

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 882110227		2. OGRID Number 14049
4. Property Code 37898		3. API Number 30-015-37425
5. Property Name SRO STATE UNIT COM		6. Well No. 103H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	8	26S	28E	M	660	S	330	W	EDDY

8. Pool Information

WC BONE SPRING	0
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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 3107
14. Multiple N	15. Proposed Depth 6600	16. Formation Bone Spring	17. Contractor	18. Spud Date 1/3/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic ☐ mls thick Clay ☐ Pit Volume: bbls Drilling Method: Closed Loop System ☐ Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐				

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	325	325	0
Int1	12.25	9.625	36	2300	800	0
Prod	7.875	5.5	17	11500	900	2000

Casing/Cement Program: Additional Comments

DRILL 17 1/2 HOLE WITH FRESH WATER TO 325', RUN 13 3/8 48# H-40 CASING AND CEMENT TO SURFACE. DRILL 12 1/4" HOLE WITH BRINE WATER TO 2300 RUN 9 5/8 36# J-55 AND CEMENT TO SURFACE. DRILL 7 7/8" HOLE WITH CUT BRINE TO 9200', RUN ELECTRONIC LOGS THEN PLUG WELL BACK AND DRILL HORIZONTAL @ TVD 6600' TO NEW BHL, RUN 7000' OF 5 1/2" 17# N-80 AND CEMENT TO 2000'.

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 ☐ , a general permit ☐ , or an (attached) alternative OCD-approved plan ☐ . Printed Name: Electronically filed by Diana Briggs Title: Production Manager Email Address: production@marbob.com Date: 12/3/2009 Phone: 575-748-3303	OIL CONSERVATION DIVISION Approved By: Jacqueta Reeves Title: District Geologist Approved Date: 12/15/2009 Expiration Date: 12/15/2011
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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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Santa Fe, NM 87505

Form C-102
 Permit 106148

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-37425	2. Pool Code	3. Pool Name WC BONE SPRING
4. Property Code 37898	5. Property Name SRO STATE UNIT COM	6. Well No. 103H
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3107

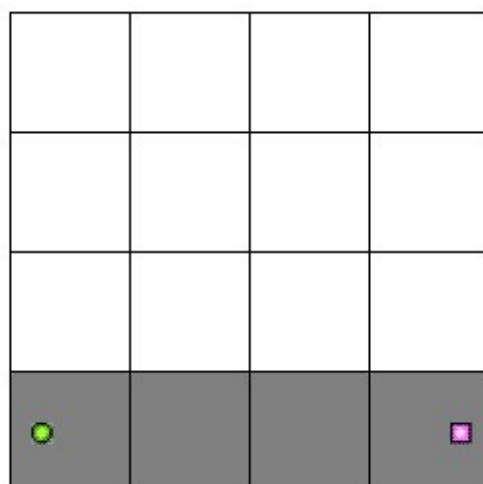
10. Surface Location

UL - Lot M	Section 8	Township 26S	Range 28E	Lot Idn	Feet From 660	N/S Line S	Feet From 330	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot P	Section 8	Township 26S	Range 28E	Lot Idn P	Feet From 660	N/S Line S	Feet From 330	E/W Line E	County EDDY
12. Dedicated Acres 160.00		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 Manager

Date: 12/3/2009

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 J. EIDSON

Date of Survey: 11/18/2009

Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: SRO STATE UNIT COM #103H

API: 30-015-37425

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.	12/3/2009