State of New Mexico

Form C-101 Permit 106201

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	tor Name and Address DB ENERGY CORP	2. OGRID Number 14049	
Control of the Contro	PO BOX 227 IA , NM 882110227	3. API Number 30-015-37435	
4. Property Code 37898	5. Property Name SRO STATE UNIT COM	6. Wett No. 104H	

7. Surface Location

8	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	P	7	26S	28E	P	660	S	330	E	EDDY

8. Pool Information

WC Bone Spring 0

Additional Well Information

9. Work Type 10. Well T New Well OIL			11. Cable Rotary		12. Lesse Type State	13. Ground Level Elevation 3126		
14. Multiple N			16. Formation Bone Spring			17. Contractor	18. Spud Date 1/4/2010	
Depth to Ground	Depth to Ground water			Distance from nearest fresh water well			Distance to nearest surface water	
Pit: Liner: Synthetic Closed Loop System	Clay	Pit Volume:		Orilling Method: Fresh Water X 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

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 the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Jacqueta Reeves				
Printed Name: Electronically filed by Diana Briggs	Title: District Geologist				
Title: Production Manager	Approved Date: 12/21/2009 Expiration Date: 12/21/2011				
Email Address: production@marbob.com					
Date: 12/4/2009 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

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

Form C-102 Permit 106201

Energy, Minerals and Natural Resources Oil Conservation Division

1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-37435	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		

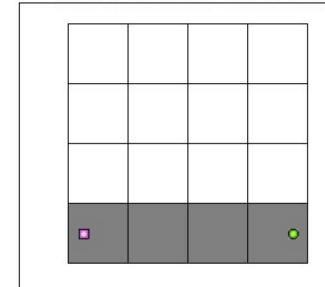
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	7	26S	28E		660	S	330	E	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
M	7	26S	28E	4	660	S	330	W	EDDY
0.000	12. Dedicated Acres 159.71		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



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: 12/4/2009

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 #104H

API: 30-015-37435

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.	12/4/2009