

OCD-ARTESIA

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NOV 13 2007

FORM APPROVED  
OMB No 1004-0136  
Expires July 31, 2010

EC

## APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input type="checkbox"/> DRILL <input checked="" type="checkbox"/> REENTER		5. Lease Serial No. NMNM100316
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator MARBOB ENERGY CORPORATION Contact: NANCY AGNEW Mail landtech@marbob.com		7. If Unit or CA Agreement, Name and No.
3a. Address P O BOX 227 ARTESIA, NM 88211-0227	3b. Phone No. (include area code) Ph: 505.748.3303	8. Lease Name and Well No KICKAPOO FEDERAL COM 1 3684
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWSE Lot J 2094FSL 1773FEL UNORTHODOX At proposed prod. zone NWSE Lot J 2094FSL 1773FEL LOCATION		9. API Well No. 30-015-35936 30770
14. Distance in miles and direction from nearest town or post office* ABOUT 12.5 MILES FROM WHITE CITY, NM		10. Field and Pool, or Exploratory WILDCAT MISS GAS
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1773'	16. No. of Acres in Lease 2528.00	11. Sec., T., R., M., or Blk. and Survey or Area Sec 22 T26S R24E Mer NMP
17. Spacing Unit dedicated to this well 320.00	12. County or Parish EDDY	13. State NM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 9100 MD	20. BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3954 GL	22. Approximate date work will start 10/05/2007	23. Estimated duration 15 DAYS

## 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 (Electronic Submission)	Name (Printed/Typed) NANCY AGNEW Ph: 505.748.3303	Date 09/05/2007
Title LAND DEPARTMENT		
Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed) /s/ Don Peterson	Date NOV 05 2007
Title FOR 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 earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.**Title 18 U.S.C. Sec  
States any false, fictitious or fraudulent statement or representation is prohibited.

No person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statement or representation.

APPROVAL FOR TWO YEARS

Committed to AFMSS for processing by ALEXIS SWOBODA on 09/06/2007 (07AS1424AE)

CARLSBAD CONTROLLED WATER BASIN

SEE ATTACHED FOR  
CONDITIONS OF APPROVALAPPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

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

NSL - Drill only

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

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

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
P.O. BOX 2086, SANTA FE, N.M. 87504-2086

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

FEB 09 1999

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code <b>97338</b>	Pool Name <b>WILDCAT; B/ MISS GAS</b>
Property Code <b>36847</b>	Property Name <b>KICKAPOO FEDERAL COM</b>	Well Number <b>1</b>
OGRID No. <b>14049</b>	Operator Name <b>MARBOB ENERGY CORPORATION</b>	Elevation <b>3954</b>

Surface Location

UL or lot No. <b>J</b>	Section <b>22</b>	Township <b>26 S</b>	Range <b>24 E</b>	Lot Idn	Feet from the <b>2094</b>	North/South line <b>SOUTH</b>	Feet from the <b>1773</b>	East/West line <b>EAST</b>	County <b>EDDY</b>
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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
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Dedicated Acres <b>320</b>	Joint or Infill	Consolidation Code	Order No.
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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 <b>Nancy T. Agnew</b> Printed Name <b>Land Department</b> Title <b>8/31/07</b> 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.  <b>FEBRUARY 3, 1999</b> Date Surveyed <b>DMCC</b>
	 Signature of Professional Surveyor <b>3239</b> Professional Surveyor <b>02-08-99</b>
	Certificate No. <b>RONALD S. EDSON 3239</b> <b>GARY EDSON 12641</b> <b>RONALD S. EDSON 12185</b>

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Date: September 4, 2007

Lease #: NM-100316  
Kickapoo Federal Com #1


Legal Description: 2094' FSL & 1773' FEL, Sec. 22-T26S-R24E  
Eddy County, New Mexico

