

DATE IN 7-9-09	SUSPENSE 7/28/09	ENGINEER Jones	LOGGED IN 7-9-09	TYPE SWD	PTG-W APP NO. 0919063864
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



9 AM 10-16
30-015

Sausage SWD #1

ADMINISTRATIVE APPLICATION CHECKLIST

MARBOB(14049)

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 _____

[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.

BRIAN COLLINS
 Print or Type Name

Brian Collins
 Signature

PETROLEUM ENGINEER
 Title

8 July 09
 Date

bcollins@marbob.com
 e-mail Address

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: _____ BRIAN COLLINS _____ 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: BRIAN COLLINS TITLE: PETROLEUM ENGINEER

SIGNATURE: Kevin L. Miller DATE: 07/08/09

E-MAIL ADDRESS: bcollins@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

C-108 Application for Authorization to Inject
Sausage SWD #1
2310 FNL 1650 FEL
G-7-25S-30E, Eddy County

Marbob Energy Corporation proposes to drill the captioned well to 7400' for salt water disposal service into the Delaware Sand from 4400' to 6750'. This well will be used to dispose of produced water from the Marbob Gravy State Com 1H which is currently drilling in sections 7 and 8 of T25S-R30E.

- V. Map is attached.
- VI. No wells within the ½ mile radius area of review penetrate the proposed injection zone.
- VII.
 - 1. Proposed average daily injection rate = 2000 BWPD
Proposed maximum daily injection rate = 5000 BWPD
 - 2. Closed system
 - 3. Proposed maximum injection pressure = 880 psi
(0.2 psi/ft. x 4400 ft.)
 - 4. Source of injected water will be Delaware Sand and Bone Spring Sand produced water. No compatibility problems are expected. Analyses of Delaware and Bone Spring waters from analogous source wells are attached.
- VIII. The injection zone is the Delaware Sandstone, a fine-grained sandstone from 4400' to 6750'. Any underground water sources will be shallower than 750'.
- IX. The Delaware sand injection interval will be acidized with approximately 20 gals/ft. of 7 1/2% HCl acid. If necessary, the injection interval may be fraced with up to 300,000 lbs. of 20/40 mesh sand.
- X. Well logs will be filed with the Division. A section of the neutron-density porosity log from an analogous well 3000' to the south showing the injection intervals is attached. The analogous well was non-commercial and was plugged.
- XI. There are no fresh water wells within a mile of the proposed SWD well.
- 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.

INJECTION WELL DATA SHEET

OPERATOR: Marbob Energy CorpWELL NAME & NUMBER: Savage SWD #1WELL LOCATION: 2310' FNL 1650' FELUNIT LETTER: G

FOOTAGE LOCATION

SECTION: 7TOWNSHIP: 25sRANGE: 30eWELLBORE SCHEMATICWELL CONSTRUCTION DATASurface Casing

Schematic Attached

Hole Size: 17 1/2"Casing Size: 13 3/8" @ 750' ±

Cemented with: _____ sx. _____

or 900 ft³Top of Cement: SurfaceMethod Determined: 20" avg. hole diameter
Calculated assumingIntermediate CasingHole Size: 11"Casing Size: 8 5/8" @ 3500' ±

Cemented with: _____ sx. _____

or 1600 ft³Top of Cement: SurfaceMethod Determined: 12 1/2" avg. hole diameter
Calculated assumingProduction CasingHole Size: 7 3/4"Casing Size: 5 1/2" @ 7400' ±

Cemented with: _____ sx. _____

or 1100 ft³Top of Cement: 3000' (500' overlap)Method Determined: 9" avg. hole diameter
Calculated assuming

Total Depth: _____

Injection Interval4400' feet to 6750'(Perforated) or Open Hole; indicate which)

This well will be drilled
as a SWD. APD will
be submitted after C-108
is approved.

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

Additional Data

- If no, for what purpose was the well originally drilled?**

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 7525' - 9200' ±
Delaware 7050 - 7400' ± (1+ miles north & northeast)
Overlying: Delaware 3650 - 3750' ±

