DATE IN 11/10/08	SUSPENSE	ENGINEER W Jones	LOGGED IN 11/13/08	TYPE SWD	APP NO. PKUR0831843365

ABOVE THIS LINE FOR DIVISION USE ONLY 1155

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

Marbob George Freeman
Rick 2 SWD
30-025-38600

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify ______

2008 NOV 10 PM 3 15
RECEIVED

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

George Freeman	[signature]	Engineer	11/4/08
Print or Type Name	Signature	Title	Date

engineering@marbob.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ___X___Disposal _____Storage
Application qualifies for administrative approval? ___X___Yes _____No

II. OPERATOR: Marbob Energy Corporation

ADDRESS: P O Box 227, Artesia, NM 88211-0227

CONTACT PARTY: George Freeman PHONE: 575-748-3303

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes ___X___No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: George H Freeman TITLE: Engineer

SIGNATURE: George H Freeman DATE: 11/4/08

E-MAIL ADDRESS: engineering@marbob.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

Marbob Energy Corporation

C-108 Application for Authorization to Inject
Pick 2 SWD
J-23-18S-33E
Lea County, NM

Outline: Marbob Energy Corporation proposes to drill out the cast iron bridge plug in the Pick State #2 (30-025-38600), squeeze the higher Delaware sand perfs from 5304' to 5348',drill out composite bridge plugs over existing Delaware sand perfs from 5757' to 5908', shoot new perfs in Delaware sand and dolomite from 5909' to 6420' and complete the well as a Delaware SWD well from 5757' to 6420'. We propose to call the well the "Pick 2 SWD".

V. Map is attached.

VI. Wellbore schematics are attached for all the wells that penetrate the proposed injection zone within the 1/2 mile radius area of review.

VII. 1. Proposed average daily injection rate = 500 BWPD
Proposed maximum daily injection rate = 2000 BWPD

2. Closed system

3. Proposed maximum injection pressure = 1151 psi
(0.2 psi/ft. x 5757 ft.)

4. Source of injected water will be Delaware, Atoka and Morrow produced water. Water analyses are attached. No compatibility problems are expected.

5. Disposal zone formation water is essentially the same as the Delaware injection water. A water analysis is attached.

VIII. The injection zone is part of the Delaware formation, a fine grained sandstone layered with dolomite from 5297' to below 7300'. Any underground water sources will be less than 1566' deep. The nearest water wells are in shallow zones.

IX. Delaware sand injection intervals will be acidized with 7 1/2% HCl acid. Dolomite injection intervals will be acidized with 20% HCl acid. If necessary, the Delaware injection interval may be fraced with up to 250,000 lbs of 20/40 mesh sand.

X. Well logs have been filed with the Division. The Pick State #2 was tested in two zones from 5898' to 5908' and from 5757' to 5797' with no show of oil or gas. The well produced 265 bbls of oil and 11,000 bbls of water from the zones 5304' to 5308' and 5344' to 5348' before it was temporarily abandoned.

XI. There are no fresh water wells within one mile of the proposed SWD.

XII. After examining the available geologic and engineering data, no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Proof of Notice is attached.

III.

WELL DATA

Proposed Injection Wells

Side I

INJECTION WELL DATA SHEET

OPERATOR: Marbob Energy Corporation

WELL NAME & NUMBER: Pick 2 SWD (formerly Pick State #2)

WELL LOCATION: 2310' FSL 2310' FEL | J | 23 | 18S | 33E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC

See attached schematics.

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 12.25" Casing Size: 8.625"

Cemented with: 800 sx. ***or*** _____ ft^3

Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. ***or*** _____ ft^3

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 7.875" Casing Size: 5.5"

Cemented with: 1135 sx. ***or*** _____ ft^3

Top of Cement: Surface Method Determined: Circulated

Total Depth: 6503'

Injection Interval

5757' feet to 6420'

(Perforated)

INJECTION WELL DATA SHEET

Tubing Size: 2.875" Lining Material: Plastic or Duoline 20

Type of Packer: Nickel plated or stainless steel 10K retrievable double grip

Packer Setting Depth: approx. 5700'

Other Type of Tubing/Casing Seal (if applicable): na

Additional Data

1. Is this a new well drilled for injection? Yes X No

   If no, for what purpose was the well originally drilled? oil and gas production

2. Name of the Injection Formation: Delaware

3. Name of Field or Pool (if applicable): Corbin West

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Underlying: Bone Spring 7300', Atoka 12500', Morrow 13000'

   Overlying: Delaware 5300', Queen 4277', Seven Rivers 3474', Yates 3074'

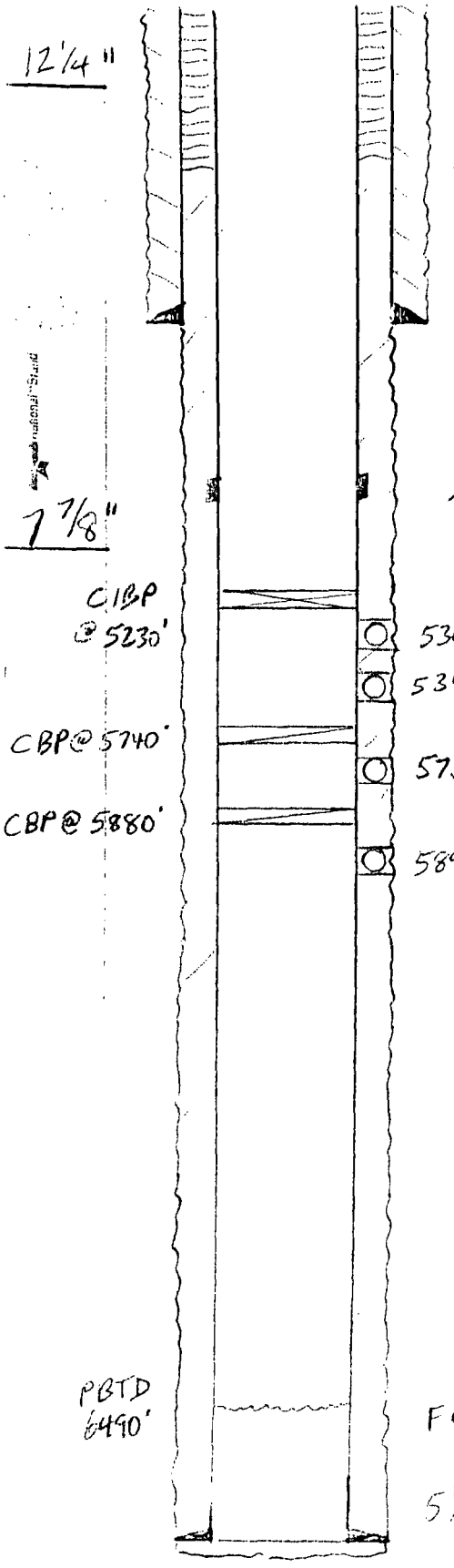
Well: Pick St #2

Location: 2310' FSL 2310' FEL
J-23-T18S-R33E
Lea Co. NM
API 30025 38600

Zero: 12' AGL
KB: 3883'
GL: 3871'

Casing Program:

Size	Wt.	Grade	Conn	Depth
8 5/8	24 #	J-55	STC	1566'
5 1/2	17 #	J-55	LTC	6503'



37 sx pumped down annulus
circulated 320'

8 5/8" @ 1566'
550 sx H/L + 250 sx Pt (circ.)

DV 4070'

5304-08 (10) Delaware 4
5344-48 (10) Delaware 3
5751-97 (20) Delaware 2
5898-5908 (22) Delaware 1

FC @ 6491'

5 1/2" @ 6503'

1st stage: 360 sx Super H (circ)
2nd stage: 600 sx H/L + 175 sx Super H (circ)

Before

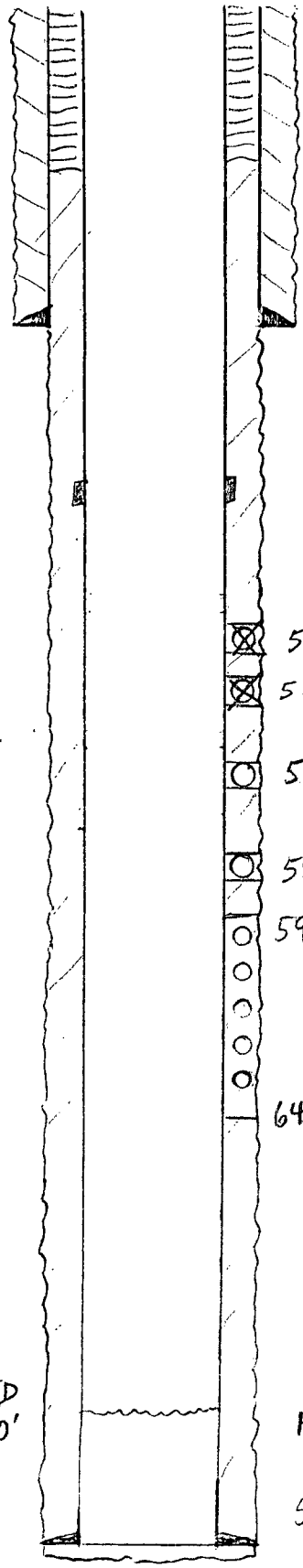
Well: Pick St #2

Location: 2310' FSL 2310' FEL
J-23-T18S-R33E
Lea Co. NM
API 30025 38600

Zero: 12' AGL
KB: 3883'
GL: 3871'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
8 5/8	24#	J-55	STC	1566'
5 1/2	17#	J-55	LTC	6503'
2 7/8	6.5	J-55	EUE	



37 sx P+ w/2% $CaCl_2$ pumped down annulus calculated 320'

8 5/8" @ 1566'
550 sx H/L + 250 sx P+ (circ.)

