well No. 003H
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 2983

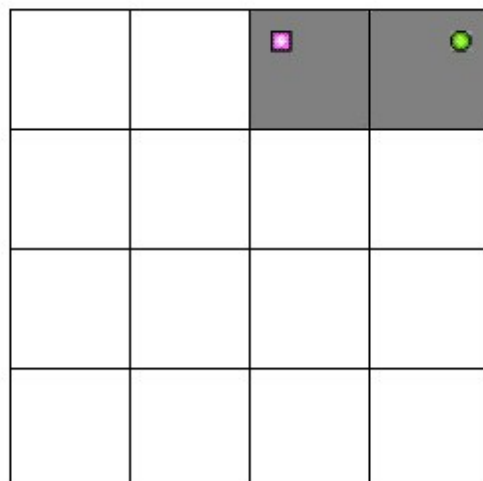
10. Surface Location

UL - Lot A	Section 32	Township 25S	Range 29E	Lot Idn A	Feet From 330	N/S Line N	Feet From 330	E/W Line E	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot B	Section 32	Township 25S	Range 29E	Lot Idn B	Feet From 330	N/S Line N	Feet From 2310	E/W Line E	County EDDY
12. Dedicated Acres 80.00		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: 3/18/2008

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: Ronald Eidson

Date of Survey: 3/1/2008

Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: SHOCKER 32 STATE #003H

API: 30-015-36220

Created By	Comment	Comment Date
MARBOB4	Marbob Energy has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan would be necessary.	3/17/2008
MARBOB4	Marbob will be using a closed mud loop system with fresh water pits.	3/17/2008

Permit Conditions of Approval

Operator: MARBOB ENERGY CORP , 14049

Well: SHOCKER 32 STATE #003H

API: 30-015-36220

OCD Reviewer	Condition
kmwilson	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