

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

K-04-08

## APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC028784A
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator MARBOB ENERGY CORPORATION		7. If Unit or CA Agreement, Name and No.
Contact: MELANIE PARKER E-Mail: marbob@marbob.com		8. Lease Name and Well No. BURCH KEELY UNIT 962
3a. Address P O BOX 227 ARTESIA, NM 88211-0227	3b. Phone No. (include area code) Ph: 505.748.3303 Fx: 505.746.2523	9. API Well No. 30-015-33807
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESW 660FSL 2035FWL At proposed prod. zone SESW 660FSL 2035FWL		10. Field and Pool, or Exploratory GRBG JACKSON SR Q GRBG SA
14. Distance in miles and direction from nearest town or post office* OCD-ARTESIA		11. Sec., T., R., M., or Blk. and Survey or Area Sec 13 T17S R29E Mer NMP SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease 640.00	12. County or Parish EDDY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 4800 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3613 GL	22. Approximate date work will start 09/04/2004	17. Spacing Unit dedicated to this well 40.00
24. Attachments ROSWELL CONTROLLED WATER BASIN		20. BLM/BIA Bond No. on file
25. Signature (Electronic Submission)		23. Estimated duration 21

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) MELANIE PARKER	Date 08/04/2004
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ Joe G. Lara	Name (Printed/Typed) /s/ Joe G. Lara	Date 13 SEP 2004
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

## Additional Operator Remarks (see next page)

Electronic Submission #34064 verified by the BLM Well Information System

For MARBOB ENERGY CORPORATION, sent to the Carlsbad

Committed to AFMSS for processing by LINDA ASKWIG on 08/04/2004 (04LA0639AE)

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

Witness Surface Casing

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BL

If earthen pits are used in  
association with the drilling of this  
well, an OCD pit permit must be  
obtained prior to pit construction.

DISTRICT I  
P.O. Box 1280, Santa Fe, NM 87501-1280

DISTRICT II  
P.O. Drawer 88, Artesia, NM 88201-0088

DISTRICT III  
1700 Rio Arriba Rd., Santa Fe, NM 87410

DISTRICT IV  
P.O. Box 2038, Santa Fe, N.M. 87504-2038

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
P.O. Box 2038  
Santa Fe, New Mexico 87504-2038

Form C-102  
Revised February 10, 2004  
Submit to appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 2 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

1.1 AMENDED REPORT

Well Number	Well Code	Well Name
	28509	CRBC JACKSON SR & CRBC SA
Property Code	Property Name	Well Number
008497	BURCH KEELY UNIT	285
EGM No.	Operator Name	Elevation
14049	MARDON ENERGY CORPORATION	3513

Surface Location

EE or Jct No.	Section	Township	Range	Lot 10n	Feet from the	North/South Line	Feet from the	East/West Line	County
N	13	7-S	29-E		650'	SOUTH	2038'	WEST	EDDY