DV 4070'

5304-08 (10) Delaware 4 Sqzd
5344-48 (10) Delaware 3 Sqzd

5757-97 (20) Delaware 2

5898-5908 (22) Delaware 1

5909

(167) Delaware 5

6420

After

FC @ 6491'

5 1/2" @ 6503'

1st stage: 360 sx Super H (circ)
2nd stage: 600 sx H/L + 175 sx Super H (circ)

G. Freeman

V.

MAP

VI.

Wells In 1/2 Mile Area of Review

VII.

Water Analysis of Injection and Produced Water

Delaware

Analytical Laboratory Report for:

MARBOB ENERGY CORPORATION

BJ Chemical Services

Account Representative:
Polk, Bill

Production Water Analysis

Listed below please find water analysis report from: Itch, ST 1

Lab Test No:	2007202644	Sample Date:	03/19/2007
Specific Gravity:	1.147		
TDS:	225078		
pH:	6.70		

Cations:	mg/L	as:
Calcium	19904	(Ca^{++})
Magnesium	4393	(Mg^{++})
Sodium	62936	(Na^{+})
Iron	18.80	(Fe^{++})
Potassium	2268.0	(K^{+})
Barium	1.71	(Ba^{++})
Strontium	426.00	(Sr^{++})
Manganese	0.69	(Mn^{++})
Anions:	**mg/L**	**as:**
Bicarbonate	98	(HCO_3^{-})
Sulfate	1100	($SO_4^{=}$)
Chloride	136200	(Cl^{-})
Gases:		
Carbon Dioxide	230	(CO_2)
Hydrogen Sulfide	17	(H_2S)

DEL interval
FROM 5364 - 5670

Atoka

Analytical Laboratory Report for:

MARBOB ENERGY CORPORATION

BJ Chemical Services

Account Representative:
Polk, Bill

Production Water Analysis

Listed below please find water analysis report from: Scooch St. Com, 1

Lab Test No:	2007102565	Sample Date:	01/12/2007
Specific Gravity:	1.067		
TDS:	102488		
pH:	6.32		

Cations:	mg/L	as:
Calcium	4717	(Ca^{++})
Magnesium	963	(Mg^{++})
Sodium	30987	(Na^{+})
Iron	125.00	(Fe^{++})
Potassium	178.0	(K^{+})
Barium	5.15	(Ba^{++})
Strontium	668.00	(Sr^{++})
Manganese	0.89	(Mn^{++})
Anions:	**mg/L**	**as:**
Bicarbonate	220	(HCO_3^{-})
Sulfate	300	($SO_4^{=}$)
Chloride	64500	(Cl^{-})
Gases:		
Carbon Dioxide	170	(CO_2)
Hydrogen Sulfide	17	(H_2S)

FROM ATOKA 1280-76

Morrow

Analytical Laboratory Report for:

MARBOB ENERGY CORPORATION

BJ Chemical Services

Account Representative:
Polk, Bill

Production Water Analysis

Listed below please find water analysis report from: SCRATCH ST. COM, 1

Lab Test No:	2007102563	Sample Date:	01/12/2007
Specific Gravity:	1.023		
TDS:	34055		
pH:	6.60		

Cations:	mg/L	as:
Calcium	954	(Ca^{++})
Magnesium	148	(Mg^{++})
Sodium	12405	(Na^{+})
Iron	43.30	(Fe^{++})
Potassium	838.0	(K^{+})
Barium	0.57	(Ba^{++})
Strontium	76.00	(Sr^{++})
Manganese	1.03	(Mn^{++})
Anions:	**mg/L**	**as:**
Bicarbonate	427	(HCO_3^{-})
Sulfate	400	($SO_4^{=}$)
Chloride	19800	(Cl^{-})
Gases:		
Carbon Dioxide	70	(CO_2)
Hydrogen Sulfide	17	(H_2S)

X.

Neutron Density Log Across Proposed Disposal Interval

HALLIBURTON

SPECTRAL DENSITY
DUAL SPACED NEUTRON

COMPANY MARBOB ENERGY CORP
WELL PICK STATE No. 002
FIELD CORBIN: DELAWARE, WEST
COUNTY LEA STATE NEW MEXICO

COMPANY **MARBOB ENERGY CORP**
WELL **PICK STATE No. 002**
FIELD **CORBIN: DELAWARE, WEST**
COUNTY **LEA** STATE **NEW MEXICO**

API No. 30-025-38600
Location 2310' FSL 2310' FEL
Sect. 23 Twp. 18S Rge. 33E

Other Services.
DLL MGRD

Permanent Datum	GROUND LEVEL	Elev. 3871.0 ft	Elev.: K.B. 3893.0 ft
Log measured from	KELLY BUSHING	12.0 ft above perm. Datum	D.F 3892.0 ft
Drilling measured from	KELLY BUSHING		G.L. 3871.0 ft

Date		11-Mar-08 10:12				
Run No.		ONE				
Depth - Driller		6500.0 ft				
Depth - Logger		6502.0 ft				
Bottom - Logged Interval		6450.0 ft				
Top - Logged Interval		200.0 ft				
Casing - Driller		8.625 in @ 1605.0 ft	@		@	
Casing - Logger		1602.0 ft				
Bit Size		7.875 in	@		@	
Type Fluid in Hole		BRINE				
Density	Viscosity	10.1 ppg	28.00 s/qt			
PH	Fluid Loss	9.50 pH				
Source of Sample		FROM FLOW LINE				
Rm @ Meas. Temperature		0.08 ohmm @ 70.00 degF	@		@	
Rmf @ Meas. Temperature		0.08 ohmm @ 70.00 degF	@		@	
Rmc @ Meas. Temperature		@	@		@	
Source Rmf	Rmc	MEAS	MEAS			
Rm @ BHT		0.04 ohmm @ 145.0 degF	@		@	
Time Since Circulation		7.0 hr				
Time on Bottom		11-Mar-08 11:37				
Max. Rec. Temperature		145.0 degF @ 6502.0 ft	@		@	
Equipment	Location	798	HOBBS, NM			
Recorded By		JOSE OROZCO	CARLOS MERCADO			
Witnessed By		MARTIN JOYCE				

Fold here

Service Ticket No. 5730364 API Serial No. 30-025-38600 PDM Version: WELLSITE R2.0 (Build 22)

CHANGE IN MUD TYPE OR ADDITIONAL SAMPLE

Date	Sample No.					
Depth-Driller						
Type Fluid in Hole						
Density	Viscosity					
Ph	Fluid Loss					
Source of Sample						
Rm @ Meas. Temp		@	@	@	@	@
Rmf @ Meas. Temp.		@	@	@	@	@
Rmc @ Meas. Temp.		@	@	@	@	@
Source Rmf	Rmc					
Rm @ BHT		@	@	@	@	@
Pmf @ BHT		@	@	@	@	@
Rmc @ BHT		@	@	@	@	@

RESISTIVITY SCALE CHANGES

Type Log	Depth	Scale Up Hole	Scale Down Hole

EQUIPMENT DATA

RESISTIVITY EQUIPMENT DATA

Run No	Tool Type & No	Pad Type	Tool Pos	Other

GAMMA

Run No	ONE
Serial No	110711986RD
Model No	GTET
Diameter	3.63 in
Detector Model No.	T102-A
Type	SCINT
Length	8 in

