State of New Mexico

Form C-101 Permit 107316

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

MARBOE	Name and Address ENERGY CORP	2. OGRID Number 14049	
200000000000000000000000000000000000000	BOX 227 , NM 882110227	3. API Number 30-015-37499	
4. Property Code 37994	5. Property Name ALL STATE COM	6. Wett No. 002H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	28	26S	28E	L	1980	S	330	W	EDDY

8. Pool Information

WC BONE SPRING 0

Additional Well Information

9. Work Type	10. Wett Type			13. Ground Level Elevation	
New Well	OIL			2995	
14. Multiple	15. Proposed Depth	16. Formation	17. Contractor	18. Spud Date	
N	11350	Bone Spring		1/30/2010	
Depth to Ground	water	Distance from nearest fr	esh water well	Distance to nearest surface water	
Pit: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume:	bbls Drilling 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	350	350	0
Int1	12.25	9.625	36	2400	650	0
Prod	7.875	5.5	17	11350	950	2200

Casing/Cement Program: Additional Comments

Drill 17 1/2" hole to 350' with F/W, run 13 3/8" 48# H-40 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 9500' with cut brine run electric logs then plug back to drill horizontal to new BHL (TVD 6700'), run 5 1/2" 17# N-80 casing and cement to 2200'.

Proposed Blowout Prevention Program

<u> </u>											
Type	Working Pressure	Test Pressure	Manufacturer								
DoubleRam	3000	3000	Cameron								

of my knowledge and belief.	nation given above is true and complete to the best illing pit will be constructed according to	OIL CONSERVATION DIVISION Approved By: Jacqueta Reeves				
	eneral permit , or an (attached) alternative					
Printed Name: Electroni	cally filed by Diana Briggs	Title: District Geologist				
Title: Production Manag	ger	Approved Date: 1/19/2010	Expiration Date: 1/19/2012			
Email Address: product	on@marbob.com					
Date: 1/5/2010	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 107316

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 30-015-37499	2. Pool Code 3. Pool Name WC BONE SPRING				
4. Property Code 37994	5. Property Nam ALL STATE CO				
7. OGRID No. 14049	8. Operator Nam MARBOB ENERGY				

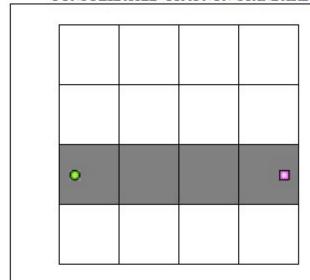
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
L	28	26S	28E	In the second of	1980	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
I	28	26S	28E	I	1980	S	330	E	EDDY
12. Dedicated Acres 13. Joint or Infill 160.00		14	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: 1/5/2010

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: Ron Eidson Date of Survey: 12/10/2009 Certificate Number: 3239

Permit Comments

Operator: MARBOB ENERGY CORP , 14049 Well: ALL STATE COM #002H

API: 30-015-37499

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.	12/30/2009