Bottom Hole Location if Different From Surface

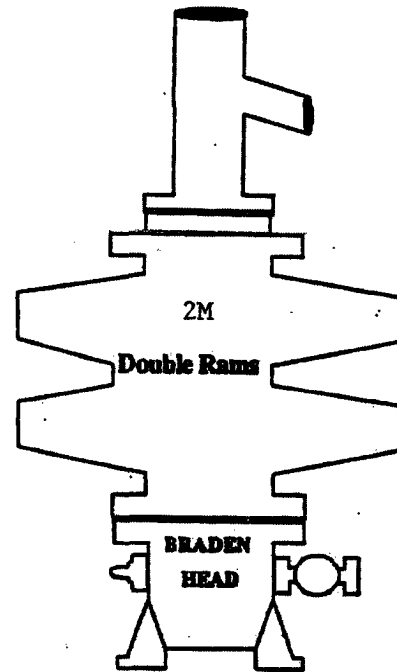
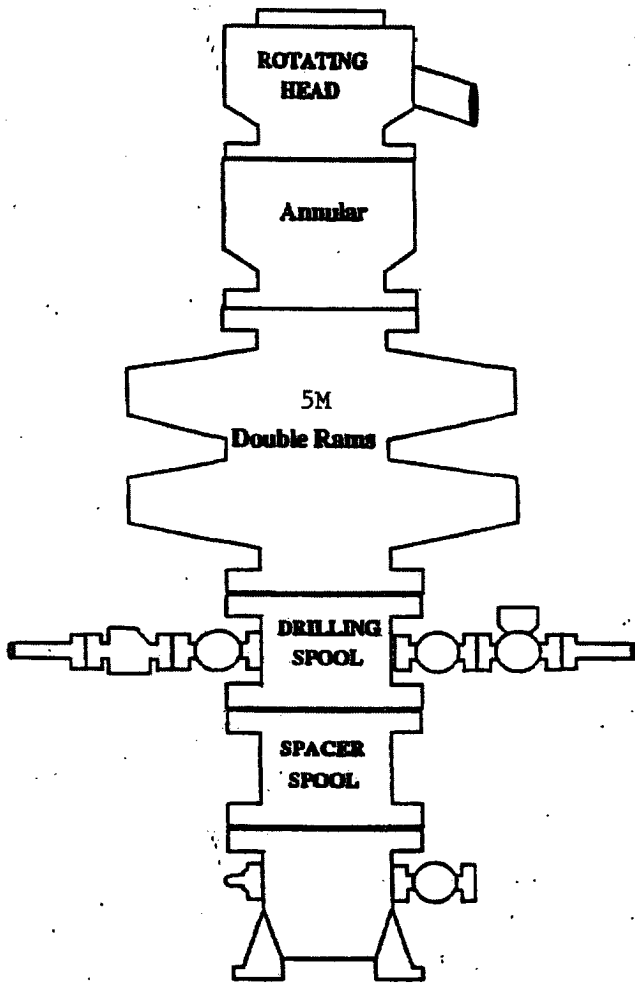
EE or Jct No.	Section	Township	Range	Lot 10n	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acres	Total or Infill	Consolidation Code	Order No.
40			

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

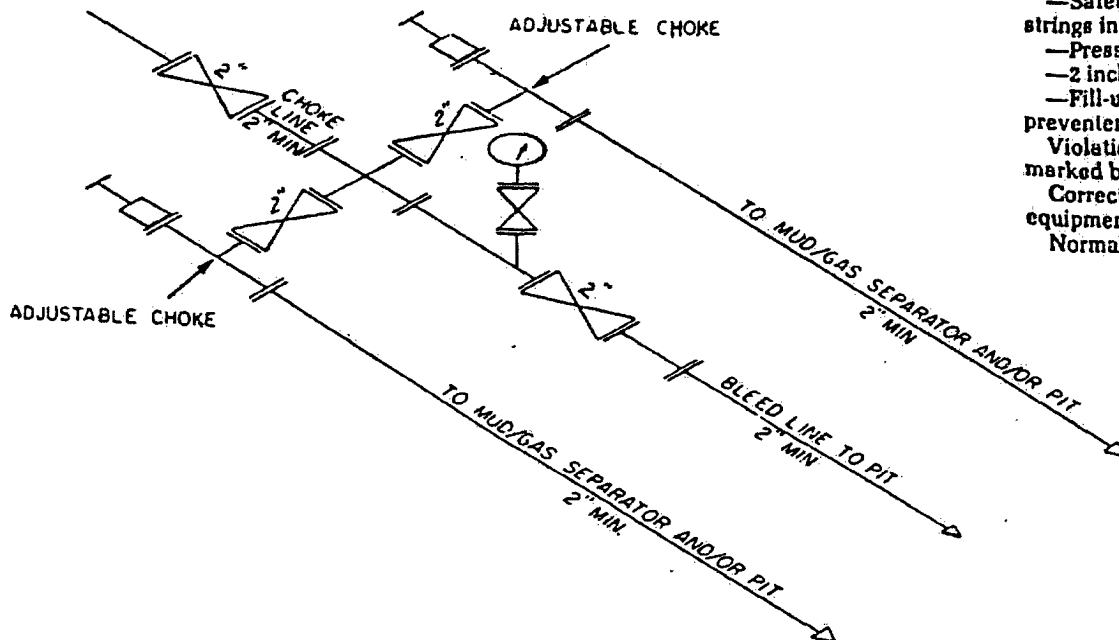
<p>CEODERIC COORDINATES NAD 83 NLS</p> <p><math>Y=585472.4\text{ M}</math> <math>X=593251.7\text{ E}</math></p> <p><math>Lat.=32^{\circ}19'44.31''\text{ N}</math> <math>Long.=104^{\circ}01'47.05''\text{ W}</math></p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the data information contained herein is true and correct to the best of my knowledge and belief.</p> <p></p> <p>Signature</p> <p>WILLIAM A. MILLER Printed Name</p> <p>LAND DEPARTMENT Title</p> <p>JULY 27, 2004 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was obtained 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.</p> <p>MAY 18, 2004</p> <p>Date Surveyed</p> <p></p> <p>Signature &amp; Seal of Professional Surveyor</p> <p>04-170550</p> <p>Certification No. GARY JOHNSON 18641</p>
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# BOPE SCHEMATIC