ACOUSTIC

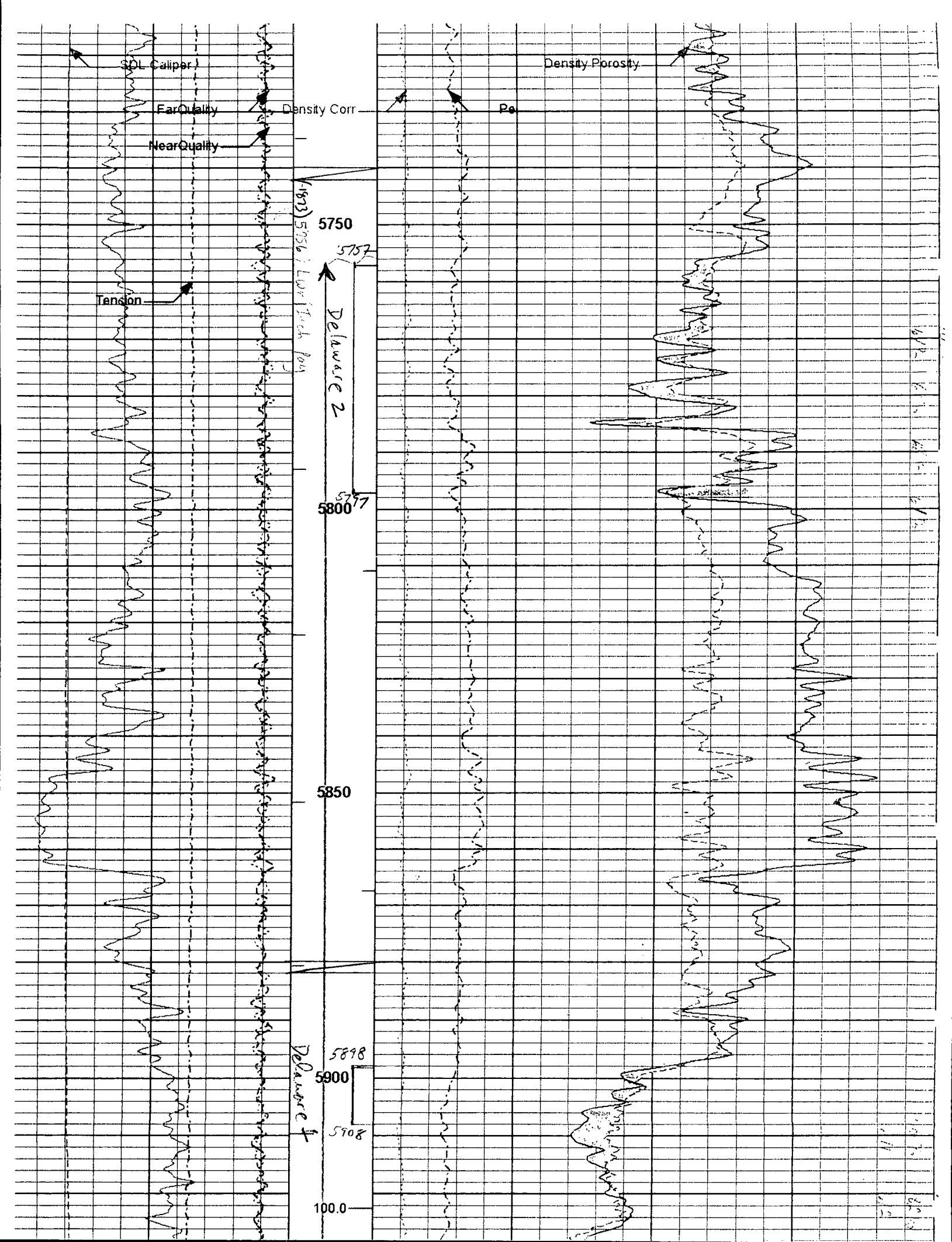
Run No	
Serial No	
Model No	
No. of Cent	
Spacing	
LSA (Y/N)	

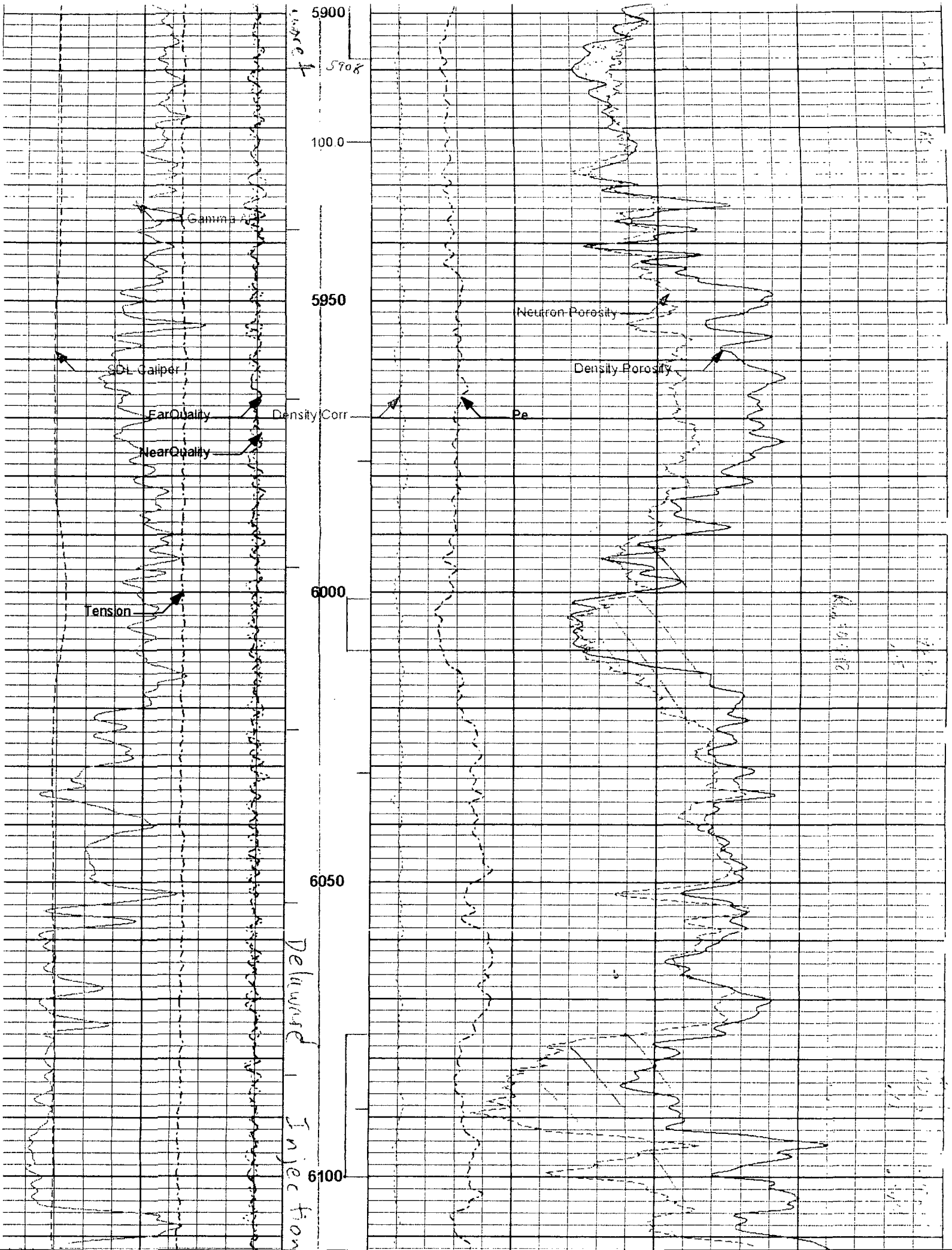
DENSITY

Run No.	ONE
Serial No	SDLT_4282YL_BK
Model No	SDLT
Diameter	4.5 in
Log Type	GAM/SAM
Source Type	Cs 137
Serial No	51150W

NEUTRON

Run No	ONE
Serial No	DSN_4282YL
Model No	DSN
Diameter	3.63 in
Log Type	NEU/NEU
Source Type	Am241Be
Serial No	DSN 314


SDL Caliper
FarQuality
NearQuality
Tension
Density Corr
Density Porosity
Po
5750
5757
5800
5850
5898
5900
5908
100.0
Delaware 2
Delaware 4


5900
5908
100.0
5950
6000
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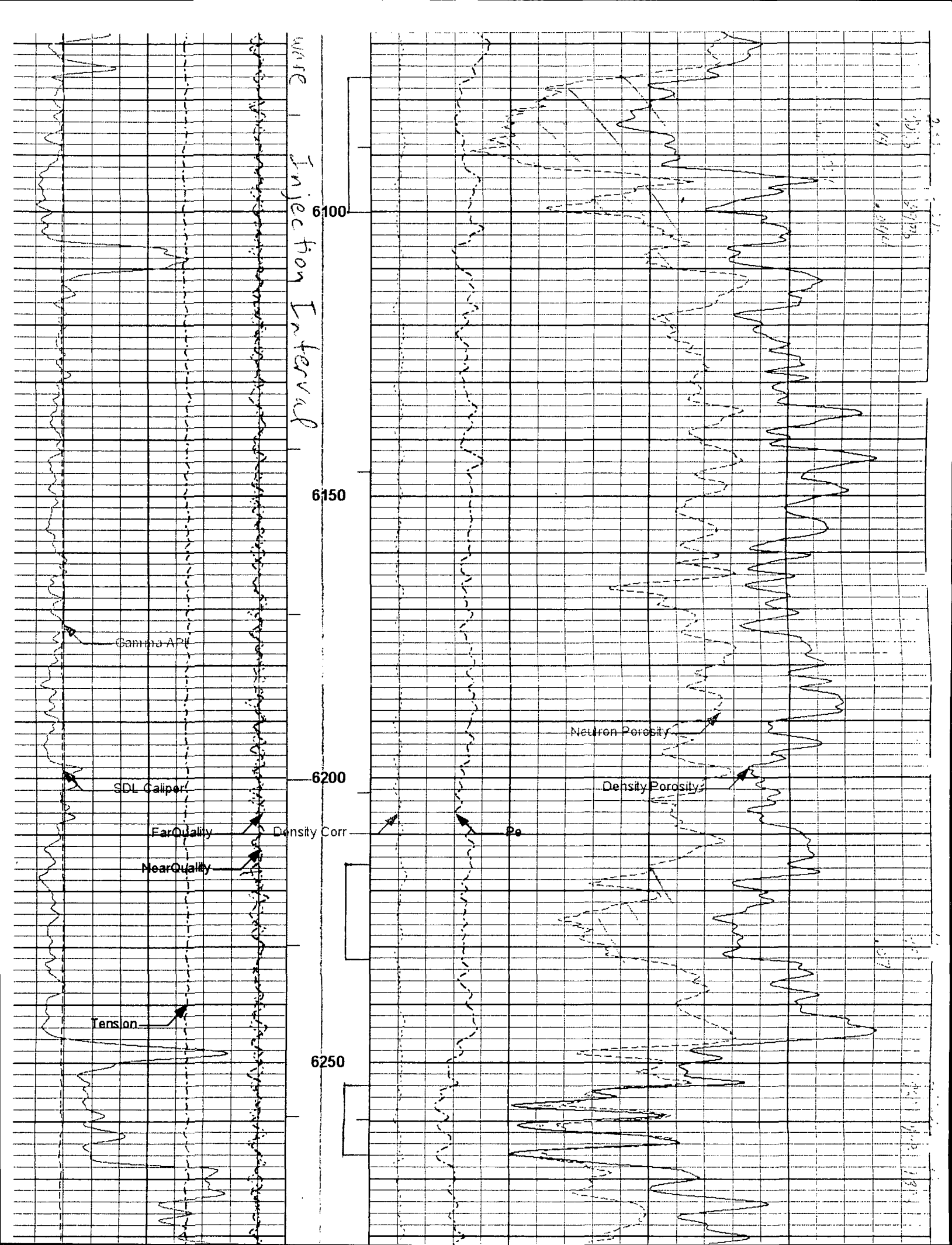
6100
Gamma Ray
SDL Caliper
FarQuality
NearQuality
Tension
Density Corr
Pe
Neutron Porosity
Density Porosity
Delivered Interval