Well: Sausage SWD #1

Location: 2310' FNL, 1650' FEL
G-7-25g-30e
Eddy NM

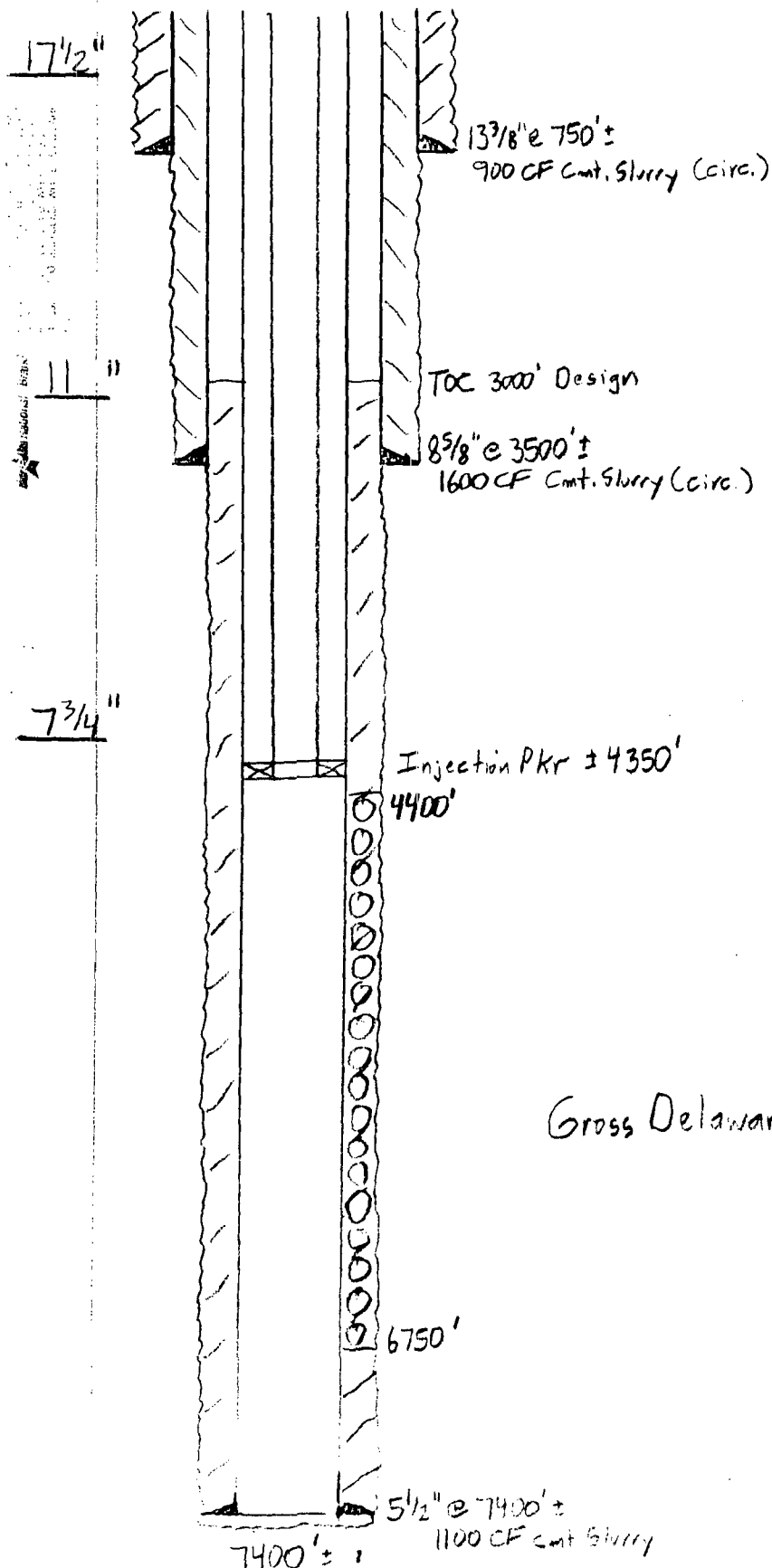
Zero: _____

KB: _____

GL: _____

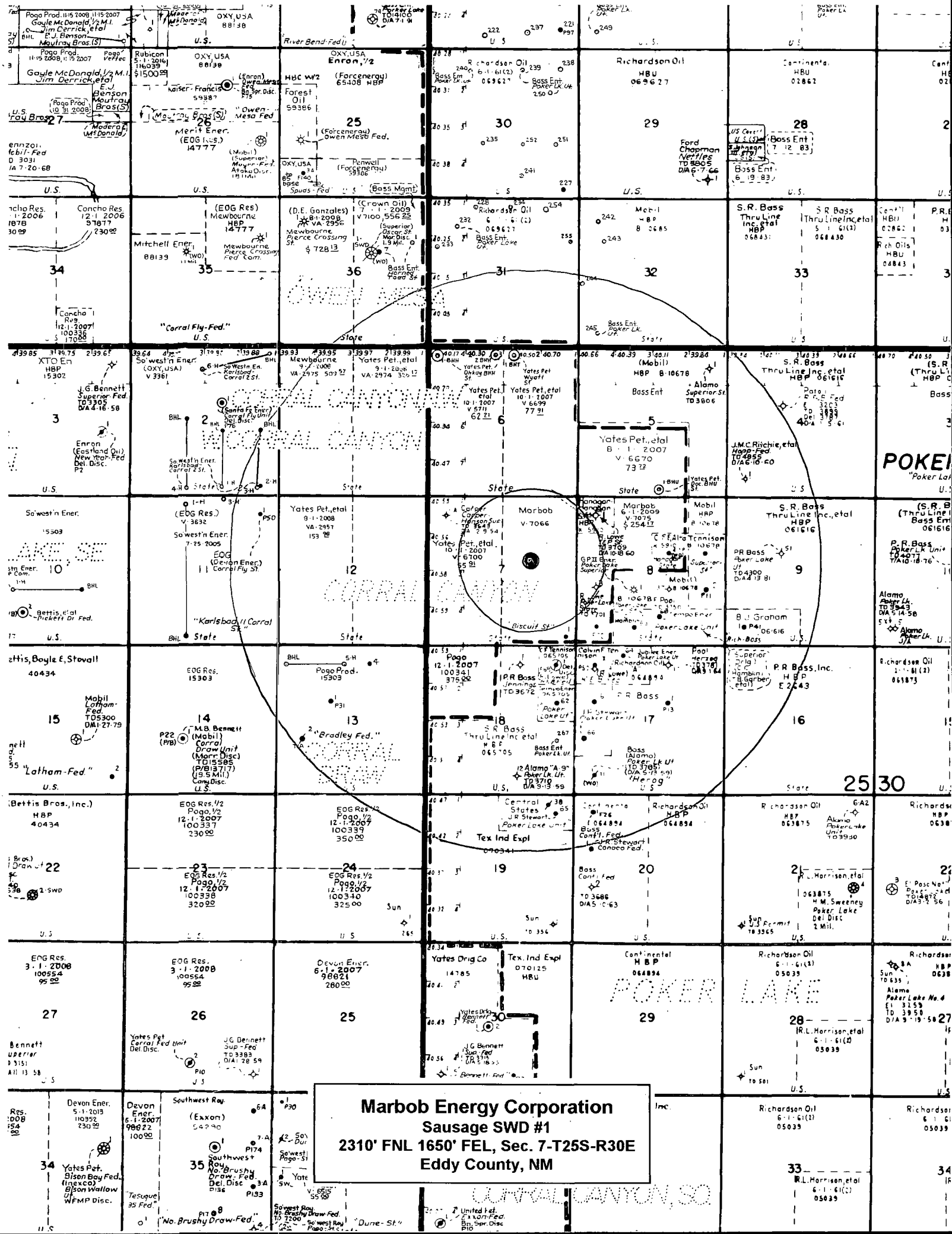
Casing Program:

Size	Wt.	Grade	Conn.	Depth
13 3/8"	54.5	J55	STC	750'
8 5/8"	24	J55	STC	2300'
8 5/8"	32	J55	STC	3500'
5 1/2"	17	J55	LTC	7400'±
2 7/8"	6.5	J55	EVE	4350'±
		IPC/	Dual	20



V.

