

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Marbob Energy Corporation PO Box 227 Artesia, NM 88211-0227		<sup>2</sup> OGRID Number 14049
		<sup>3</sup> API Number 30 - 015-34935
<sup>4</sup> Property Code 35749	<sup>5</sup> Property Name Compadres Fee	<sup>6</sup> Well No. 2
<sup>9</sup> Proposed Pool 1 SWD; Delaware		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	4	22S	27E		2310	North	1060	East	Eddy

<sup>8</sup> 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

<sup>11</sup> Work Type Code P	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3100' GL
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 5370'	<sup>18</sup> Formation Delaware	<sup>19</sup> Contractor	<sup>20</sup> Spud Date
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
<b>Pit:</b> Liner: Synthetic <input 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"/>				

<sup>21</sup> Proposed Casing and Cement Program

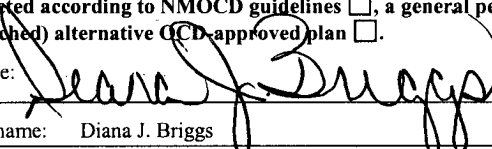
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	423'	375 sx	0
7 7/8"	5 1/2"	17#	5334'	1150 sx	0

<sup>22</sup> 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.

Marbob Energy Corporation proposes to convert the referenced well to SWD as follows:

Set CIBP + cmt @ 3360'. Perf the Delaware @ 2570' - 3170' (202 shots). Acdz perfs w/ 6500 gal NE Fe 7 1/2% HCl. Frac w/ 200K# 20/40 brown sand. Set nickel plated injection packer on 2 7/8" 6.5# J55 IPC tbg @ 2525'. Test annulus to 300# for 30 minutes (Notify OCD 24 hrs prior to testing packer).

See Administrative Order SWD-1078.

<sup>23</sup> 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 NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature: 		Approved by: <b>BRYAN G. ARANT</b>	
Printed name: Diana J. Briggs		Title: <b>DISTRICT II GEOLOGIST</b>	
Title: Production Analyst		Approval Date: <b>JUN 01 2007</b>	Expiration Date: <b>JUN 01 2008</b>
E-mail Address: <a href="mailto:production@marbob.com">production@marbob.com</a>			
Date: 5/25/07	Phone: (505) 748-3303	Conditions of Approval Attached <input type="checkbox"/>	