Injection Interval
6100
6150
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6250
Gamma API
SDL Caliper
FarQuality
NearQuality
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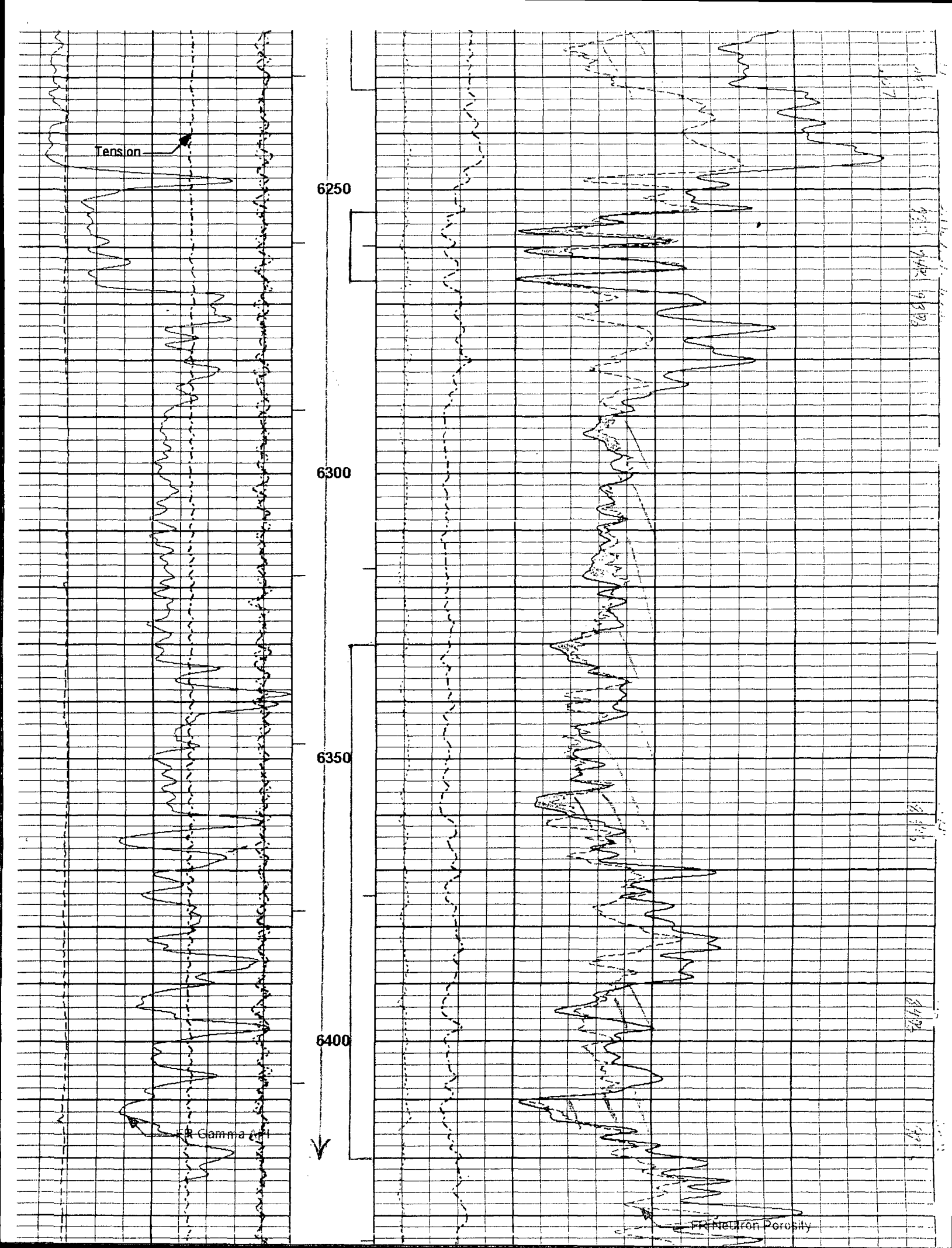
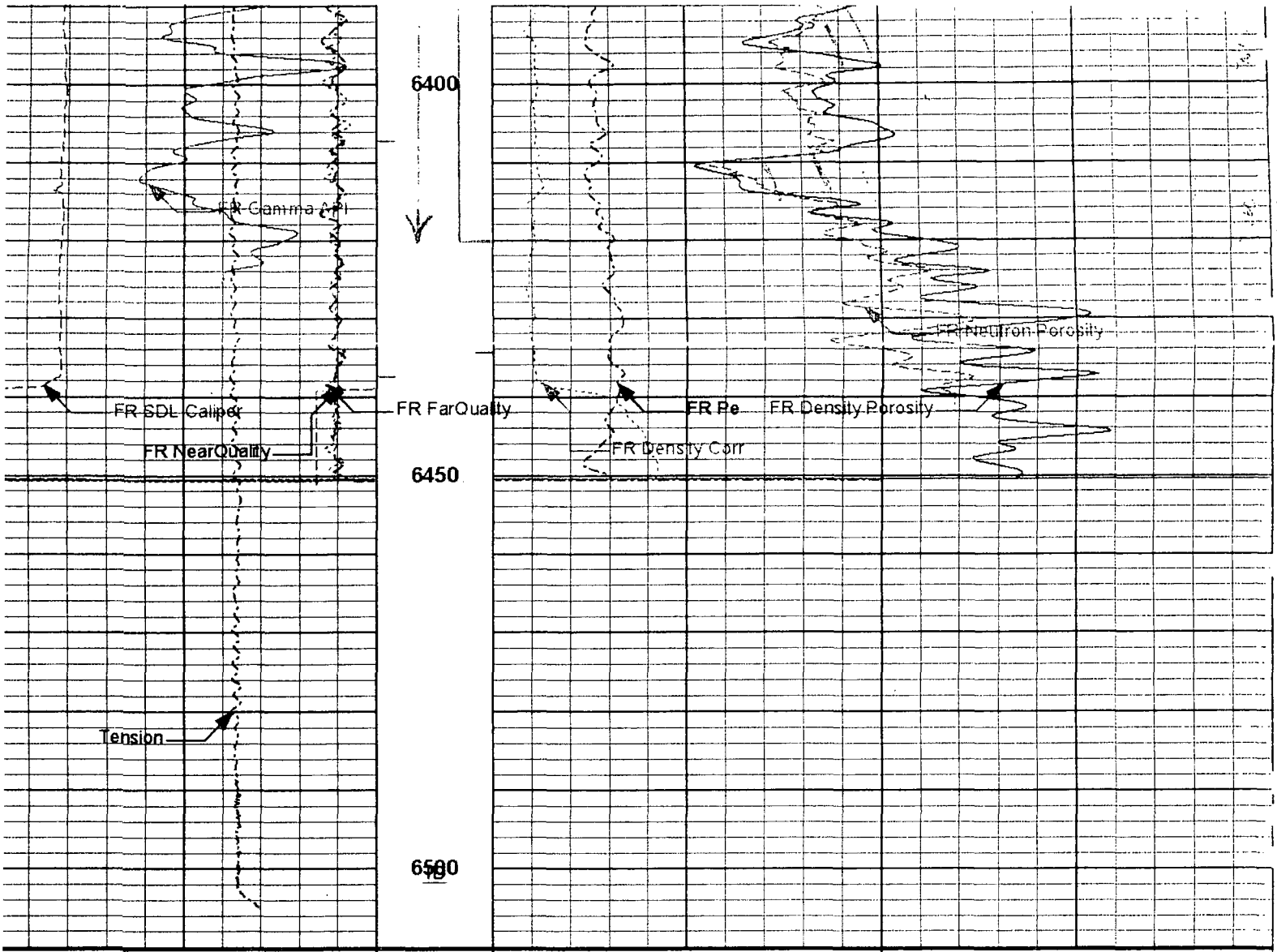
Neutron Porosity
Density Porosity


