State of New Mexico

Form C-101 Permit 106167

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

MARBO	or Name and Address B ENERGY CORP	2. OGRID Number 14049
Charles and the second	O BOX 227 A , NM 882110227	3. API Number 30-015-37427
4. Property Code 37898	5. Property Name SRO STATE UNIT COM	6. Well No. 107H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	15	26S	28E	D	660	N	330	W	EDDY

8. Pool Information

WC BONE SPRING 0

Additional Well Information

9. Work Type New Well	II OIL		11. Cable/Rotary	13. Ground Level Elevation 3032 18. Spud Date 1/3/2010	
14. Multiple N			16. Formation 17. Contractor Bone Spring		
Depth to Ground	water		Distance from nearest fr	esh water well	Distance to nearest surface water
Liner: Synthetic Closed Loop Syste		nils thick Cla	Pit Volume:	bbls Drilling Method:	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	2400	800	0
Prod	7.875	5.5	17	11500	900	2200

Casing/Cement Program: Additional Comments

DRILL 17 1/2" HOLE TO 325' WITH FRESH WATER RUN 13 3/8 48# H-40 CASING AND CEMENT TO SURFACE. DRILL 12 1/4" HOLE TO 2400' WITH BRINE RUN 9 5/8 36# J-55 AND CEMENT TO SURFACE. DRILL 7 7/8" HOLE TO 9300 WITH CUT BRINE, RUN ELECTRIC LOGS, PLUG BACK AND DRILL TO NEW BHL @ TVD OF 6700' RUN 5 1/2 17# N-80 AND CEMENT TO 2000'

Proposed Blowout Prevention Program

Γ	Type	Working Pressure	Test Pressure	Manufacturer	٦
T	DoubleRam	3000	3000	CAMERON	

I hereby certify that the information given above is true and complete to of my knowledge and belief. I further certify that the drilling pit will be constructed according	OIL CONSERVATION DIVISION
NMOCD guidelines , a general permit , or an (attached) alter OCD-approved plan .	
Printed Name: Electronically filed by Diana Briggs	Title: District Geologist
Title: Production Manager	Approved Date: 12/15/2009
Email Address: production@marbob.com	
Date: 12/3/2009 Phone: 575-748-3303	

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

<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

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Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-37427	2. Pool Code	2. Pool Code 3. Pool Name WC BONE SPRING	
4. Property Code 37898	5. Property Name SRO STATE UNIT		
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY	\$2.00 pt (\$2.00 pt)	

10. Surface Location

			102		120				. <u>2</u>
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	15	26S	28E		660	N	330	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
A	15	26S	28E	A	660	N	330	E	EDDY
25000000000	cated Acres 0.00	13. J	oint 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

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OPERATOR CERTIFICATION

Form C-102

Permit 106167

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: 11/19/2009 Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049 Well: SRO STATE UNIT COM #107H

API: 30-015-37427

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