MAP



VII.

WATER ANALYSIS

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT

No. W45-93TO Hanagan PetroleumDate February 7, 1993P. O. Box 1737Roswell, NM 88201

This report is the property of Halliburton Services and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services.

Submitted by _____ Date Rec. _____

Well No. Gehrig #2 Depth 5050' Formation DelawareField Brushy Draw 9-26s-29e County Eddy Source Produced WaterResistivity052Specific Gravity .. 1.1856H 7.0Calcium 24,250Magnesium 9,000Chlorides 170,000Sulfates 250Lcarbonates 350Soluble Iron + 500

Water Analysis Representative
of Produced Delaware Water
to be Injected and of
Delaware Water in the
Proposed Injection Interval

Remarks:

Art Carrasco
 Respectfully submitted

Analyst: Art Carrasco - Technical Advisor

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be held liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, arising from the use thereof.

HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY WATER ANALYSIS REPORT HOBBS, NEW MEXICO

COMPANY Marbob

REPORT W08-156
DATE November 25, 2008
DISTRICT Hobbs

SUBMITTED BY Bone Spring Sand
Produced Water

WELL Save DA 21 Fed. #1 DEPTH _____ FORMATION _____
COUNTY _____ FIELD _____ SOURCE _____

SAMPLE	_____	_____	_____	_____
Sample Temp.	70 °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	0.068	_____	_____	_____
SPECIFIC GR.	1.095	_____	_____	_____
pH	6.53	_____	_____	_____
CALCIUM	7500 mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	6000 mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	83125 mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	Light mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	231 mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	0 mpl	_____ mpl	_____ mpl	_____ mpl
KCL	Negative	_____	_____	_____
Sodium	_____ mpl	0 mpl	0 mpl	0 mpl
TDS	_____ mpl	0 mpl	0 mpl	0 mpl
OIL GRAVITY	@ _____ °F	@ _____ °F	@ _____ °F	@ _____ °F

REMARKS

MPL = Milligrams per liter
Resistivity measured in: Ohm/m2.m

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however be used in the course of regular business operations by any person in concern and employees thereof receiving such report from Halliburton Co

ANALYST: MA/MB/JH

X.

**NEUTRON
DENSITY LOG**

**Across Proposed
Delaware Sand
Portion of
Injection Interval**

HALIBURTON

SPECTRAL DENSITY DUAL SPACED NEUTRON

Log Mark

COMPANY MARBOB ENERGY CORPORATION
WELL BISCUIT STATE No. 1
FIELD UNDES. CORRAL CANYON; DELAWARE
COUNTY EDDY STATE N.M.

COMPANY MARBOB ENERGY CORPORATION
WELL BISCUIT STATE No. 1
FIELD UNDES. CORRAL CANYON; DELAWARE
COUNTY EDDY STATE N.M.
API No. 30-015-33630
Location 330 FSL & 330 FEL
Other Services DLUMGRD

Sect 7 Twp 25 S Rge 30 E

GROUND LEVEL Elev. 3179'

Elev. K.B. 3191'

Log measured from K.B. 12' ft. above perm. datum

D.F. 3190'

Drilling measured from KELLY BUSHING

G.L. 3179'

Date	01-FEB-2005
Run No.	ONE
Depth - Driller	7444'
Depth - Logger	7440'
Bottom - Logged Interval	7394'
Top - Logged Interval	200'
Casing - Driller	8.625 @ 767'
Casing - Logger	767'
Bit Size	7.875"
Type Fluid in Hole	BRINE
Dens. Visc.	9.5 39
Ph Fluid Loss	10 9.8
Source of Sample	MUD PIT
Rm @ Meas. Temp.	0.160 @ 60 F
Rmf @ Meas. Temp.	0.136 @ 60 F
Rmc @ Meas. Temp.	0.200 @ 60 F
Source Rmf Rmc	MEAS MEAS
Rm @ BHT	0.081 @ 125 F
Time Since Circ.	1900 01-31
Time on Bottom	0445 02-01
Max. Rec. Temp.	125 F @ T.D.
Equip. Location	582 HOBBBS
Recorded By	M. SEVILLA

*Analogous Log
Section Across
Delaware Sand
Injection Interval
From Well 3000' ±
To The South
(Plugged)*

Fold Here

Service Ticket No.:		3404286		API Serial No.:		30-015-33630		PGM Version:		XL v5.6		
CHANGE IN MUD TYPE OR ADDITIONAL SAMPLES						RESISTIVITY SCALE CHANGES						
Date Sample No.					Type Log	Depth	Scale Up Hole		Scale Down Hole			
Depth - Driller												
Type Fluid												
Fluid in Hole												
Dens. Visc.												
Ph Fluid Loss												
Source of Sample						RESISTIVITY EQUIPMENT DATA						
Rm @ Meas. Temp.	0.160	@ 60 F	@		Run No.	Tool Type & No.		Pad Type		Tool Pos.		Other
Rmf @ Meas. Temp.	0.136	@ 60 F	@									
Rmc @ Meas. Temp.	0.200	@ 60 F	@									
Source Rmf Rmc	CALC	CALC										
Rm @ BHT	0.081	@ 125 F	@									
Rmf @ BHT	0.069	@ 125 F	@									
Rmc @ BHT	0.101	@ 125 F	@									
EQUIPMENT DATA												
GAMMA		ACOUSTIC			DENSITY			NEUTRON				
Run No.	ONE	Run No.			Run No.	ONE		Run No.	ONE			
Serial No.	108590YL	Serial No.			Serial No.	AD44YL		Serial No.	108772YL			
Model No.	NGRT	Model No.			Model No.	SDL-DA		Model No.	DSN-II			
Diameter	3.625"	No. of Cent.			Diameter	4.50"		Diameter	3.625"			
Detector Model No.	102-T	Spacing			Log Type	GAM-GAM		Log Type	NEU-NEU			
Probe	SCINT				Source Type	Cs-137		Source Type	Am241Be			
Length	4"	LSA [Y / N]			Serial No.	2549GW		Serial No.	DSN-90			
Distance to Source	10'	FWDA [Y / N]			Strength	1.5 Ci		Strength	18.5 Ci			