Tension
6250
6300
6350
6400
FR Gamma (API
FR Neutron Porosity



Gamma API	100	BHVT	0	Pe	10
API					
SDL Caliper	16	AHVT	-0.1	Density Corr	0.9
in				g/cc	
0K Tension	0	1 : 240	30	Neutron Porosity	-10
lb-f				% Matrix: Limestone	
8 NearQuality	-2		30	Density Porosity	-10
				% Matrix: 2.71 g/cc	
18 FarQuality	2				

HALLIBURTON

Plot Time: 11-Mar-08 15:27:33
Plot Range: 190 ft to 6510 ft
Data: 0311MARBOB\Well Based\DAQ-0001-004\
Plot File: \\POROSITY\DSNT-SDLT 5in

MAIN PASS 5" = 100' (LIMESTONE MATRIX)

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
June 19, 2008

WELL API NO.
30-025-38600

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
PICK STATE

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number 2

2. Name of Operator
MARBOB ENERGY CORPORATION

9. OGRID Number
14049

3. Address of Operator
P O BOX 227
ARTESIA, NM 88211-0227

10. Pool name or Wildcat
CORBIN; DELAWARE, WEST

4. Well Location
Unit Letter J : 2310 feet from the SOUTH line and 2310 feet from the EAST line
Section 23 Township 18S Range 33E NMPM EDDY County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3871' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
OTHER: CONVERT TO SWD	☒			OTHER:	☐		

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

MARBOB ENERGY CORPORATION PROPOSES TO RE-ENTER THE WELL, DEEPEN TO 8100' AND CONVERT TO SALT WATER DISPOSAL SERVICE INTO THE DELAWARE SAND AND DOLOMITE FROM 5909' TO 6420'.

SEE ATTACHED OCD FORM C-108 "APPLICATION FOR AUTHORIZATION TO INJECT".

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE George H Freeman TITLE ENGINEER DATE 11/04/08

Type or print name GEORGE FREEMAN E-mail address: engineering@marbob.com PHONE: 575-748-3303

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

marbob
energy corporation

November 4, 2008

Hobbs News-Sun
201 N. Thorp
Hobbs, NM 88240

Re: Legal Notice
Water Disposal Well

Gentlemen:

Enclosed is a legal notice regarding New Mexico Oil Conservation Division C-108 Application for Authorization to Inject for a salt water disposal well.

Please run this notice and return the proof of notice to the undersigned at Marbob Energy Corporation, P. O. Box 227, Artesia, NM 88211-0227.

Sincerely,

George Freeman
Engineer

GF/dlw

enclosure

Post Office Box 227 • Artesia, New Mexico 88211-0227 • (575) 748-3303 • Fax (575) 746-2523

HOBBS NEWS-SUN
LEGAL NOTICES

Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico, 88211-0227, has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to reenter the Pick State No. 2 located 2310' FSL 2310' FEL, Section 23, Township 18 South, Range 33 East, Lea County, New Mexico, and convert it to a salt water disposal well in the Delaware Sand and dolomite formation from 5909' to 6420'. The maximum injection rate will be 2000 BWPD at a maximum surface injection pressure of 1151 psi. Injection water will be sourced from area wells producing from the Delaware, Atoka and Morrow formations. The disposal water will be injected into the Delaware Sand and dolomite. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact George Freeman at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico 88211-0227, or call 575-748-3303.

Published in the Hobbs News-Sun, Hobbs, New Mexico
_____, 2008.

marbob
energy corporation

November 4, 2008

Seely Oil Company
815 W. 10th St.
Fort Worth, TX 76102

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

Please do not hesitate to contact us should you have any questions.

Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

Post Office Box 227 • Artesia, New Mexico 88211-0227 • (575) 748-3303 • Fax (575) 746-2523

marbob
energy corporation

November 4, 2008

Devon Energy Production Company, LP
20 N. Broadway, Suite #1500
Oklahoma City, OK 73102

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

Ladies and Gentlemen:

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Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

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marbob
energy corporation

November 4, 2008

Twin Montana, Inc.
P. O. Box 1210
Graham, TX 76046

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

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Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

marbob
energy corporation

November 4, 2008

Bass Energy, Inc.
P. O. Box 184
Breckenridge, TX 76024

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

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Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

marbob
energy corporation

November 4, 2008

States, Inc.
P. O. Box 911
Breckenridge, TX 76024

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

Please do not hesitate to contact us should you have any questions.

Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

Post Office Box 227 • Artesia, New Mexico 88211-0227 • (575) 748-3303 • Fax (575) 746-2523

marbob
energy corporation

November 4, 2008

D.M.S. Petroleum, Inc.
P. O. Box 1210
Graham, TX 76046

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

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Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

marbob
energy corporation

November 4, 2008

William G., Inc.
P. O. Box 1210
Graham, TX 76046

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

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Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

marbob
energy corporation

November 4, 2008

Talus, Inc.
P. O. Box 1210
Graham, TX 76046

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

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Please do not hesitate to contact us should you have any questions.

Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

marbob
energy corporation

November 4, 2008

BP America
P. O. Box 1610
Midland, TX 79702

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

Please do not hesitate to contact us should you have any questions.

Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

marbob
energy corporation

November 4, 2008

Chevron
15 Smith Road
Midland, 79705

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

Please do not hesitate to contact us should you have any questions.

Sincerely,

George Freeman
Engineer

GF/dlw
enclosure

Post Office Box 227 • Artesia, New Mexico 88211-0227 • (575) 748-3303 • Fax (575) 746-2523

marbob
energy corporation

November 4, 2008

NM State Land Office
Oil, Gas & Minerals Division
P. O. Box 1148
Santa Fe, NM 87504-1148

Re: Application to Inject
Pick 2 SWD
Township 18 South, Range 33 East, NMPM
Section 23: 2310 FSL 2310 FEL, Unit J
Lea County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well to salt water disposal. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter.

Please do not hesitate to contact us should you have any questions.

Sincerely,

George H. Freeman

George Freeman
Engineer

GF/dlw
enclosure

Post Office Box 227 • Artesia, New Mexico 88211-0227 • (575) 748-3303 • Fax (575) 746-2523

INVOICE DATE	INVOICE NO.	DESCRIPTION	INVOICE TOTAL	ADJUSTMENTS	DISCOUNT	NET AMOUNT
11/4/08		APPLICATION FEE/PICK 2 SWD	$ 30.00			$ 30.00

MARBOB ENERGY CORPORATION
2208 W. MAIN
P.O. BOX 227
ARTESIA, NEW MEXICO 88211-0227
(505) 748-3303

056967

PLEASE DETACH BEFORE DEPOSITING. RETAIN TOP PORTION FOR YOUR RECORDS.

