

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505



Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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 25375		⁴ Property Name D STATE
⁵ API Number 30 - 015-31586		⁶ Well No. 26

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	25	17S	28E		1695	SOUTH	2265	EAST	EDDY

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
⁹ Proposed Pool 1 ARTESIA QUEEN GRAYBURG SA					¹⁰ Proposed Pool 2				

¹¹ Work Type Code A	¹² Well Type Code M	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3672' GL
¹⁶ Multiple Y	¹⁷ Proposed Depth 4340'	¹⁸ Formation SAN ANDRES	¹⁹ Contractor	²⁰ Spud Date

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#	414'	350 SX, CIRC	
7 7/8"	5 1/2"	17#	4340'	900 SX, CIRC	

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.

ADD PAY IN SAN ANDRES AS FOLLOWS:

1. SET CIBP @ 3800'
2. PERF LOWER @ 3388'-3494' (9) & UPPER @ 2835'-3041' (26) SAN ANDRES
3. ACIDIZE THE LOWER SAN ANDRES 3388'-3494' W/ 1500 GAL NEFE 15% HCL
4. ACIDIZE THE UPPER SAN ANDRES 2835'-3041' W/ 4000 GAL NEFE 15% HCL
5. FRAC SAN ANDRES DOWN CASING.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Diana J. Cannon*

Printed name: DIANA J. CANNON

Title: PRODUCTION ANALYST

Date: 3/3/03

Phone: (505) 748-3303

OIL CONSERVATION DIVISION

Approved by: *[Signature]* ORIGINAL SIGNED BY TIM W. GUM

Title: DISTRICT II SUPERVISOR

Approval Date: MAR 10 2003 Expiration Date: MAR 10 2004

Conditions of Approval:

Attached ☐

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

Energy, Minerals and Natural Resources Department

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

1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-31586		Pool Code 03230	Pool Name ARTESIA QUEEN GRAYBURG SA	<input type="checkbox"/> AMENDED REPORT
Property Code 25375	Property Name "D" STATE		Well Number 26	
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION		Elevation 3672	

Surface Location

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	25	17-S	28-E		1695	SOUTH	2265	EAST	EDDY

Bottom Hole Location If Different From Surface

Bottom Hole Location if Different From Surface									
UL or lot No.	Section	Township	Range	Lot Ida	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

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

ON A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION			
		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</p> <p style="font-family: cursive; font-size: 1.2em;">Diana Cannon</p> <hr/> <p style="text-align: right;">DIANA J. CANNON</p> <hr/> <p style="text-align: right;">Printed Name PRODUCTION ANALYST</p> <hr/> <p style="text-align: right;">Title</p> <hr/> <p style="text-align: right;">MARCH 3, 2003</p> <hr/> <p style="text-align: right;">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 style="text-align: right; font-weight: bold;">JANUARY 15, 2001</p> <hr/> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <div style="text-align: center;"> </div> <hr/> <p>Certificate No. RONALD L. EIDSON 3239 CARR EIDSON 12641</p>	
<div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); width: 150px; height: 100px; border: 2px solid black;"></div> <div style="position: absolute; top: 10%; left: 40%;"> </div> <div style="position: absolute; top: 60%; left: 40%;"> <div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); margin-right: 5px;">1695'</div> <div style="flex-grow: 1; border-bottom: 1px solid black; position: relative;"> <div style="position: absolute; left: -5px; top: -5px;">↑</div> <div style="position: absolute; right: -5px; top: -5px;">→</div> </div> <div style="margin-left: 5px;">2265'</div> </div> </div>			

D State 26
1695' fsl, 2265' fel
Sec 25-17s-28e
Eddy Co., NM

14 Jan 03

Workover Procedure—Add Pay

Objective: Add pay in San Andres. The Lower San Andres will be acidized and swab tested by itself. If it yields a good oil show, it is likely that the Lower and Upper San Andres will be fraced together assuming the Upper San Andres yields a good oil show. If the Lower San Andres is not included in the frac, a decision may be made to decrease the size of the attached frac job. The San Andres will be pump tested by itself initially then commingled with the Yeso later.

Well Data: See wellbore sketch.

Procedure:

1. Set CIBP or 5K composite BP at approx. 3800' to cover the Yeso. Test plug to 2000 psi.
2. Perf Lower and Upper San Andres with one shot at the depths shown below using 4" casing gun with Millenium charges.

Lower San Andres: 3388', 3392', 3409', 3422', 3427', 3449', 3457', 3488', 3494' (9)

Upper San Andres: 2835', 2839', 2846', 2858', 2860', 2862', 2864', 2866', 2868', 2870',
2874', 2913', 2918', 2923', 2932', 2935', 2955', 2959', 2963', 2977',
2988', 2994', 3012', 3019', 3026', 3041' (26)

Perfs above picked on Density-Neutron log dated 3-25-01. The Depth Control Log generally appears to be 3' off depth in Upper San Andres and 2' off depth in Lower San Andres – perfs are 3' shallower on collar log in Upper San Andres and 2' shallower on collar log in Lower San Andres. Note that scale on Depth Control Log is somewhat larger than scale on open hole log.

2. Acidize the Lower San Andres 3388-3494' with 1500 gal NE Fe 15% HCl with 18 ballsealers. Swab test for oil show. If good oil show, will probably frac Lower and Upper SA together.
3. Acidize the Upper San Andres 2835-3041' with 4000 gal NE Fe 15% HCl with 52 ballsealers. Swab test for oil show.
4. Frac San Andres down casing per attached frac design. If Lower SA is not to be fraced, a decision might be made to reduce the size of the attached frac job.

KBRollin4 / 14 Jan 03

13,782	500 SHEETS, FILLER	5 SQUARE
12,381	50 SHEETS EYE-EASE	5 SQUARE
12,392	100 SHEETS EYE-EASE	5 SQUARE
12,380	200 SHEETS EYE-EASE	5 SQUARE
12,392	100 RECYCLED WHITE	5 SQUARE
12,386	300 RECYCLED WHITE	5 SQUARE

International Brand