State of New Mexico

Form C-101 Permit 109919

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	
PO BOX 227		3. API Number	
ARTESIA , NM 882110227		30-015-37636	
4. Property Code	5. Property Name	6. Wett No.	
36481	MOODY 17 FEE COM	003H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	17	25S	28E	M	660	S	330	W	EDDY

8. Pool Information

Undesignated Bone Spring

Additional Well Information

9. Work Type New Well	10. Wett T OIL	10. Weti Type 11. Cable/Rotary OIL		12. Lesse Type Private	13. Ground Level Elevation 3038
14. Multiple N	15. Proposed Depth 11100		16. Formation Bone Spring	17. Contractor	18. Spud Date 3/25/2010
Depth to Ground	Depth to Ground water			resh water well	Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syste		ils 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	400	400	0
Int1	12.25	9.625	36	2300	900	0
Prod	7.875	5.5	17	11100	1100	2000

Casing/Cement Program: Additional Comments

Propose to drill 17 1/2" hole with freshwater to 400', set 13 3/8" 48# H40 casing and cement to surface. Drill 12 1/4" hole with brine to 2300', run 9 5/8" 36# J55 casing and cement to surface. Drill 7 7/8" hole with cut brine to new bottom hole location, run 5 1/2" 17# N80 casing 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	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: 3/10/2010	Expiration Date: 3/10/2012			
Email Address: production@marbob.com					
Date: 2/25/2010 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 109919

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				
30-015-37636	10.00 10.00 0.00 0.00 00	Undesignated Bone Spring				
4. Property Code	5. Property 1	ame	6. Well No.			
36481	MOODY 17 FEE COM		003H			
7. OGRID No.	8. Operator 1	ame	9. Elevation			
14049	MARBOB ENER	GY CORP	3038			

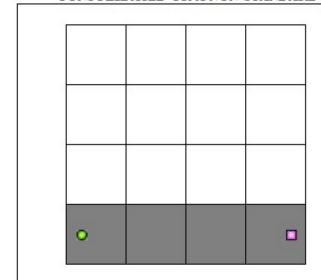
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	17	25S	28E	1.	660	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
	17	25S	28E	P	660	S	330	E	EDDY
V.5.00 100 100 100	12. Dedicated Acres 160.00		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: 2/25/2010

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: Gary Eidson Date of Survey: 2/15/2010 Certificate Number: 12641

Permit Comments

Operator: MARBOB ENERGY CORP , 14049 Well: MOODY 17 FEE COM #003H

API: 30-015-37636

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.	2/24/2010