056967

95-43/1122

marbob energy corporation

2208 W. MAIN
P.O. BOX 227
ARTESIA, NEW MEXICO 88211-0227
(505) 748-3303

FIRST NATIONAL BANK
P.O. DRAWER AA
ARTESIA, NM 88210

**********THIRTY DOLLARS AND 00/100**********

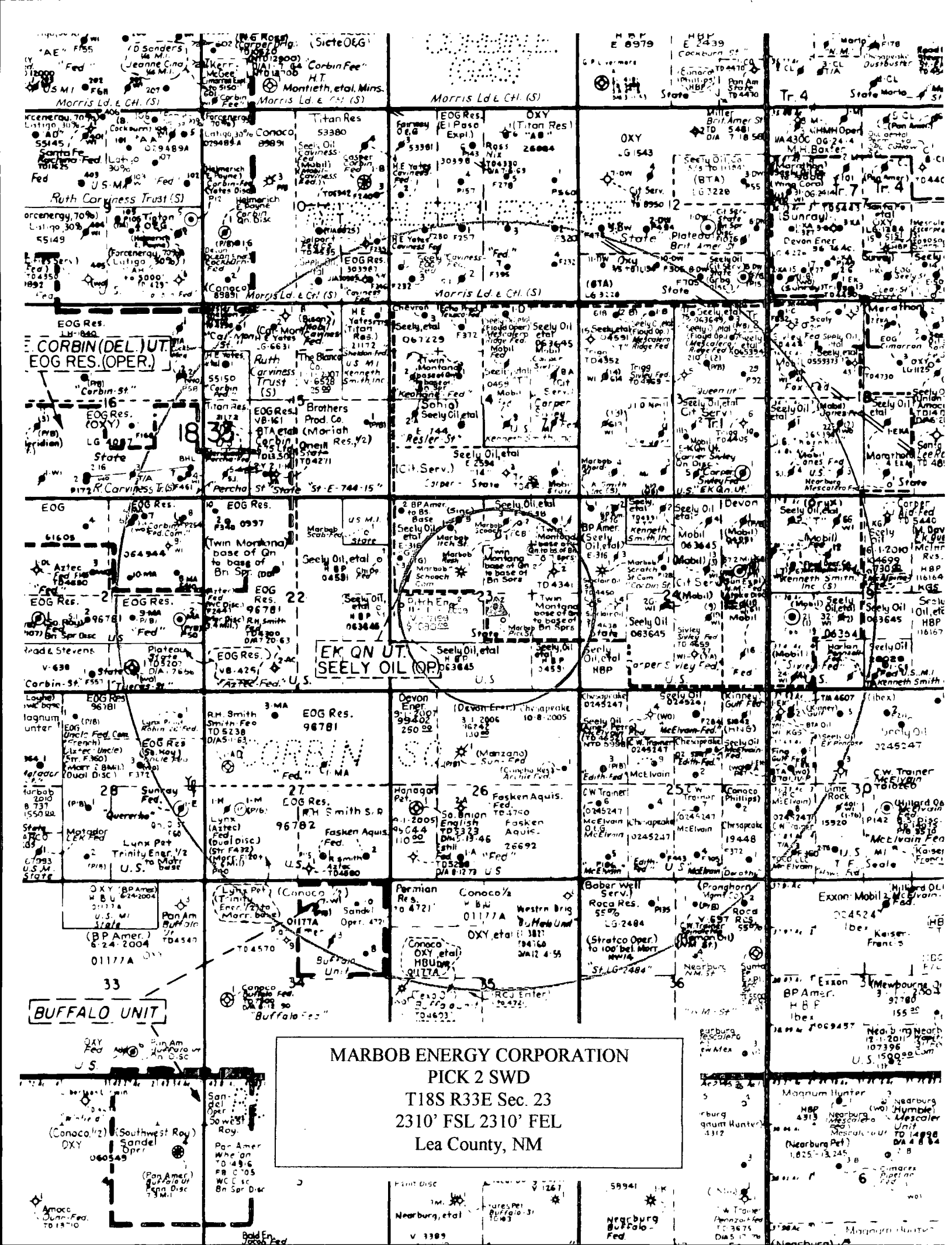
DATE	CHECK AMOUNT
11/4/08	$30.00

PAY TO THE ORDER OF

NM STATE LAND OFFICE
OIL, GAS & MINERALS DIVISION
PO BOX 1148
SANTA FE, NM 87504-1148

MARBOB ENERGY CORPORATION

⑈056967⑈ ⑆112200439⑆ ⑈ 4651271O⑈


MARBOB ENERGY CORPORATION
PICK 2 SWD
T18S R33E Sec. 23
2310' FSL 2310' FEL
Lea County, NM

Well: Itch St. 1

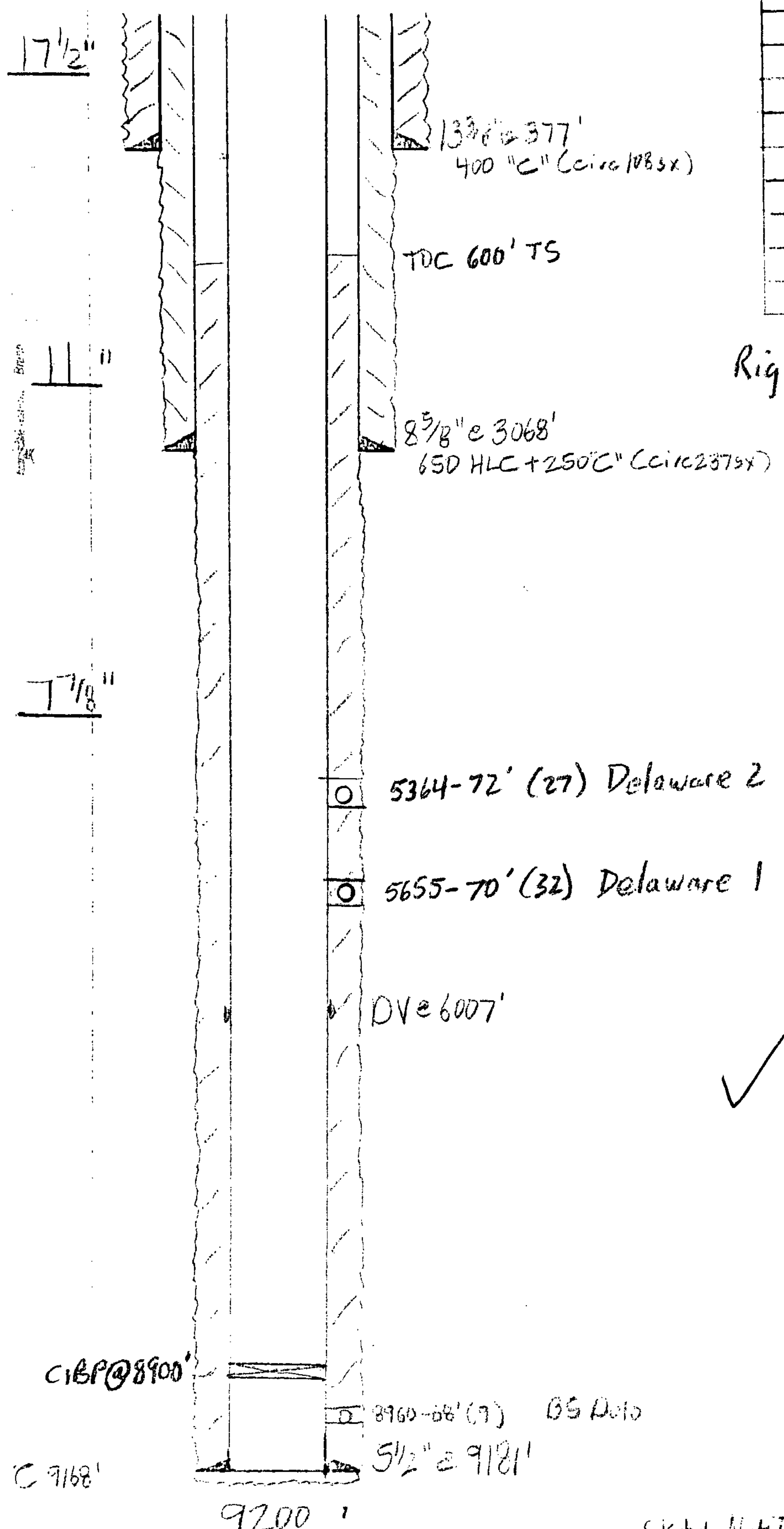
Location: 365' FNL, 1650' FWL
C-23-18s-33e
Lea NM
30-025-38065

Zero: 16.5' AGL
KB: 3909.5'
GL: 3893'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
13 3/8"	48	H40	STC	377'
8 5/8"	32	J55	BTC	3068'
5 1/2"	17	N80/M95-110 J55	LTC	9181'
2 7/8"	6.5	J55	EUE	

Rig Released 11/4/06



1st - 400 HLC + 200 Super H (Circ 72 sx)

2nd: 500 HLC + 100 "H"

— Sketch Not To Scale — KB Collins /

Well: Itch State No. 3

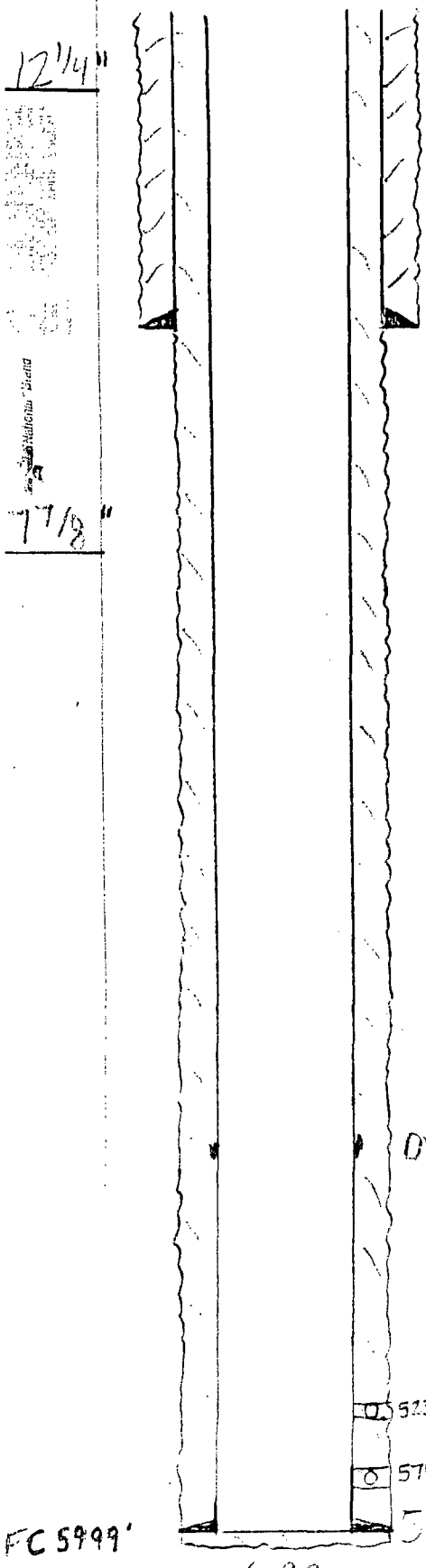
Location: 1650' FNL, 330' FWL
E-23-18s-33e
Eddy NM
30-025-38395

Zero ~~GL~~ 12' AGL
KB : 3878'
GL : 3886'

Casing Program:

Size	Wt.	Grade	Conn	Depth
8 5/8"	24	J55	STC	1603'
5 1/2"	17	J55	LTC	6010'
2 7/8"	6.5	J55	EUE	

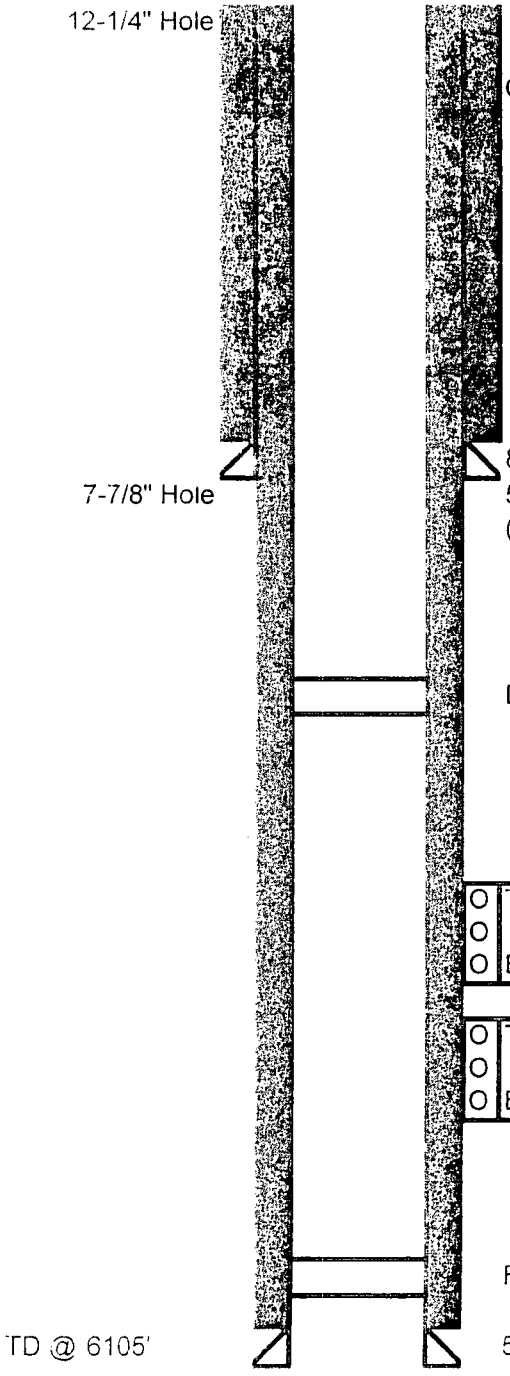
Rig Released 7/3/07



12¼" 150 sx HLC + 150 sx "H" Circ 68sx
7⅞" 600 HLC + 175 sx "H" Circ 44sx

Itch State #4
1650' FNL & 1650' FWL
F-23-18s-33e
Lea Co., NM
API 30-025-39033

Zero: 14' AGL
KB: 3896
GL: 3882



Casing Vol w/ NO tubing = 150 bbls.

Size	Wt	Gr	Conn	Depth
8-5/8"	24	J55	STC	1621
5-1/2"	17	J55	LTC	6077
2-7/8"	6.5	J55	EUE	

Rig Released 9/11/08

8-5/8" @ 1621'
550 sx H/L+250 sx P+
(Circ 105 sx)

DV Tool @ 4106'

O	Top Perf	5242		
O			54	Del 2
O	Btm Perf	5305		

O	Top Perf	5631		
O			42	Del 1
O	Btm Perf	5720		

FC @ 6089'

1st: 325 sx Super H
(circ 147 sx) ✓

5-1/2" @ 6077'

2nd: 600 sx HL+175 sx Super H
(circ 29 sx)

Well: Rash St. #1

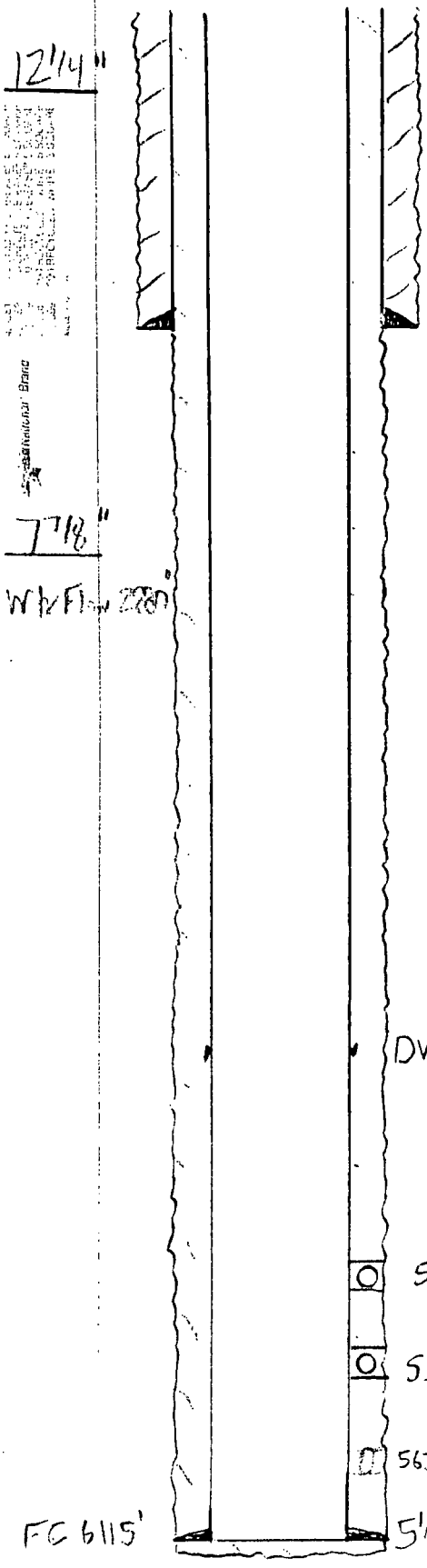
Location: 990' FNL, 2310' FEL
13-23-18s-33e
Lea NM
30-025-38066

Zero: 12' AGL
KB: 3990'
GL: 3988'

Casing Program:

Size	Wt.	Grade	Conn	Depth
8 5/8"	24	J55	STC	1581'
5 1/2"	17	J55	LTC	6126'
2 7/8"	6.5	J55	EUE	

Rig Released 11/8/07



1st: 150 HLC + 150 Super H (Circ 46 sx)

2nd: 600 HLC + 115 Super H (Circ 90 sx)

- Sketch Not To Scale -

Well: Rash St #2

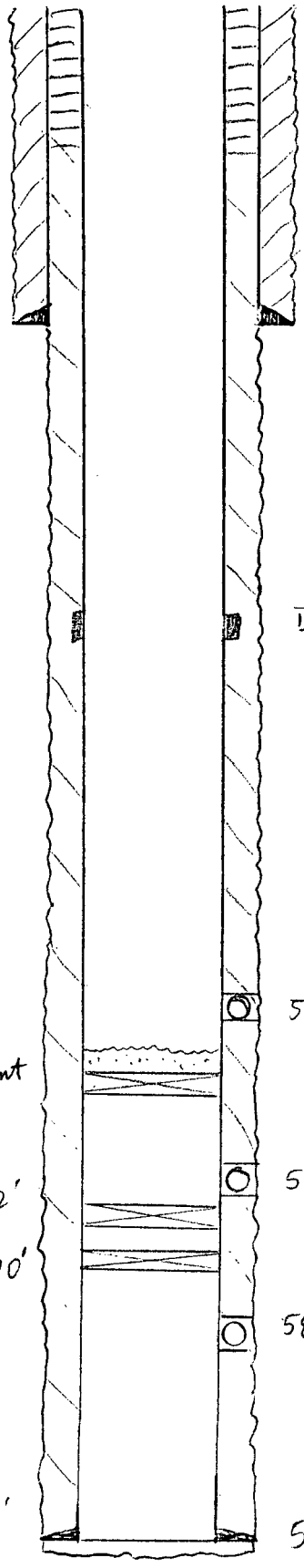
Location: 1650'FNL 990'FEL
H-23-18S-33E
Lea Co., NM
30-025-38722

Zero: 14'AGL
KB: 3899'
GL: 3885'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
8 5/8"	24	J-55	STC	1596'
5 1/2"	17	J-55	LTC	6082'
2 7/8"	4.7	J-55	EUE	

Rig Released 3/29/08



Well: Rugburn St No. 1

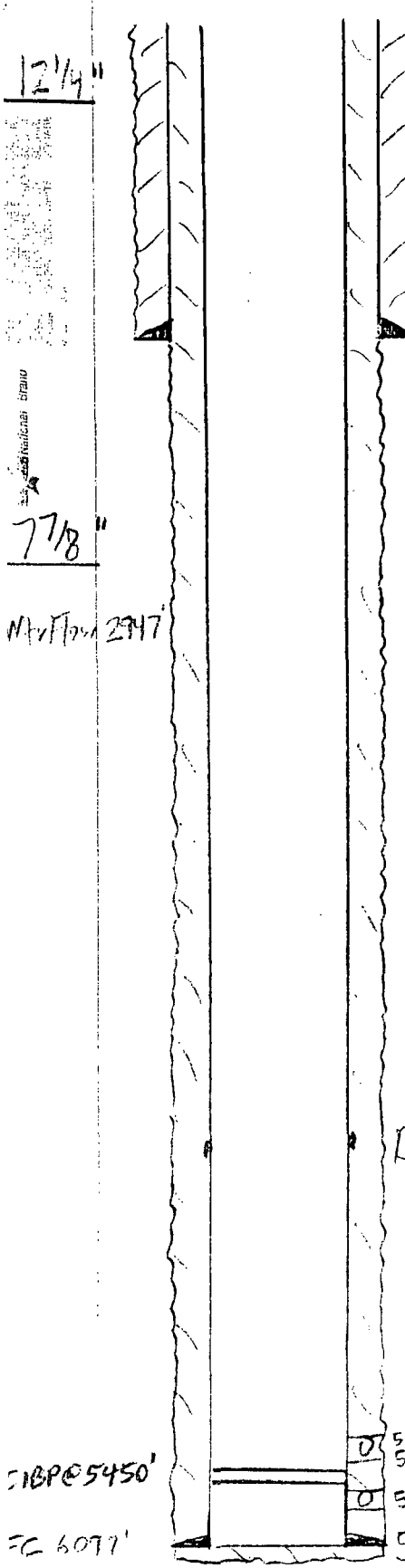
Location: 2310' FSL 330' FWL
L - 23 - 18S - 33E
Lea NM
30-025-38424