Formation(s): Permian

Bond Coverage: Statewide

BLM Bond File #: NMB000412

Marbob Energy Corporation

  
Nancy T. Agnew  
Land Department

**MARBOB ENERGY CORPORATION**  
**DRILLING AND OPERATIONS PROGRAM**

**RE-ENTRY**

**Kickapoo Federal Com #1**  
(Previously Primero Grooms 22 Federal #1)

**2094' FSL and 1773' FEL**

**Section 22-26S-24E**

**Eddy County, New Mexico**

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Marbob Energy Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

1. **Geological surface formation:** Permian
2. **The estimated tops of geologic markers are as follows:**

Delaware	950'	Atoka	7020'
Bone Spring	4207'	Morrow	7650'
Dean	6220'	Miss Limestone	8716'
Wolfcamp	6660'	Woodford	8834'
Strawn	6705'	Devonian	8930'
		TD	9100'

3. **The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:**

Devonian                      8930'                      Gas

Marbob Energy Corporation plans to re-enter this well by drilling out the existing plugs, then deepening the well from 8370' to 9100'.

4. **Proposed Casing Program:**

Hole Size	Interval	OD Casing	New or Used	Wt	Collar	Grade	Collapse Design Factor	Burst Design Factor	Tension Design Factor
12 1/4"	0'-878'	8 5/8"	In Place	24#	STC	J-55	1.125	1.125	1.6
7 7/8"	878'-9100'	5 1/2"	New	17#	LTC	S95/P110	1.125	1.125	1.6

5. **Proposed Cement Program:**

a. 8 5/8" Surface                      Cement to surface with 500 sk, "C", wt 14.8 ppg, yield 1.34 (In Place)

b. 5 1/2" Prod                      Cement with 750 Sk "H" Light, Yield 1.91, wt 12.6, Tail in with 200 Sk, "H" Wt 13.0 ppg, yield 1.68, TOC 600' *← see COA*

The above cement volumes could be revised pending the caliper measurement from the open hole logs. The top of cement is designed to reach approximately 200' above the 8 5/8" casing shoe. **All casing is new and API approved.**

#### **6. Minimum Specifications for Pressure Control:**

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of nipping up on the 8 5/8" surface casing with a 5M system and test to 5000 psi with independent tester.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A 2" kill line and a 3" choke line will be included in the drilling spool located below the ram-type BOP. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 5000 psi WP rating.

#### **7. Estimated BHP: 3785.6 psi**

#### **8. Mud Program:** The applicable depths and properties of this system are as follows:

Depth	Type System	Mud Weight	Viscosity (sec)	Waterloss (cc)
0' - 9100'	Cut Brine	9.0-9.1	28-32	N.C. / 10 C.C.

The necessary mud products for weight addition and fluid loss control will be on location at all times.

#### **9. Auxiliary Well Control and Monitoring Equipment:**

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.
- c. Hydrogen Sulfide detection equipment will be in operation after drilling out the 8 5/8" casing shoe until the 5 1/2" casing is cemented. Breathing equipment will be on location upon drilling the 8 5/8" shoe until total depth is reached.

#### **10. Testing, Logging and Coring Program:**

- a. Drill stem tests will be based on geological sample shows.
- b. The open hole electrical logging program will be:
  - i. Total Depth to Intermediate Casing: Dual Laterolog-Micro Laterolog and Gamma Ray, Compensated Neutron - Z Density log with Gamma Ray and Caliper.
  - ii. Total Depth to Surface: Compensated Neutron with Gamma Ray
  - iii. No coring program is planned
  - iv. Additional testing will be initiated subsequent to setting the 5 1/2" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

