

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 IV1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 16216

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MARBOB ENERGY CORP PO Box 227 Artesia, NM 88211-0227		OGRID Number 14049
Property Code 35138		API Number 30-015-34390
Property Name TOP DOLLAR STATE		Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	16	19S	31E		990	S	1980	E	Eddy

Proposed Pools

LUSK MORROW, NO. (GAS) (CONSOLIDATED)* 80809

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 3488
Multiple N	Proposed Depth 12700	Formation Morrow	Contractor	Spud Date 10/06/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	500	
Intl	12.25	8.625	32	3500	700	
Prod	7.875	5.5	17	12700	500	

Casing/Cement Program: Additional Comments

PLANT TO DRILL 17.5 INCH HOLE TO 500 WITH FRESH WATER, SET 13.375 INCH CSG, CMT WITH 500 SX CMT, CIRC TO SURF; DRILL 12.25 INCH HOLE TO 3500 WITH BRINE, SET 8.625 INCH CSG, CMT WITH 700 SX, CIRC TO SURF; DRILL 7.875 INCH HOLE TO 12700 WITH CUT BRINE, SET 7.875 INCH CSG, CMT WITH 500 SX, BRING TOC 500 FEET ABOVE ALL OIL & GAS BEARING ZONES.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	CAMERON
Double Ram	2000	2000	CAMERON

52 1/2
> 9.5

CEMENT TO COVER ALL OIL,
GAS AND WATER BEARING
ZONES i.e. Delaware
offset production

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Electronically Signed By: Diana Briggs		Electronically Approved By: <i>[Signature]</i>	
Title: Production Analyst		Title: <i>[Signature]</i>	
Date: 09/29/2005		Approval Date: <i>[Signature]</i> Expiration Date: <i>[Signature]</i>	
Phone: 505-748-3303		Conditions of Approval: No Conditions OCT 18 2005 OCT 18 2006	

Melanie Harker
Marbob Energy Corporation
Land Department
10/27/2005

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Form C-102

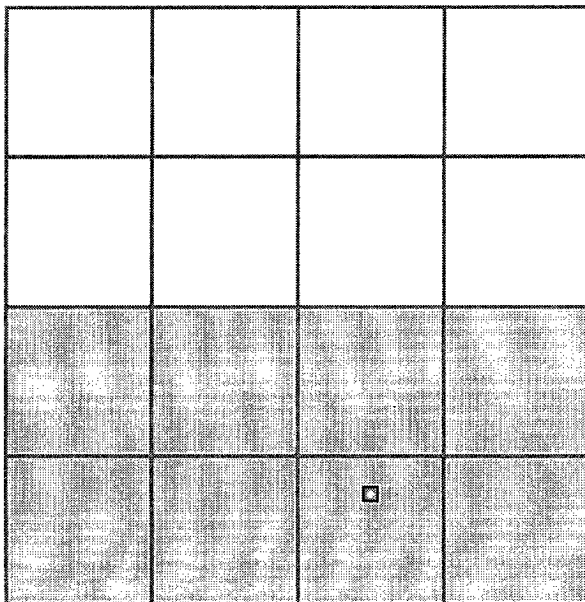
Permit 16216

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name LUSK MORROW,NO.(GAS)(CONSOLIDATED)*	Pool Code 80809
Property Code	Property Name TOP DOLLAR STATE	Well No. 001
OGRID No. 14049	Operator Name MARBOB ENERGY CORP	Elevation 3488

Surface And Bottom Hole Location

UL or Lot P	Section 16	Township 19S	Range 31E	Lot Idn P	Feet From 990	N/S Line S	Feet From 1980	E/W Line E	County Eddy
Dedicated Acres 320		Joint or Infill		Consolidation Code		Order No.			

**OPERATOR CERTIFICATION**

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

Electronically Signed By: Diana Briggs

Title: Production Analyst

Date: 09/29/2005

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Gary Eidson

Date of Survey: 09/09/2005

Certificate Number: 12641

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State of New Mexico
Energy Minerals and Natural Resources

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

Form C-144
March 12, 2004
For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

RECEIVED

OCT 04 2005

OCD-ARTESIA

Operator: **Marbob Energy Corporation**

Telephone: **505-748-3303**

e-mail address: **marbob@marbob.com**

Address: **Po Box 227, Artesia, NM 88211-0227**

Facility or well name: **Top Dollar State #1** API #: _____ U/L or Qtr/Qtr **S/2** Sec **16** T **19S** R **31E**

County: **Eddy** Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness 12 mil Clay <input type="checkbox"/> Volume _____ bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points) 0 points
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points) 0 points
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points) 0 points
	Ranking Score (Total Points) 0 points

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Date: **October 3, 2005**

Printed Name/Title: **Amy Johnson / Land Department**

Signature

Amy Johnson

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: **OCT 4 2005**

Date: _____
Printed Name/Title: **Field Supervisor**

Signature

[Signature]

Permit Comments

Operator: MARBOB ENERGY CORP , 14049

Well: TOP DOLLAR STATE #001

User Name	Comment	Comment Date
MARBOB4	WE PLAN TO DRILL THIS WELL IN THE MORROW AND DON T ANTICIPATE CUTTING ANY FORMATIONS THAT CONTAIN H2S DURING THE DRILLING OF THIS WELL. THEREFORE WE DO NOT BELIEVE AN H2S CONTINGENCY PLAN IS NECESSARY.	9/28/2005

Permit Conditions of Approval

Operator: MARBOB ENERGY CORP , 14049

Well: TOP DOLLAR STATE #001

API:

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines