State of New Mexico

Form C-101 Permit 107142

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	r Name and Address B ENERGY CORP	2. OGRID Number 14049	
PO BOX 227		3. API Number	
ARTESIA , NM 882110227		30-015-37466	
4. Property Code	5. Property Name	6. Wett No.	
37958	CRAIG STATE COM	001H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	36	25S	26E	M	380	S	330	W	EDDY

8. Pool Information

WILDCAT BONE SPRING

Additional Well Information

	140	and the second s	Traditional II CH Intoll	Intion		
9. Work Type New Well	OIL		11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3345	
14. Multiple N			16. Formation 17. Contractor Bone Spring		18. Spud Date 1/22/2009	
Depth to Ground	water		Distance from nearest fresh water	r well	Distance to nearest surface water	
Liner: Synthetic Closed Loop Syste	m [mils thick C	ay Pit Volume: bbl	s Drilling Method: Fresh Water X Brine D	iesel/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	350	350	0
Int1	12.25	9.625	36	1900	600	0
Prod	7.875	5.5	17	10400	950	1500

Casing/Cement Program: Additional Comments

Plan to drill 17 1/2" hole to 350' with fresh water, set 13 3/8 48# H-40 casing and cement to surface. Drill 12 1/4" hole to 1900' with Brine, set 9 5/8 36# J-55 and cement to surface. drill 7 7/8" hole to 8625' run electric logs then plug back and drill horizontal to new BHL (TVD) 6000' run 5 1/2" N80 17# casing and cement to 1500'

Proposed Blowout Prevention Program

Туре	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	OIL CONSERVATION DIVISION Approved By: Jacqueta Reeves			
NMOCD guidelines, a general permit, or an (attached) alternative OCD-approved plan.				
Printed Name: Electronically filed by Diana Briggs	Title: District Geologist			
Title: Production Manager	Approved Date: 12/29/2009	Expiration Date: 12/29/2011		
Email Address: production@marbob.com	[17]			
Date: 12/22/2009 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 107142

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	2. Pool Code	3. Pool Name WILDCAT BONE SPRING		
30-015-37466 4. Property Code 37958	5. Property Na CRAIG STATE	me	6. Well No. 001H	
7. OGRID No. 14049	8. Operator Na MARBOB ENERO		9. Elevation 3345	

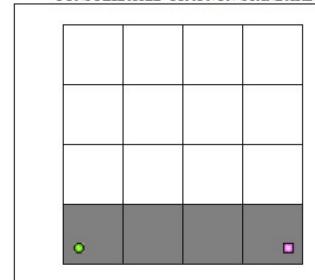
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	36	25S	26E	1.	380	S	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
	36	25S	26E	P	380	S	330	E	EDDY
V.5.00 100 100 100	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



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: 12/22/2009

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 Eidson Date of Survey: 12/17/2009 Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049 Well: CRAIG STATE COM #001H

API: 30-015-37466

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.	12/23/2009