**11. Potential Hazards:**

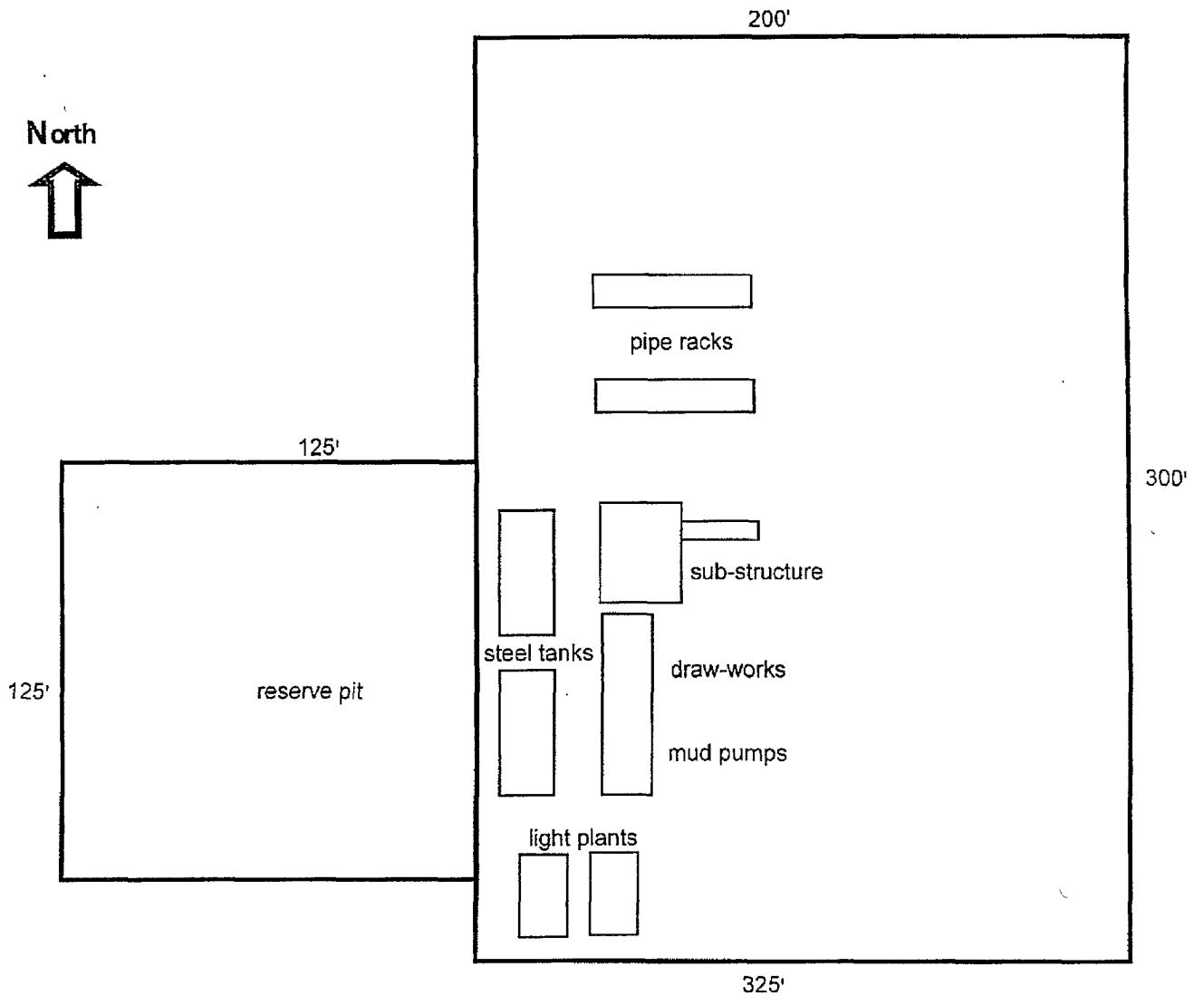
a. No abnormal pressures or temperatures are expected. There is no known presence of H<sub>2</sub>S in this area. If H<sub>2</sub>S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP: 3785.6 psi. Estimated BHT: 160°. No H<sub>2</sub>S is anticipated to be encountered.

**12. Anticipated starting date and Duration of Operations:**

a. Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as possible after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 15 days.