ONSHORE OIL AND GAS ORDER NO. 2

- 2M system:**
- Annular preventer, or. double ram, or two rams with one being blind and one being a pipe ram \*
  - Kill line (2 inch minimum)
  - 1 kill line valve (2 inch minimum)
  - 1 choke line valve
  - 2 chokes (refer to diagram in Attachment 1)
  - Upper kelly cock valve with handle available
  - Safety valve and subs to fit all drill strings in use
  - Pressure gauge on choke manifold
  - 2 inch minimum choke line
  - Fill-up line above the uppermost preventer.
- Violation: Minor** (all items unless marked by asterisk).
- Corrective Action:** Install the equipment as specified.
- Normal Abatement Period:** 24 hours.

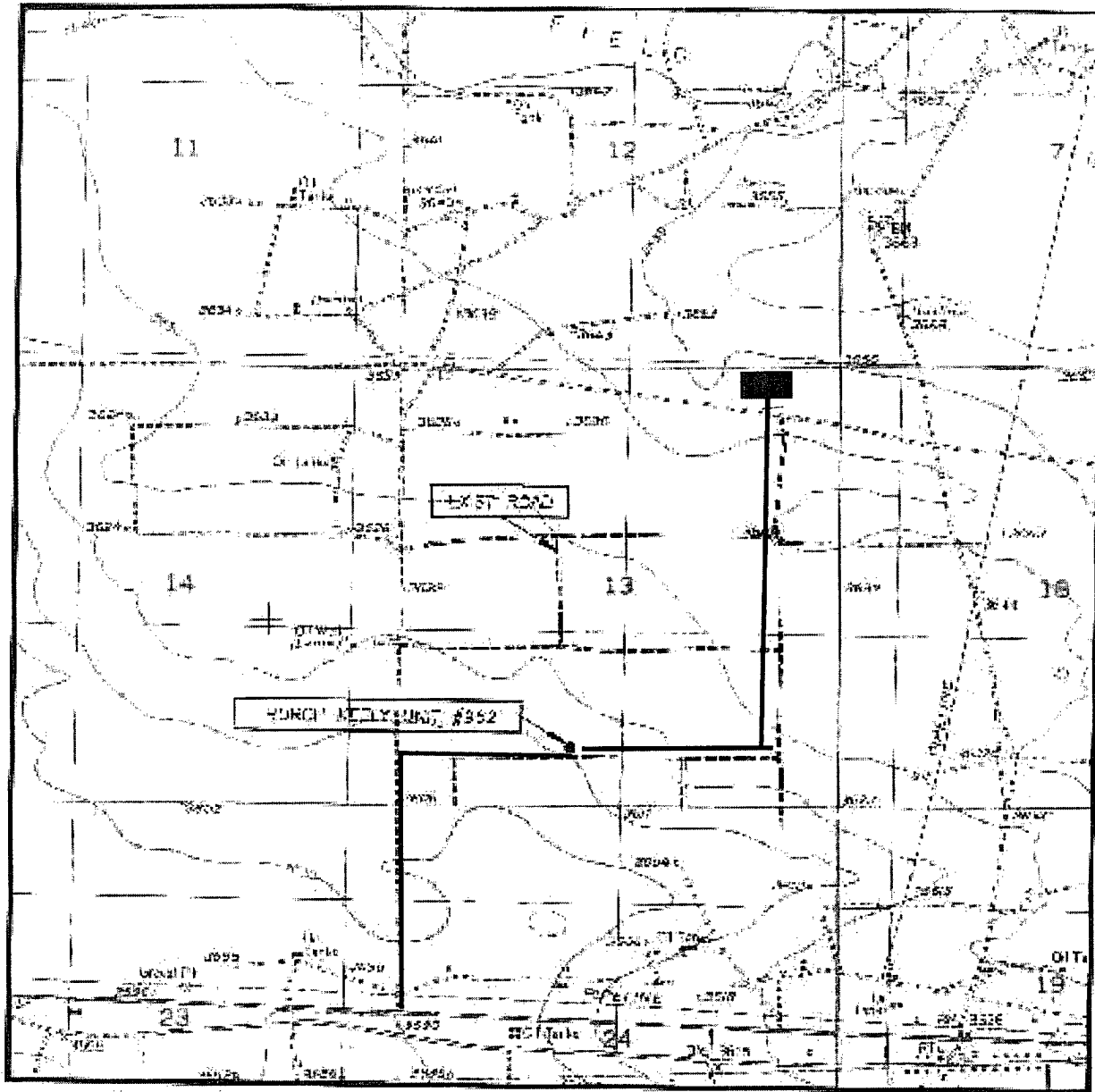


2M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION OF CHOKES

MAY VARY

Exhibit One

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
RED LAKE SE, N.M. - 10'

SEC. 13 TWP. 17 S RGL. 20 E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' ESE & 2035' FWL

ELEVATION 3613'

OPERATOR MARRCO ENERGY CORPORATION

LEASE BURCH KEELY UNIT

U.S.G.S. TOPOGRAPHIC MAP  
RED LAKE SE, N.M.

Flow Line  
Access Road

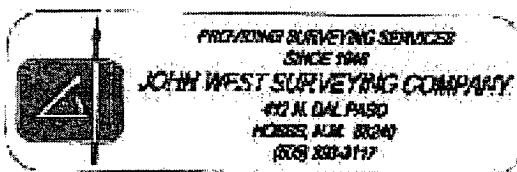
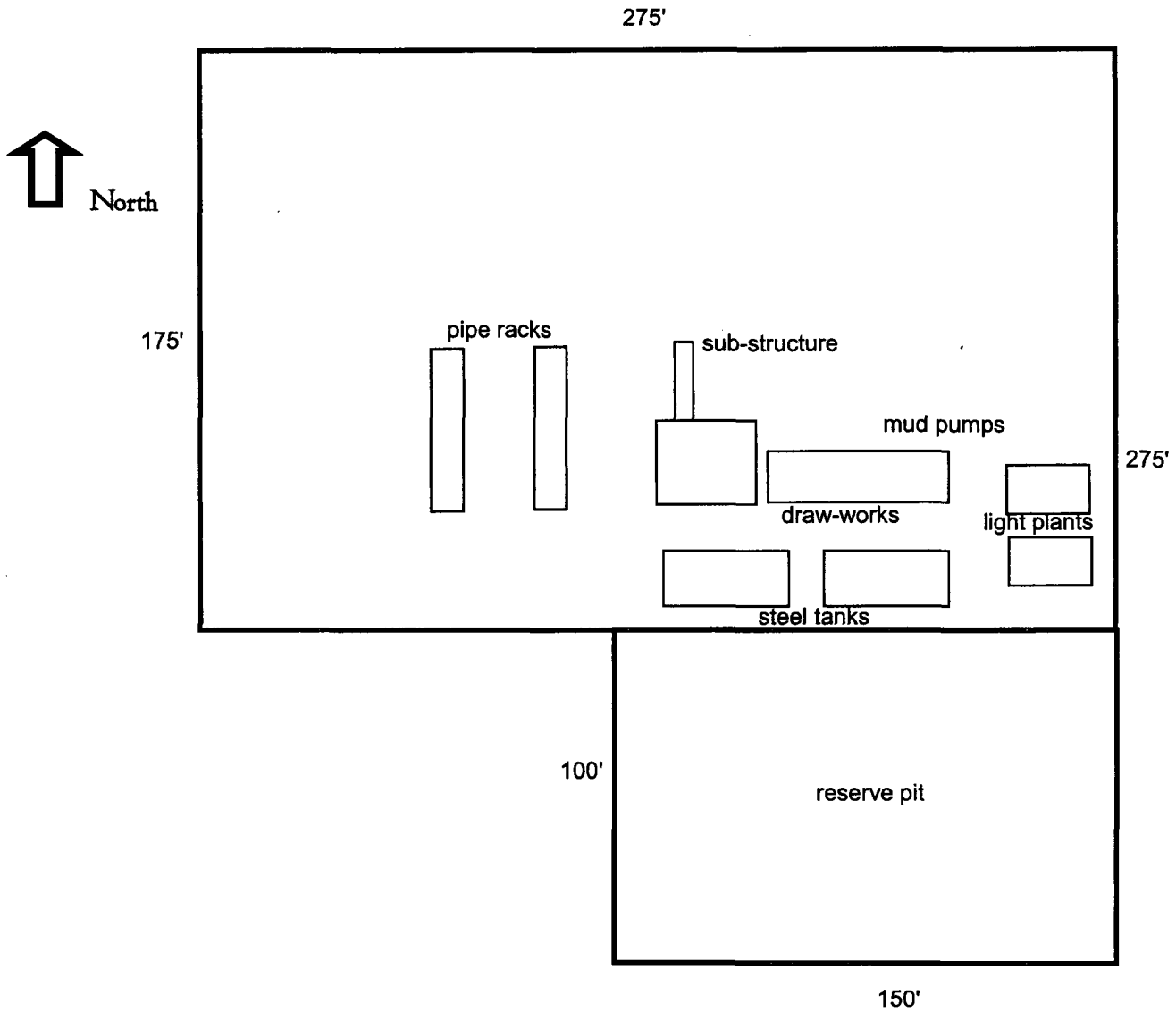