ANGLS VOL> 4400

PE CORR

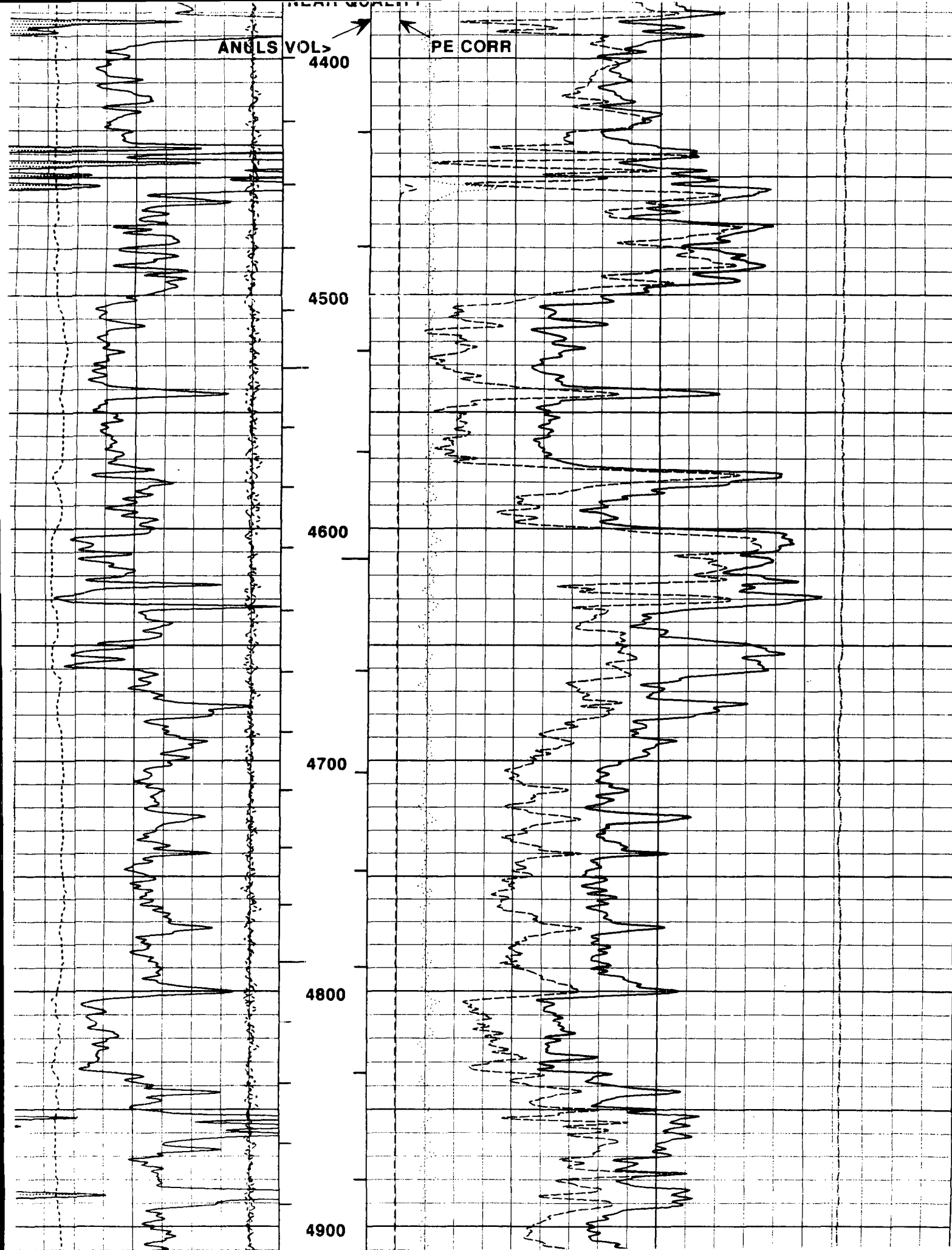
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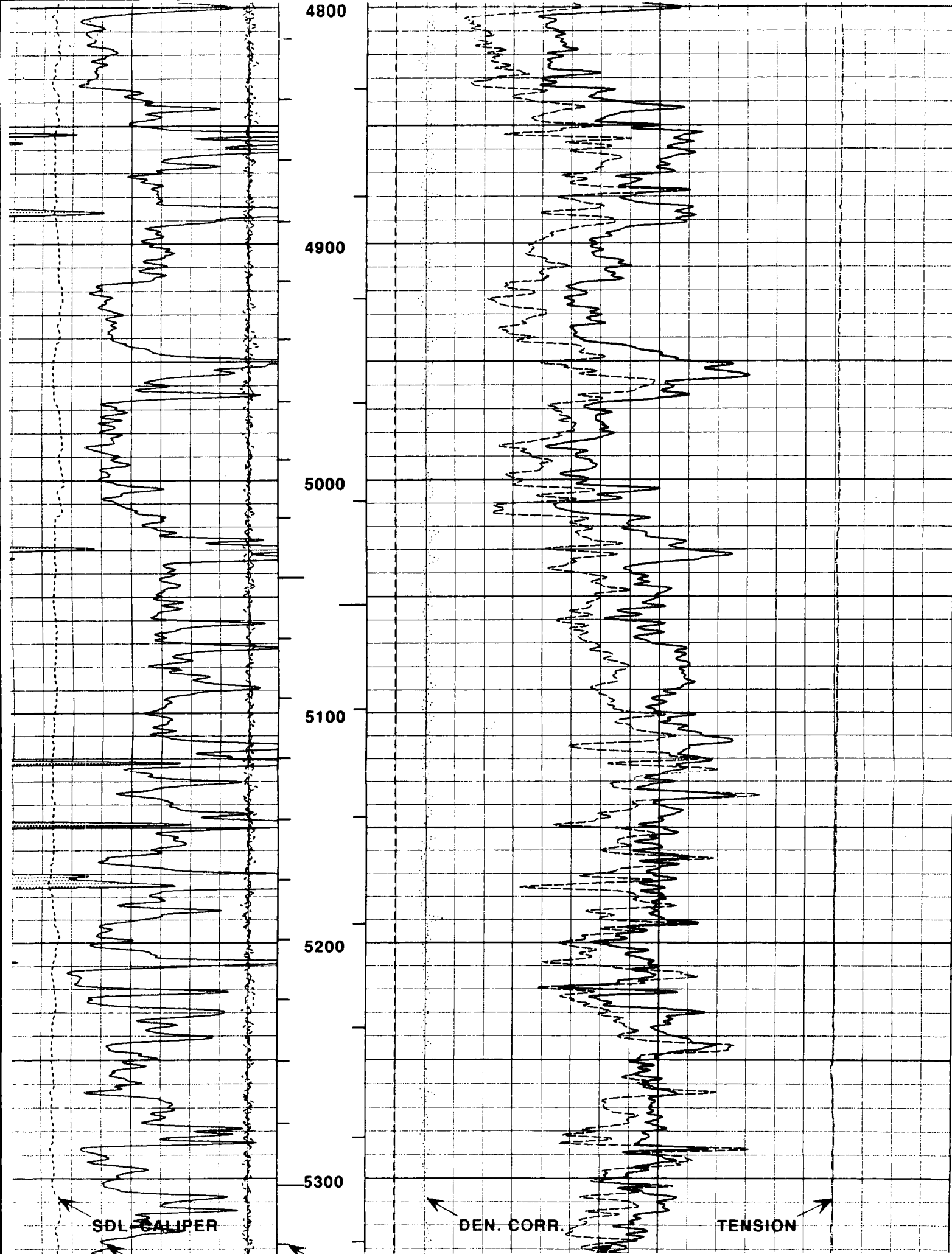