# Well Site Lay-Out Plat

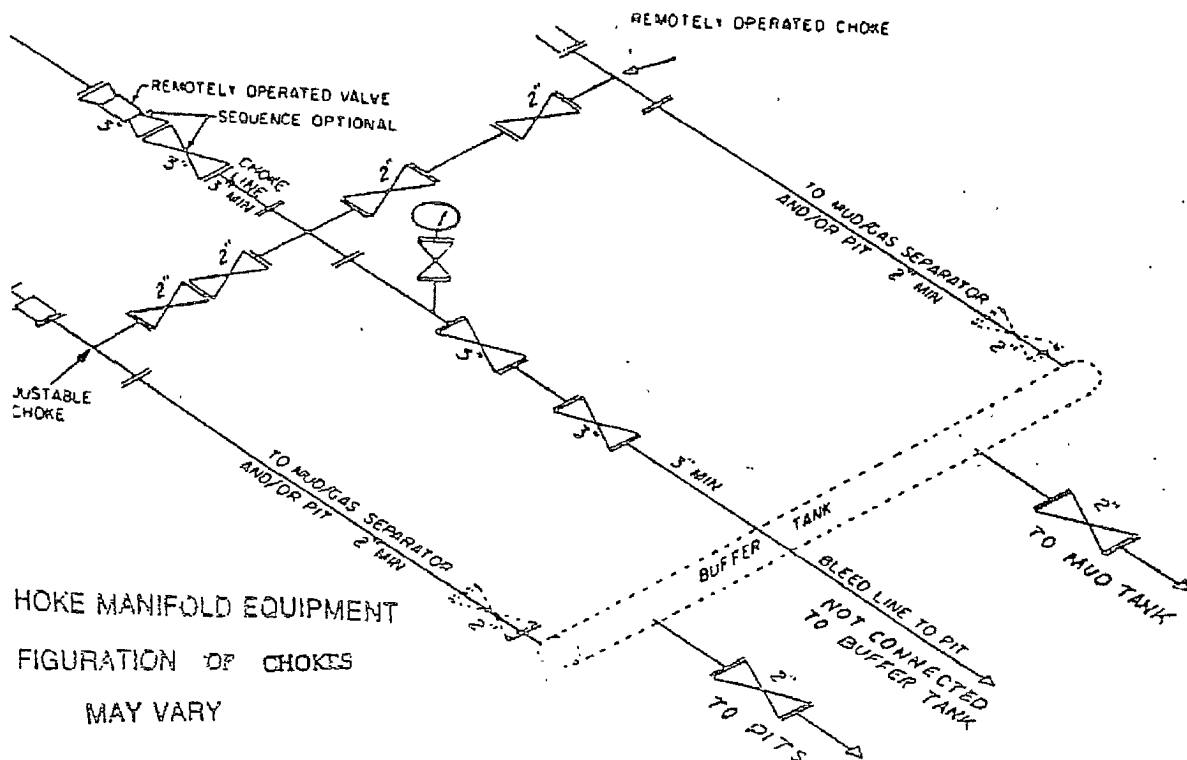
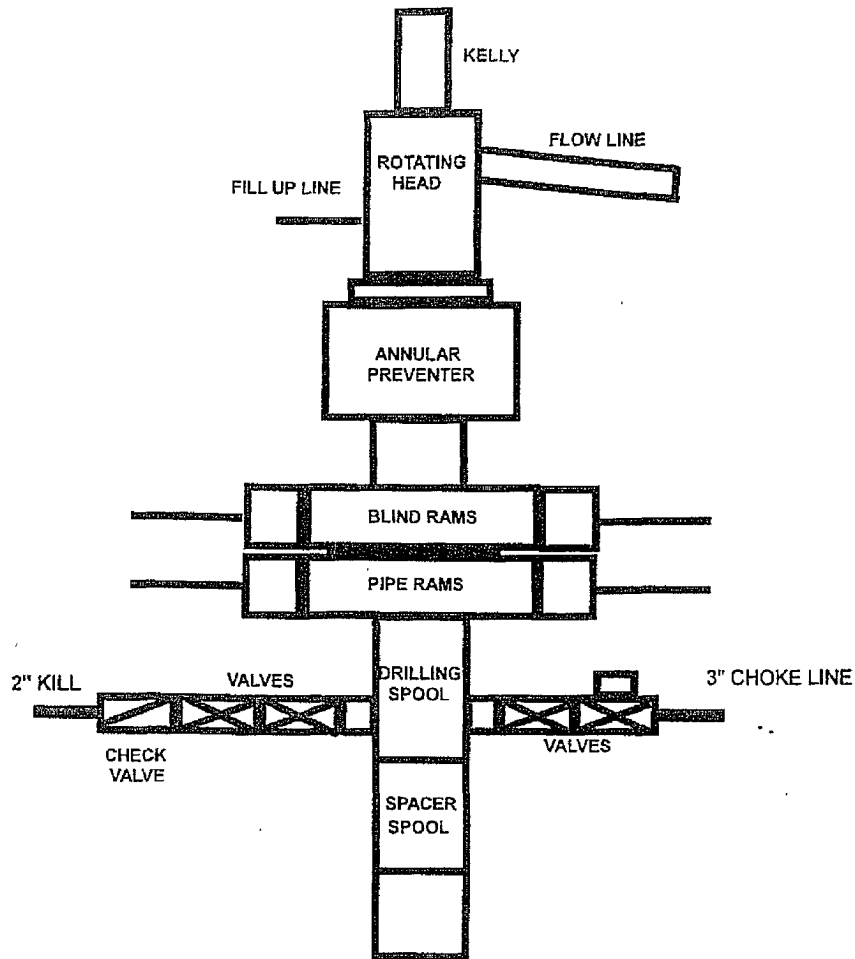
SEE COA'S



**RE-ENTRY**  
**Kickapoo Federal Com #1**  
(Previously Primero Grooms 22 Federal #1)  
**2094' FSL and 1773' FEL**  
**Section 22-26S-24E**  
**Eddy County, New Mexico**

EXHIBIT THREE

# 5M SYSTEM



HOKE MANIFOLD EQUIPMENT  
FIGURATION OF CHOKES  
MAY VARY

Exhibit  
One



## **MARBOB ENERGY CORPORATION**

### **HYDROGEN SULFIDE DRILLING OPERATIONS PLAN**

#### **I. HYDROGEN SULFIDE TRAINING**

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- A. The hazards and characteristics of hydrogen sulfide (H<sub>2</sub>S).
- B. The proper use and maintenance of personal protective equipment and life support systems.
- C. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- D. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- A. The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- B. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- C. The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500 feet) and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

## **II. H<sub>2</sub>S SAFETY EQUIPMENT AND SYSTEMS**

Note: All H<sub>2</sub>S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H<sub>2</sub>S.

### **A. Well Control Equipment:**

Flare line.

Choke manifold.

Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.

Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

### **B. Protective equipment for essential personnel:**

Mark II Surviveair 30-minute units located in the dog house and at briefing areas.

### **C. H<sub>2</sub>S detection and monitoring equipment:**

2 - portable H<sub>2</sub>S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H<sub>2</sub>S levels of 20 ppm are reached.

### **D. Visual warning systems:**

Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.

E. Mud Program:

The mud program has been designed to minimize the volume of H<sub>2</sub>S circulated to the surface.

F. Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H<sub>2</sub>S service.

G. Communication:

Company vehicles equipped with cellular telephone and 2-way radio.

## **W A R N I N G**

**YOU ARE ENTERING AN H<sub>2</sub>S AREA  
AUTHORIZED PERSONNEL ONLY**

- 1. BEARDS OR CONTACT LENSES NOT ALLOWED***
- 2. HARD HATS REQUIRED***
- 3. SMOKING IN DESIGNATED AREAS ONLY***
- 4. BE WIND CONSCIOUS AT ALL TIMES***
- 5. CK WITH MARBOB FOREMAN AT MAIN OFFICE***

**MARBOB ENERGY CORPORATION**

**1-505-748-3303**

**MARBOB ENERGY CORPORATION**  
**MULTI-POINT SURFACE USE AND OPERATIONS PLAN**

**RE-ENTRY**

**Kickapoo Federal Com #1**  
(Previously Primero Grooms 22 Federal #1)  
**2094' FSL and 1773' FEL**  
**Section 22-26S-24E**  
**Eddy County, New Mexico**