Zero: 12' AGL
KB: 3874'
GL: 3862'

Casing Program:

Size	Wt.	Grade	Conn	Depth
8 5/8"	24	J55	STC	1580'
5½"	17	J55	LTC	6112'
D18"	6.5	J55	EUE	

Rig Released 10/24/07

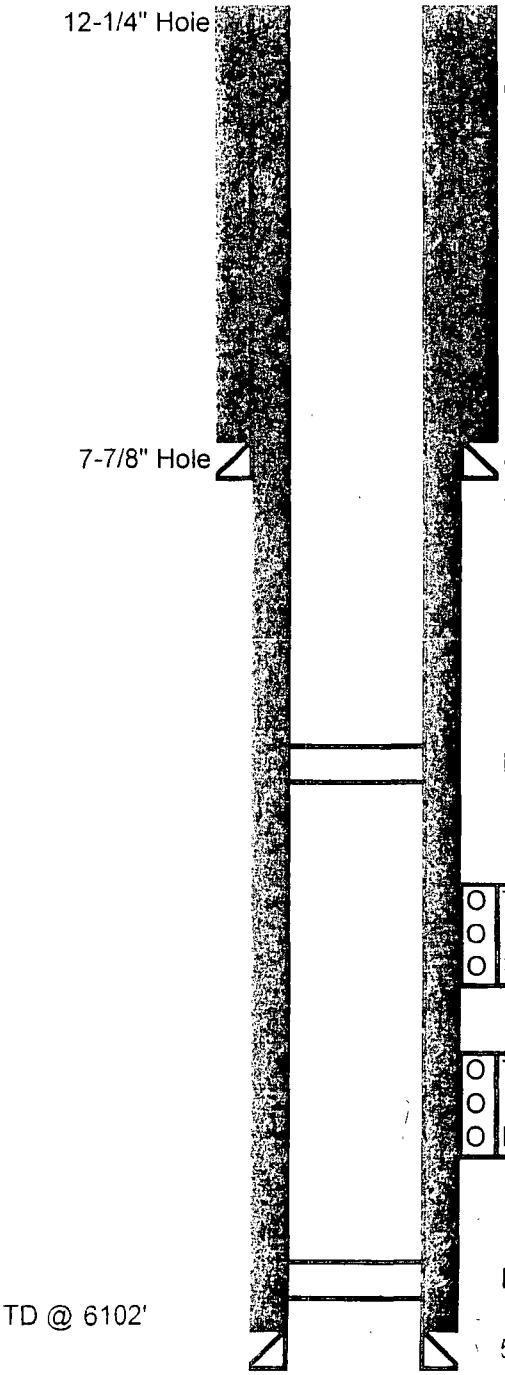


1st: 300 Sgs H (Circ trace cmt)
2nd: 600 HLC + 125 Sgs H (Circ 30 sx)

- Sketch Not To Scale -

Rugburn State #2
2310' FSL & 1650' FWL
K-23-18s-33e
Lea Co., NM
API 30-025-38599

Zero: 12' AGL
KB: 3889
GL: 3877



Casing Vol w/ NO tubing = 150 bbls.

Size	Wt	Gr	Conn	Depth
8-5/8"	24	J55	8RD	1634
5-1/2"	17	J55	LTC	6101
2-7/8"	6.5	J55	EUE	

Rig Released 7/31/08

8-5/8" @ 1634
550 sx H/L + 250 sx P+
(Circ 252 sx)

DV Tool @ 4096'

O	Top Perf	5284		
O			48	Del 2
O	Btm Perf	5342		

O	Top Perf	5754		
O			18	Del 1
O	Btm Perf	5799		

FC @ 6088'

5-1/2" @ 6101'

1st: 350 sx Super H
(circ 81 sx)

2nd: 675 sx HL+100 sx P+
(circ 12 sx)

Well: Scouch St. 1

Location: 1780' FNL, 1780' FWL
F-23-18S-33E
Lea NM
30-025-36175

Elev: 18' AGL
KB: 3878'
GL: 3860'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
13 3/8"	54.5	J55	STC	300'
9 5/8"	32	J55	BTC	4876'
5 1/2"	17	MS-110	LTC	13650'
2 7/8"	4.7	L80	EUE	

17 1/2"

13 3/8" @ 300'

TOC 2400' TS

DV 3127'

12 1/4"

1st: 400 sx Class C + 3% CaCl (Circ 55 sx)

8 5/8" @ 4876' 2nd: 1475 HLC + 100 "C" (Circ 35 sx)

Rig Released 11/14/05

7 7/8"

DV 12013'

12870-76' (28) Atoka

CIBP + 20' cmt @ 13140'

13160-67' (48) Morrow 4

CIBP + cement @ 13247'

13253-60' (32) Morrow 3

13273-86' (40) Morrow 2

CIBP @ 13300'

13310-20' (36) Morrow 1

FC 13605'

1st: 350 sx PVL H (Circ 50 sx)

2nd: 1750 HLC + [illegible]

13650'

Injection Permit Checklist (7/8/08)

Case ______ R-______ (SWD) 1155 WFX______ PMX______ IPI______ Permit Date 12/8/08 UIC Qtr OCT/NOV DEC 08

Wells 1 Well Name: RICK 2 SWD (PICK State #2)

API Num: (30-) 025-38600 Spud Date: 2/27/08 New/Old: N (UIC primacy March 7, 1982)

Footages 2310 FSL/2310 FEL Unit J Sec 23 Tsp 18S Rge 33E County LEA

Operator: MARBOB Energy Corporation Contact GEORGE Freeman

OGRID: 14049 RULE 40 Compliance (Wells) 3/1215 (Finan Assur) OK

Operator Address: P.O. BOX 227, ARTESIA, NM 88211-0227

Current Status of Well: TA'ED

Planned Work to Well: (SQZ FROM 5304-5348) Then (Perf Lower DEL) Planned Tubing Size/Depth: 2 7/8 @ 5700'

	Sizes Hole.......Pipe	Setting Depths	Cement Sx or Cf	Cement Top and Determination Method
Existing ✓ Surface	12 1/4 8 5/8	1566'	800	CIRC
Existing ___ Intermediate				
Existing ✓ Long String	7 7/8 5 1/2	6503'	(360 + 775) 1135	(CIRC BOTH Stages)

DV Tool 4070' ~~Liner~~ ______ ~~Open Hole~~ ______ Total Depth 6503 PBTD 6490

Well File Reviewed ✓

Diagrams: Before Conversion ✓ After Conversion ✓ Elogs in Imaging File: ✓

Intervals:	Depths	Formation	Producing (Yes/No)
Above (Name and Top)			
Above (Name and Top)	5297	TOP DEL	
Injection...... Interval TOP:	5757	DEL	
Injection........... Interval BOTTOM:	6420	DEL	
Below (Name and Top)	7300	Bone SPRING	

Produced FROM UPPER DEL (West Corbin; DEL Pool)

1151 PSI Max. WHIP

N Open Hole (Y/N)

N Deviated Hole?

Sensitive Areas: ~~Capitan Reef~~ ______ ~~Cliff House~~ ______ Salt Depths 1700 - 2908

...~~Potash Area (R-111-P)~~ ______ ~~Potash Lessee~~ ______ ~~Noticed?~~

Fresh Water: Depths: 0-1566 Wells(Y/N) Yes Analysis Included (Y/N): ______ Affirmative Statement ✓

Salt Water: Injection Water Types: DEL/ATOKA/MORROW Analysis? Yes

Injection Interval.....Water Analysis: Yes Hydrocarbon Potential Tested, wet

Notice: Newspaper(Y/N) ✓ Surface Owner SLO ~~Mineral Owner(s)~~ Tobe TWC, DMS Petro, Williams INC., Stoltz INC

RULE 701B(2) Affected Parties: Chevron, Saley/Chesapeake/BP/DEVON/Twin Montana/Bass Energy

Wagons (EK ON UNIT)

Area of Review: Adequate Map (Y/N) ✓ and Well List (Y/N) None

Active Wells 8 Num Repairs 0 Producing in Injection Interval in AOR NO

..P&A Wells 0 Num Repairs ______ All Wellbore Diagrams Included? ______

Questions to be Answered:

Got Newspaper NOTICE & (Upper Perf Too Low in NOTICE)

Required Work on This Well: ______ Request Sent ______ Reply: ______

AOR Repairs Needed: ______ Request Sent ______ Reply: ______

______ Request Sent ______ Reply: ______