Exhibit #2

# Well Site Lay-Out Plat



Burch Keely Unit #962  
660' FSL & 2035' FWL  
Section 13, T17S, R29E  
Eddy County, New Mexico

EXHIBIT THREE

## **DRILLING PROGRAM**

Burch Keely Unit No. 962  
660' FSL and 2053' FWL  
Section 13-17S-29E  
Eddy County, New Mexico

### **10. Anticipated Starting Date and Duration of Operations**

Starting date will be scheduled upon approval.

Duration of Operations: Once commenced, the drilling operations should be completed in approximately 21 days. If the well is productive, an additional 30 to 60 days will be required for completion and testing of the well.

## **SURFACE USE AND OPERATING PLAN**

**Burch Keely Unit No. 962  
660' FSL and 2035' FWL  
Section 13-17S-29E  
Eddy County, New Mexico**

- 1.(c) Directions to Locations: From the intersection of U.S. Hwy 82 and Co. Rd #215 go north on Co. Rd #215 0.6 miles. Turn right onto caliche road and go 0.85 miles east. Location is 50' north.**
- 2. No new access road will be necessary**
- 4.(a) If productive, this well will use Satellite "C".**

Form 3160-5  
(June 1990)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

JUN 21 1999

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT-" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MARBOB ENERGY CORPORATION

3. Address and Telephone No.

P.O. BOX 227, ARTESIA, NM 88210 505-748-3303

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

T17S-R29E  
T17S-R30E  
T17S-R31E

5. Lease Designation and Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

EDDY CO., NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other TEST BOPS

- ☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

DUE TO THE LOW BOTTOM HOLE PRESSURE OF FORMATIONS ABOVE 6000', WE ARE REQUESTING BLANKET APPROVAL FOR WELLS IN THE ABOVE LOCATIONS TO TEST BOPS ON SURFACE CASING TO 1000#

THIS SUNDRY IS APPROVED FOR MARBOB TO HAVE A BLANKET APPROVAL FOR TESTING BOPS.