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

**1. EXISTING ROADS:**

- a. The well site and elevation plat for the proposed well are reflected on the well site layout; Form C-102. The well was staked by John West Surveying Company.
- b. Exhibit 2 is a portion of a topo map showing the well and roads in the vicinity of the proposed location. The proposed wellsite and the access route to the location are indicated in red on Exhibit 2.
- c. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

**DIRECTIONS:**

From White City, proceed south on U.S. 62/180 for 12.2 miles.  
Location and access road are on the west side of US 62/180.

**2. ACCESS ROAD:**

There is an existing access road of 193' that ends on the southeast corner of the proposed well pad.

The road is constructed as follows:

- A. The maximum width of the road will be 15'. It will be crowned and made of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- B. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location. Any additional materials that are required will be purchased from the dirt contractor. The average grade will be approximately 1%.

- C. No turnouts are planned.
- D. No culverts, cattleguard, gates, low-water crossings, or fence cuts are necessary.
- E. The access road as shown in Exhibit 2 has been centerline flagged by John West Engineering.

**3. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:**

- A. In the event the well is found productive, the Kickapoo Federal Com #1 tank battery would be utilized and the necessary production equipment will be installed at the well site. A Site Facilities Diagram will be submitted upon completion of facility.
- B. All flowlines will adhere to API standards
- C. If electricity is needed, power will be obtained from Central Valley Electric. Central Valley Electric will apply for ROW for their power lines.
- D. If the well is productive, rehabilitation plans are as follows:
  - i. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).
  - ii. The original topsoil from the well site will be returned to the location. The drill site will then be contoured as close as possible to the original state.

**4. LOCATION AND TYPES OF WATER SUPPLY:**

This location will be drilled using a combination of water mud systems (outlined in the Drilling Program). The water will be obtained from commercial water stations in the area and hauled to location by transport truck using the existing roads shown in Exhibit #2. On occasion, water will be obtained from a pre-existing water well, running a pump directly to the drill rig. In these cases where a poly pipeline is used to transport water for drilling purposes, the existing road shown in Exhibit "2" will be utilized.

**5. CONSTRUCTION MATERIALS:**

All Caliche utilized for the drilling pad and proposed access road will be obtained from an existing BLM approved pit or from prevailing deposits found under the location. All roads will be constructed of 6" rolled and compacted caliche. Will use BLM recommended use of extra caliche from other locations close by for roads, if available.

**6. METHODS OF HANDLING WASTE MATERIAL:**

- a. Drill cuttings will be disposed of in the lined pit.
- b. All trash, junk and other waste material will be removed from the wellsite within 30 days after finishing drilling and/or completion operations. All waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed, all contents will be removed and disposed of in an approved sanitary landfill.
- c. The supplier, including broken sacks, will pick up slats remaining after completion of well.

- d. A porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- e. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for further drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approved disposal site. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in a storage tank and sold.
- f. Disposal of fluids to be transported by an approved disposal company.

## **7. ANCILLARY FACILITIES:**

No campsite or other facilities will be constructed as a result of this well.

## **8. WELLSITE LAYOUT:**

- a. Exhibit 3 shows the proposed well site layout with dimensions of the pad layout.
- b. This exhibit indicates proposed location of reserve and sump pits and living facilities.
- c. Mud pits in the active circulating system will be steel pits and the reserve pit will be lined.
- d. If needed, the reserve pit is to be lined with polyethylene. The pit liner will be at least 6 mils thick. Pit liner will extend a minimum 2' over the reserve pit's dikes where the liner will be anchored down.
- e. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down after the pit contents have dried. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

## **9. PLANS FOR SURFACE RECLAMATION:**

- a. After finishing drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the BLM. The reserve pit area will be broken out and leveled after drying to a condition where these efforts are feasible. The original top soil will again be returned to the pad and contoured, as close as possible, to the original state. The pit will be closed per OCD compliance regulations.
- b. The pit lining will be buried or hauled away in order to return the location and road to the original state. All pits will be filled and the location leveled, weather permitting, within 120 days after abandonment.