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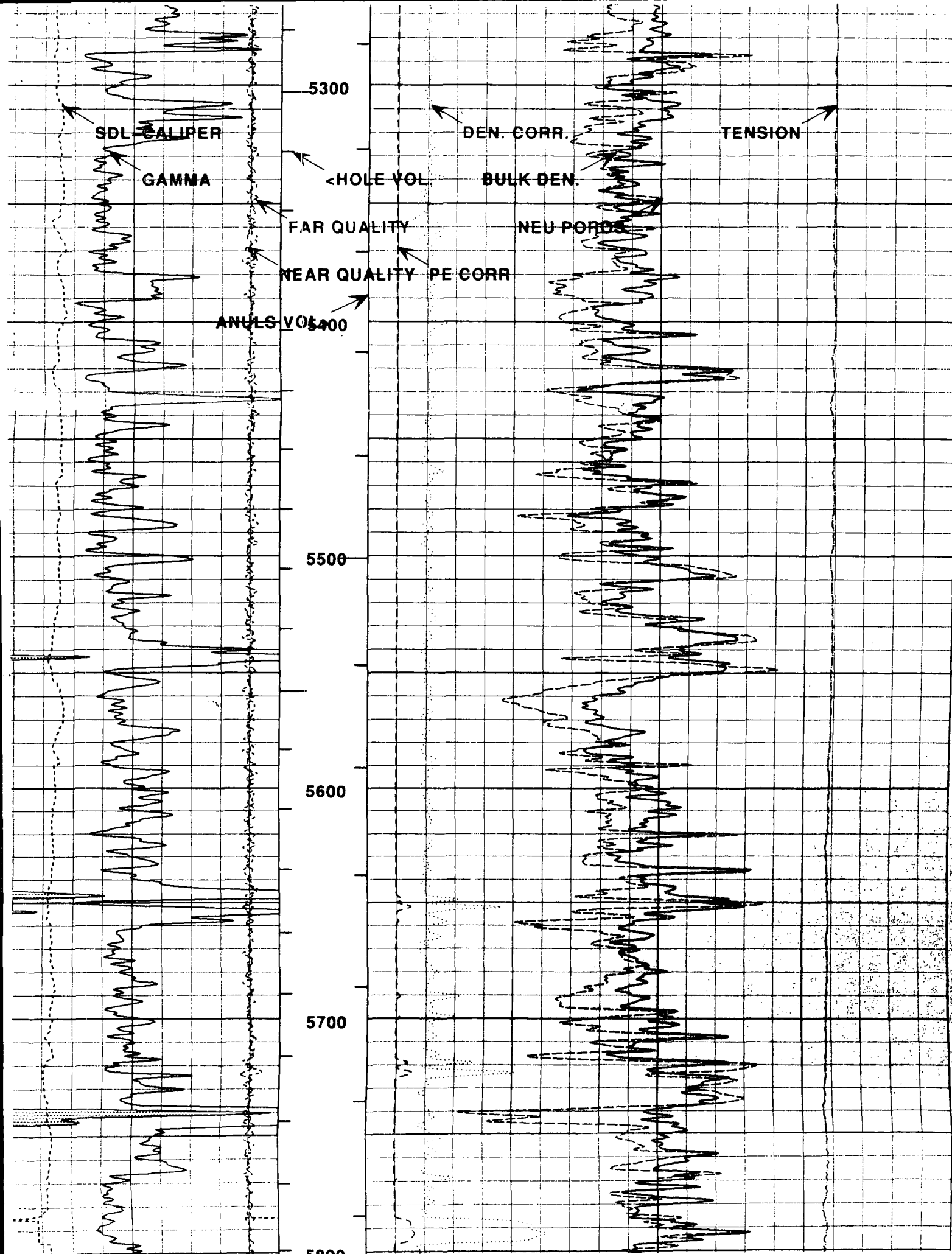
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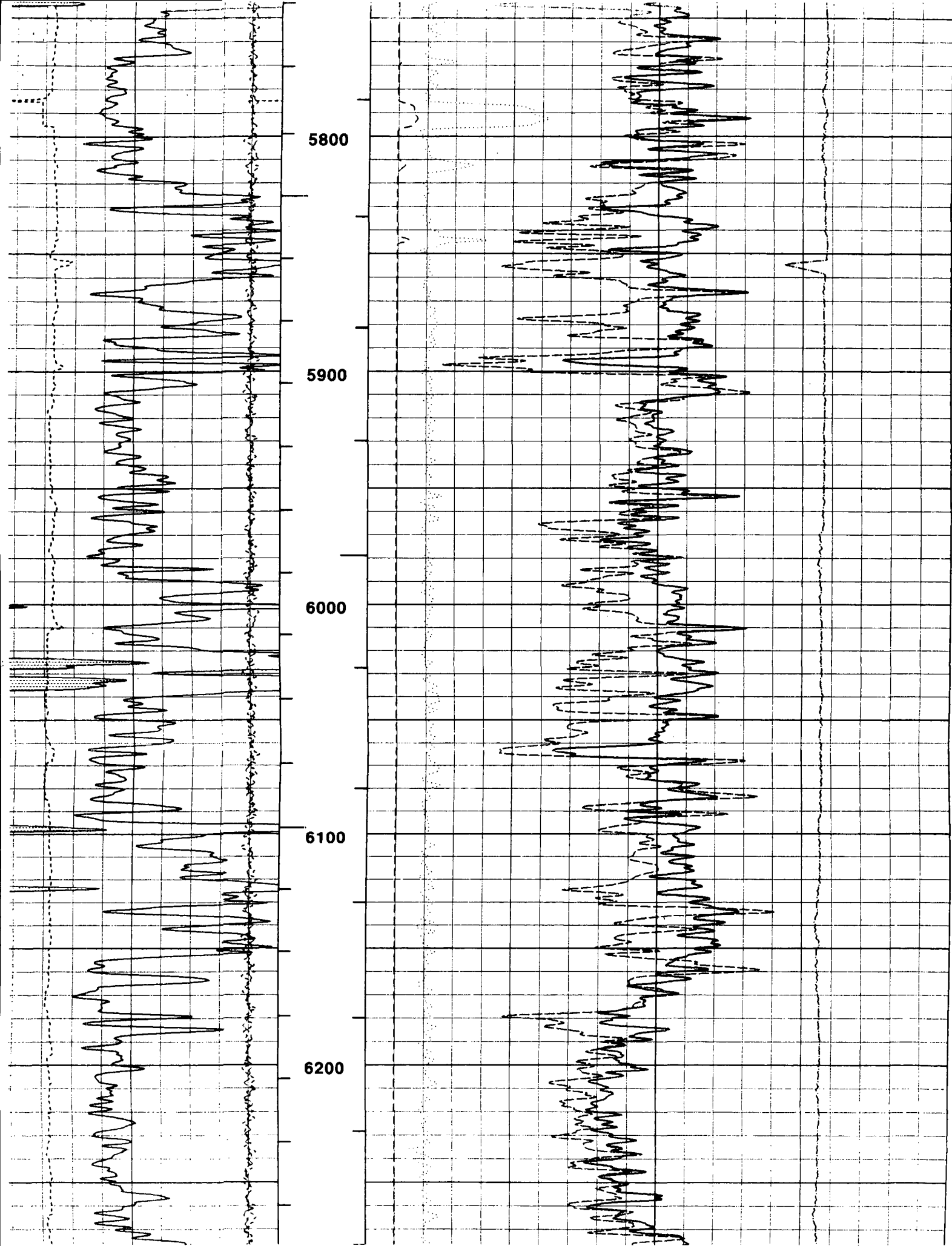
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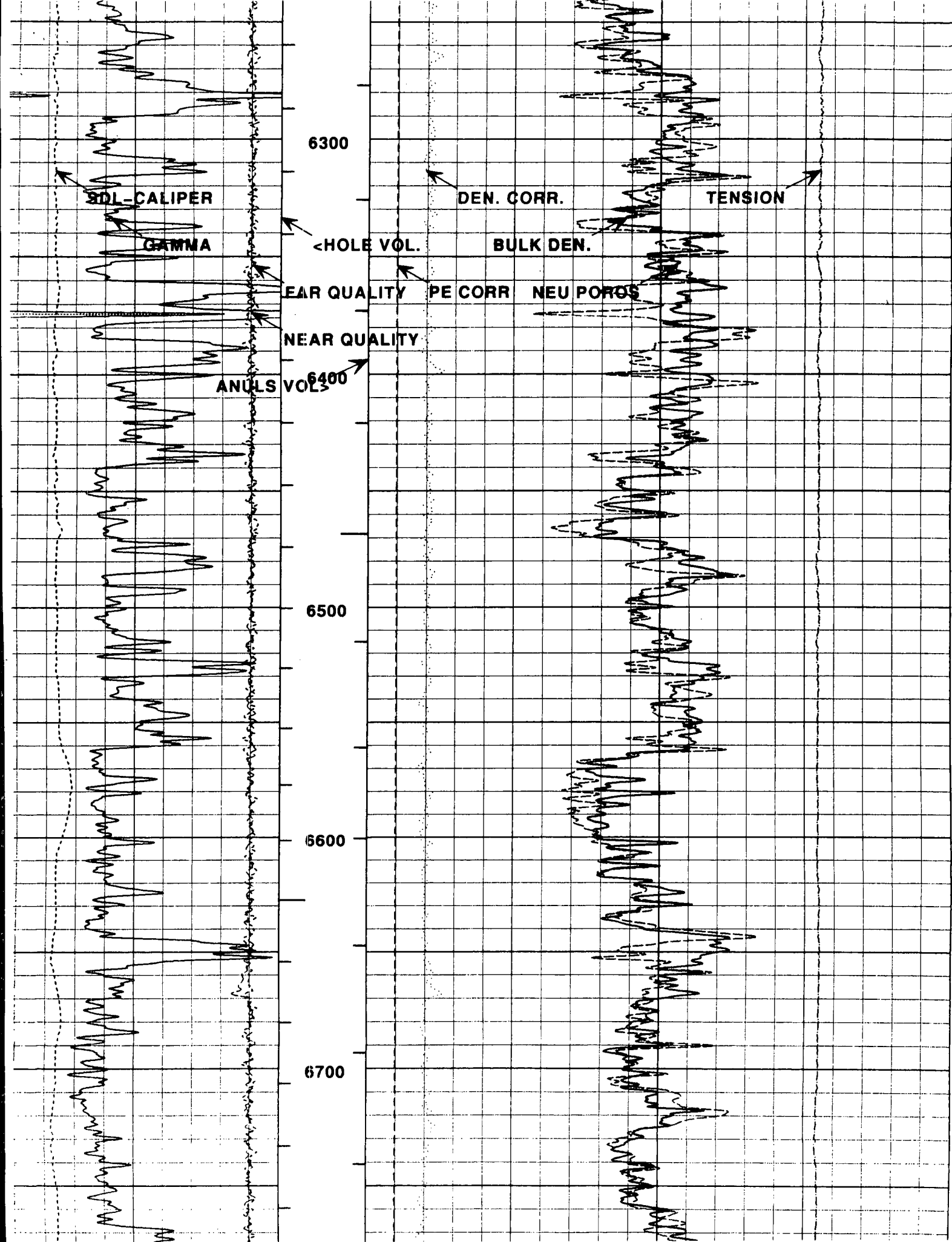
4900