HOWEVER, THE OPERATOR WILL STATE ON EACH APD THIS APPLIES TO IN ORDER TO

REMIND AND/OR BRING NOTICE TO THE BLM OFFICE AND ENGINEER REVIEWING THE APD

THAT THE WELL'S BOPE TESTING IS COVERED BY A BLANKET APPROVAL FOR THESE LOCATIONS

14. I hereby certify that the foregoing is true and correct

Signed Robin Corrigan

Title PRODUCTION ANALYST

Date 05/25/99

(This space for Federal or State office use)

Approved by [Signature]  
Conditions of approval, if any:

Title PETROLEUM ENGINEER

Date JUN 16 1999

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



SEP 09 1999



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Roswell Field Office  
2909 West Second St.  
Roswell, New Mexico 88201  
[www.nm.blm.gov](http://www.nm.blm.gov)



IN REPLY REFER TO:  
NMNM-88525X  
3180 (06200)

Marbob Energy Corporation  
Attention: Johnny Gray  
P. O. Box 227  
Artesia, NM 88210

SEP 07 1999

Gentlemen:

With regard to our telephone conversation of September 2, 1999, a review of our records has found discrepancies in the casing requirements section of the conditions of approval for your APD's. As per our meeting on July 7, 1999, our office had agreed with your recommended casing procedures for shallow wells of 6000 ft. or less in T. 17 S., Rgs. 29, 30 and 31 E., NMMPM. In order to correct the discrepancies, this letter states the language to be used for the conditions of approval casing requirements for all your existing APD's

Conditions of Approval-Drilling amended as follows:

II. Casing requirements in T. 17 S., Rgs. 29, 30 and 31 E. for shallow wells less than 6,000 ft.

1. 8-5/8 inch surface casing should be set at approximately \_\_\_\_ ft. in the Rustler Anhydrite or in the case the salt occurs at a shallower depth above the top of the salt. The surface casing shoe shall be set in the anhydrite to ensure adequate sealing. The operator is required to use an excess of 100% cement volume to fill annulus. If cement does not circulate to surface the operator may then use ready mix cement to fill the remaining annulus.

2. The minimum required fill of cement behind the 5½ inch production casing is to place the top of the cement 200 ft. above the top of the uppermost hydrocarbon bearing interval or to the base of the salt.

These requirements supercede those issued in your existing, approved APD's for the shallow wells located in T. 17 S., Rgs. 29, 30 and 31 E., NMPM. If you have any question regarding this matter please call John S. Simitz at (505) 627-0288 or Armando A. Lopez at (505) 627-0248.

Sincerely,

A handwritten signature in cursive script, reading "Larry D. Bray".

Larry D. Bray  
Acting Assistant Field Office Manager,  
Lands and Minerals

N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue

Artesia, NM 88210

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires January 31, 2004

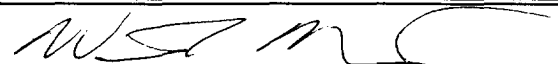
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC 028703A 028784A
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Marbob Energy Corporation		7. If Unit or CA Agreement, Name and No. Burch Keely Unit #962
3a. Address PO Box 227, Artesia, NM 88211-0227	3b. Phone No. (include area code) 505-748-3303 505-746-2523 Fax	8. Lease Name and Well No. 9. API Well No. 30-015-
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 660' South and 2035' West At proposed prod. zone		10. Field and Pool, or Exploratory Grayburg Jackson SR Q Grbg SA
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 13, T17s, R29e
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in lease 640	12. County or Parish Eddy
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 4800'	13. State NM
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3613' GL	22. Approximate date work will start* 09/09/04	17. Spacing Unit dedicated to this well 40
23. Estimated duration 14 days		20. BLM/BIA Bond No. on file

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed Typed) William Miller	Date 08/09/04
--	--	------------------

Title

Land Departmen

Approved by (Signature)	Name (Printed Typed)	Date
-------------------------	----------------------	------

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

## DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

## DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 28509	Pool Name GRBG JACKSON SR Q GRBG SA
Property Code 006497	Property Name BURCH KEELY UNIT	Well Number 962
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3613'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	17-S	29-E		660'	SOUTH	2035'	WEST	EDDY

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.   Signature WILLIAM A. MILLER Printed Name LAND DEPARTMENT Title JULY 27, 2004 Date
	<b>SURVEYOR CERTIFICATION</b>  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.  MAY 18, 2004 Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. GARY EDSON 12641