- c. The location and road will be rehabilitated as recommended by the BLM.
- d. The reserve pit will be fenced on three sides throughout drilling operations. After the rotary rig is removed, the reserve pit will be fenced on the fourth side to preclude endangering wildlife. The fencing will be in place until the pit is reclaimed.
- e. If the well is deemed commercially productive, the reserve pit will be restored as described in 10(A) within 120 days subsequent to the completion date. Caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography.

#### **10. SURFACE OWNERSHIP:**

The surface is owned by the US Government and is administered by the Bureau of Land Management. The surface is multiple use with the primary uses of the region for the grazing of livestock and the production of oil and gas. The proposed road routes and the surface location will be restored as directed by the BLM.

#### **11. OTHER INFORMATION:**

- a. The area surrounding the well site is grassland. The topsoil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, some mesquite bushes and shinnery oak. No wildlife was observed but it is likely that deer, rabbits, coyotes, and rodents traverse the area.
- b. There is no permanent or live water in the general proximity of the location.
- c. There are no dwellings within 2 miles of location.
- d. A Cultural Resources Examination will be completed by Boone Archeological and forwarded to the BLM office in Carlsbad, New Mexico.

**12. OPERATOR'S REPRESENTATIVE:**

A. Through A.P.D. Approval:

Dean Chumbley, Landman  
Marbob Energy Corporation  
P. O. Box 227  
Artesia, NM 88211-0227  
Phone (505)748-5988  
Cell (505)513-2544

B. Through Drilling Operations

Sheryl Baker, Drilling Supervisor  
Marbob Energy Corporation  
P. O. Box 227  
Artesia, NM 88211-0227  
Phone (505)748-3303  
Cell (505)748-5489

**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Marbob Energy Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

9/4/07  
Date

Marbob Energy Corporation

WST  
William Miller  
Land Department



## **V. SPECIAL REQUIREMENT(S)**

### **Cave and Karst**

#### **Cave/Karst Surface Mitigation**

The following stipulations will be applied to minimize impacts during construction, drilling and production.

#### **Berming:**

Any tank batteries will be constructed and bermed large enough to contain any spills that may occur.

Bermed areas will be lined with rip-stop padding to prevent tears or punctures in liners and lined with a permanent 20 mil plastic liner.

#### **Closed Mud System Using Steel Tanks with All Fluids and Cuttings Hauled Off.**

#### **Cave/Karst Subsurface Mitigation**

The following stipulations will be applied to protect cave/karst and ground water concerns:

#### **Rotary Drilling with Fresh Water:**

Rotary drilling techniques in cave or karst areas will include the use of fresh water as a circulating medium in zones where caves or karst-features are expected. Use depth to the deepest expected fresh water as listed in the geologist report.

#### **Casing:**

All casing will meet or exceed National Association of Corrosion Engineers specifications pertaining to the geology of the location and be run to American Petroleum Institute and BLM standards.

#### **Lost Circulation:**

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported.

Regardless of the type of drilling machinery used, if a void (bit drops) of four feet or more and circulation losses greater than 75 percent occur simultaneously while drilling in any cave-bearing zone, drilling operations will immediately stop and the BLM will be notified by the operator. The BLM will assess the consequences of the situation and work with operator on corrective actions to resolve the problem.

#### **Abandonment Cementing:**

Upon well abandonment the well bore will be cemented completely from 100 feet below the bottom of the cave bearing zone to the surface.

**Record Keeping:**

The Operator will track customary drilling activities, including the rate of penetration, pump pressure, weight on bit, bit drops, percent of mud returns, and presence of absence of cuttings returning to the surface. As part of customary record keeping, each detectable void or sudden increase in the rate of penetration not attributable to a change in the formation type should be documented and evaluated as it is encountered.