New Mexico Office of the State Engineer

Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 4, 5, 6, 7, 8, 9, Township: 25S Range: 30E
16, 17, 18

No FW sources

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 1, 12, 13

Township: 25S

Range: 29E

No FW Sources

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

6/2/09 10:38 AM

Page 1 of 1

WATER COLUMN/ AVERAGE
DEPTH TO WATER



marbob
energy corporation

July 8, 2009

Artesia Daily Press
P. O. Box 190
Artesia, NM 88211-0190

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,

Brian Collins
Petroleum Engineer

BC/dlw

enclosure

ARTESIA DAILY PRESS
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 for a salt water disposal well. The proposed well, the Sausage SWD #1, is located 2310' FNL 1650' FEL, Sec. 7, Township 25 South, Range 30 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 4400-6750' at a maximum surface pressure of 880 psi and a maximum rate of 5000 BWPD. 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 Brian Collins at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico 88211-0227, or call 575-748-3303.

Published in the Artesia Daily Press, Artesia, New Mexico
_____, 2009.



July 8, 2009

New Mexico State Land Office
P. O. Box 1148
Santa Fe, NM 87504-1148

Re: Application to Inject
Sausage SWD #1
Township 25 South, Range 30 East, NMPM
Section 7: 2310 FNL 1650 FEL, Unit G
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's salt water disposal well application. 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,

Brian Collins
Petroleum Engineer

BC/dlw
enclosure



July 8, 2009

Yates Petroleum Corporation
105 S. 4th St.
Artesia, NM 88210

Re: Application to Inject
Sausage SWD #1
Township 25 South, Range 30 East, NMPM
Section 7: 2310 FNL 1650 FEL, Unit G
Eddy County, New Mexico

Ladies and Gentlemen:

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

Sincerely,

Brian Collins
Petroleum Engineer

BC/dlw
enclosure



marbob
energy corporation

July 8, 2009

Crown Oil Partners III, LP
P. O. Box 50820
Midland, TX 79710

Re: Application to Inject
Sausage SWD #1
Township 25 South, Range 30 East, NMPM
Section 7: 2310 FNL 1650 FEL, Unit G
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's salt water disposal well application. 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,

Brian Collins
Petroleum Engineer

BC/dlw
enclosure



marbob
energy corporation

July 8, 2009

XTO Energy, Inc.
810 Houston St.
Ft. Worth, TX 76102

Re: Application to Inject
Sausage SWD #1
Township 25 South, Range 30 East, NMPM
Section 7: 2310 FNL 1650 FEL, Unit G
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's salt water disposal well application. 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,

Brian Collins
Petroleum Engineer

BC/dlw
enclosure

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

XTO ENERGY INC
810 HOUSTON ST
FT WORTH TX 76102

2. Article Number

(Transfer from service label)

7006 0810 0000 8979 6919

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-154

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CROWN OIL PARTNERS III LP
P.O. BOX 50820
MIDLAND TX 79710

2. Article Number

(Transfer from service label)

7006 0810 0000 8979 6896

PS Form 3811, February 2004

DW Domestic Return Receipt Sausage

102595-02-M-154

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

YATES PETROLEUM CORPORATION
105 S 4TH ST
ARTESIA NM 88210

2. Article Number

(Transfer from service label)

7006 0810 0000 8979 6889

PS Form 3811, February 2004

DW Domestic Return Receipt Sausage

102595-02-M-154

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.

CERTIFIED MAIL

7006 0810 0000 8979 6902
7006 0810 0000 8979 6902

CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)		For delivery information visit our website at www.usps.com	Postage \$ Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$	Postmark Here
OFFICIAL USE				
NM STATE LAND OFFICE P O BOX 1148 SANTA FE NM 87504-1148				
<i>Dw Sausage</i>				
NM STATE LAND OFFICE P O BOX 1148 SANTA FE NM 87504-1148				

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.

