

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

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

RECEIVED Submit to appropriate District Office

FEB 16 2006

☐ AMENDED REPORT

OCU-ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address MARBOB ENERGY CORPORATION PO BOX 227 ARTESIA, NM 88211-0227		² OGRID Number 14049	
³ Property Code 32695	⁴ Property Name SCBP STATE		⁵ API Number 30-015-32946
⁶ Well No. 1		⁷ Proposed Pool 1 RED LAKE; QUEEN-GRAYBURG-SAN ANDRES (51300)	
⁸ Proposed Pool 2			

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	2	18S	27E		2210	SOUTH	1650	EAST	EDDY

8 Proposed 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

Additional Well Information

¹¹ Work Type Code A	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3568'
¹⁶ Multiple Y	¹⁷ Proposed Depth 3880'	¹⁸ Formation SAN YESOCS	¹⁹ Contractor	²⁰ Spud Date 3/14/05
Depth to Groundwater 100'+		Distance from nearest fresh water well 1000'+		Distance from nearest surface water 1000'+
Pit: Liner: Synthetic <input checked="" type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	360'	300 SX	0
7 7/8"	5 1/2"	17#	3868'	950 SX	0

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SET CIBP @ APPX 2850'. PERF UPPER SAN ANDRES @ 1975' - 2664' (24 SHOTS). ACDZ W/ 3000 GAL NEFE 15% HCL. FRAC DOWN CSG W/ 242,500# SAND.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

Printed name: DIANA J. BRIGGS

Title: PRODUCTION ANALYST

E-mail Address: PRODUCTION@MARBOB.COM

Date: 2/15/06

Phone: (505) 748-3303

OIL CONSERVATION DIVISION

Approved by: *[Signature]*

Title:

Approval Date: FEB 17 2006

Expiration Date:

FEB 17 2007

Conditions of Approval Attached ☐

DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-32946	Pool Code 51300	Pool Name RED LAKE; QUEEN-GRAYBURG-SAN ANDRES
Property Code 32695	Property Name SCBP STATE	Well Number 1
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3568'

Surface Location

UL or lot No. J	Section 2	Township 18 S	Range 27 E	Lot Idn	Feet from the 2210	North/South line SOUTH	Feet from the 1650	East/West line EAST	County EDDY
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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 40					Joint or Infill	Consolidation Code	Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4 39.59 ACRES	LOT 3 39.53 ACRES	LOT 2 39.44 ACRES	LOT 1 39.38 ACRES
<p>RECEIVED FEB 16 2006 OCU-ARTESIA</p>			
<p>1650'</p>			
<p>2210'</p>			
<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i> Signature DIANA J. BRIGGS Printed Name PRODUCTION ANALYST Title FEBRUARY 15, 2006 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JULY 21, 2003</p> <p>Date Surveyed Signature and Seal of Professional Surveyor RONALD J. EIDSON 7/22/03 03.11.0676 Certification No. RONALD J. EIDSON 3239 GARY EIDSON 12841</p>			