CERTIFIED MAIL™

6769 6268 0000 0780 9002
6769 6268 0000 0780 9002
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CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)		For delivery information visit our website at www.usps.com	Postage \$ Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$	Postmark Here
OFFICIAL USE				
XTO ENERGY INC 810 HOUSTON ST FT WORTH TX 76102				
<i>Dw Sausage</i>				
XTO ENERGY INC 810 HOUSTON ST FT WORTH TX 76102				

CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)		For delivery information visit our website at www.usps.com	Postage \$ Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$	Postmark Here
OFFICIAL USE				
YATES PETROLEUM CORPORATION 105 S 4TH ST ARTESIA NM 88210				
<i>Dw Sausage</i>				
YATES PETROLEUM CORPORATION 105 S 4TH ST ARTESIA NM 88210				

CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)		For delivery information visit our website at www.usps.com	Postage \$ Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$	Postmark Here
OFFICIAL USE				
CROWN OIL PARTNERS III LP P O BOX 50820 MIDLAND TX 79710				
<i>Dw Sausage</i>				
CROWN OIL PARTNERS III LP P O BOX 50820 MIDLAND TX 79710				

CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)		For delivery information visit our website at www.usps.com	Postage \$ Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$	Postmark Here
OFFICIAL USE				
CROWN OIL PARTNERS III LP P O BOX 50820 MIDLAND TX 79710				
<i>Dw Sausage</i>				
CROWN OIL PARTNERS III LP P O BOX 50820 MIDLAND TX 79710				

Jones, William V., EMNRD

From: Debora Wilbourn [geology@marbob.com]
Sent: Wednesday, July 15, 2009 1:28 PM
To: Jones, William V., EMNRD
Subject: Sausage SWD #1 Revised Location
Attachments: Sausage SWD #1 Revised Location.pdf

Will,

Here is a copy of the Affidavit of Publication of the legal notice for the referenced proposed SWD.

Debora L Wilbourn, GeoTech
geology@marbob.com
Marbob Energy Corporation
PH 575-748-3303

This inbound email has been scanned by the MessageLabs Email Security System.

JUL 15 2009

Affidavit of Publication

NO. 20756

STATE OF NEW MEXICO

County of Eddy.

GARY D. SCOTT being duly

sworn, says: That he is the PUBLISHER of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said County, and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same

day as follows:

First Publication July 12, 2009

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Subscribed and sworn to before me this

12 Day July 2009



OFFICIAL SEAL
do Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 6/30/2012

do Morgan
Notary Public, Eddy County, New Mexico

Copy of Publication:

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 for a salt water disposal well. The proposed well, the Sausage SWD #1, is located 2310' FNL 1650' FEL, Sec. 7, Township 25 South, Range 30 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware and Bone Spring formations. The disposal water will be injected into the Delaware formation at a depth of 4400-6740' at a maximum surface pressure of 880 psi and a maximum rate of 5000 BWP. 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 Brian Collins at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico 88211-0227, or call 575-748-3303. Published in the Artesia Daily Press, Artesia, NM July 12, 2009. Legal No. 20756

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Thursday, July 16, 2009 3:27 PM
To: 'Brian Collins'
Subject: Disposal application from Marbob: Sausage SWD #1 API not available, Unit G Sec 7, T25S R30E, Eddy County

Hello Brian:

This permit is ready to release on July 28 and will be SWD-1184. (This is the Sausage in Unit G of Sec 7.)

My copy of the certified mailings were black and white with no dates or other descriptive data - Please ask someone in your office to send the color copies or a better black and white and I will add that to the application.

Good luck with this well.

Take Care,

Will

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

Injection Permit Checklist (7/8/08)

Case SWD 1184 WFX PMX IPI Permit Date J.A.S. UIC Qtr J.A.S.
 # Wells 1 Well Name: Savage SWD #1
 API Num: (30-) 015- Spud Date: New/Old: N (UIC primacy March 7, 1982)
 Footages 2310 FNL/1650 FEL Unit G Sec 7 Tsp 255 Rge 30E County Eddy
 Operator: Marboly Energy Corp Contact Brian Collins
 OGRID: 14049 RULE 40 Compliance (Wells) 2/1200 (Finan Assur) OK
 Operator Address: PO Box 227 Corral NM 88211-0227
 Current Status of Well: not drilled

Planned Work to Well:

Drill / FRAC

Planned Tubing Size/Depth:

27/8 @ 4350'

	Sizes Hole.....Pipe	Setting Depths	Cement Sx or Cf	Cement Top and Determination Method
Existing Surface	<u>12 1/2 13 1/8</u>	<u>750</u>	<u>900 CF</u>	<u>CIRC exp</u>
Existing Intermediate	<u>11 8 5/8</u>	<u>3500</u>	<u>1600 CF</u>	<u>CIRC exp / Plan</u>
Existing Long String	<u>7 3/4 5 1/2</u>	<u>7400</u>	<u>1100 CF</u>	<u>3000 exp</u>

BV Tool

Liner

Open Hole

Total Depth 7400

Well File Reviewed

none yet

Diagrams: Before Conversion

After Conversion ☒

Elogs in Imaging File:

not drilled

Intervals:	Depths	Formation	Producing (Yes/No)
Above (Name and Top)			
Above (Name and Top)	<u>3650-3700</u>	<u>Del</u>	
Injection.....		<u>4400</u>	<u>Del NO</u>
Interval TOP:		<u>6750</u>	<u>Del NO</u>
Interval BOTTOM:			
Below (Name and Top)	<u>7050-7400</u>	<u>Del yes</u>	

Corral Canyon880 PSI Max. WHIPNO Open Hole (Y/N)NO Deviated Hole?Sensitive Areas: Capitan ReefCliff House

Salt Depths

.....Potash Area (R-111-P)

Potash Lessee

Noticed?

Fresh Water:

Depths:

0-750'

Wells(Y/N)

NO

Analysis Included (Y/N):

Affirmative Statement ☒

Salt Water: Injection Water Types:

Del / BS

Analysis?

Injection Interval.....Water Analysis:

Some

Hydrocarbon Potential

will check

Notice: Newspaper(Y/N)

Surface Owner

SLC

Mineral Owner(s)

RULE 701B(2) Affected Parties:

Yates / Crown Oil Partners / XTO

Area of Review: Adequate Map (Y/N)

☒ and Well List (Y/N)☒

Active Wells

0

Num Repairs

2

Producing in Injection Interval in AOR

..P&A Wells

0

Num Repairs

2

All Wellbore Diagrams Included?

Questions to be Answered:

Good ϕ SW HIGH?Send new color copy of Cert ReceiptsSorry Data etc

Required Work on This Well:

Request Sent Reply:

AOR Repairs Needed:

Request Sent Reply: Request Sent Reply: