

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

SEP 20 2005
Submit to appropriate District Office
OCD-ARTESIA ☐ AMENDED REPORT

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

Operator Name and Address MARBOB ENERGY CORPORATION PO BOX 227, ARTESIA, NM 88211-0227		OGRID Number 14049
Property Code 34159		API Number 30-015-33560
Property Name TLC STATE COM		Well No. 1
Proposed Pool 1 <i>Under Black River</i> ATOKA, <i>North</i> (GAS)		Proposed Pool 2 <i>Wolfe Creek</i> WOLFCAMP, GAS

Surface Location

UL or lot no. E	Section 31	Township 23S	Range 27E	Lot Idn	Feet from the 1980	North/South line NORTH	Feet from the 660	East/West line WEST	County EDDY
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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
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Additional Well Information

Work Type Code P	Well Type Code G	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3239' GL
Multiple N	Proposed Depth 12170'	Formation MORROW	Contractor	Spud Date 2/11/05
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: 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"/>				

EXISTING

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	54.5#	354'	425 SX	
12 1/4"	9 5/8"	36#	1847'	650 SX	
8 3/4"	7"	23#	9048'	1450 SX	
6 1/8"	4 1/2"	11.7#	12170'	350 SX	
	2 3/8"		11430'		

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.

PLUG BACK METHOD WILL BE DETERMINED BASED ON RESULTS OF PREVIOUS ZONE. PERF THE ATOKA @ 11348'-11352' (20 SHOTS). SWAB/FLOW TEST. ACDZ W/ 500 GAL CLAY SAFE H. SWAB/FLOW TEST. INSTALL 5K FRAC VLV. FRAC DOWN CSG W/ APPX 20K# 18/40 VERSAPROP. PLUG BACK TECHNIQUE WILL BE DETERMINED BASED ON RESULTS OF PREVIOUS ZONES. PERF THE WOLFCAMP @ 9479'-9787' (20 SHOTS). SWAB TEST. ACDZ W/ 4000 GAL NEFE 15% HCL ACID. SWAB/FLOW TEST.

If an earthen pit(s) will be utilized in association with this work, a permit must be obtained prior to pit construction.

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: 9/19/05 Phone: (505) 748-3303

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: OCT 01 2005

Expiration Date: OCT 01 2006

Conditions of Approval

35' cement on BP sat 100' above BP PB perfs attempted

Submit 3 Copies to Appropriate District Office
District I
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1000 Rio Brazos Rd., 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-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.
30-15-33560
5. Indicate Type of Lease
STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
VO-5755

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
MARBOB ENERGY CORPORATION

3. Address of Operator
PO BOX 227, ARTESIA, NM 88211-0227

4. Well Location
Unit Letter E : 1980 feet from the NORTH line and 660 feet from the WEST line
Section 31 Township 23S Range 27E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3239' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: RECOMPLETE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

MARBOB ENERGY CORPORATION PROPOSES TO RECOMPLETE IN THE MORROW LIME AS FOLLOWS:

SET 10K COMPOSITE FRAC PLUG @ APPX 11600'. PERF THE MORROW LIME @ 11524'-546'
(23 SHOTS). ACDZ W/ 2000 GAL NEFE 15% HCL ACID. SWAB/FLOW TEST.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any 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 ☐.

SIGNATURE Diana Briggs TITLE PRODUCTION ANALYST DATE 9/19/05

Type or print name DIANA W. BRIGGS E-mail address: PRODUCTION@MARBOB.COM Telephone No. (505) 748-3301

For State Use Only

TIM W. GUM
DISTRICT II SUPERVISOR

APPROVED BY: TIM W. GUM TITLE DISTRICT II SUPERVISOR DATE OCT 01 2005

Conditions of Approval (if any):

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

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

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED

SEP 20 2005

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-33560	Pool Code 7255	Unders. Black River	Pool Name ATOKA, N.M. (GAS)
Property Code 34159	Property Name T.L.C. STATE COM		Well Number 1
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION		Elevation 3239'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	31	23-S	27-E		1980'	NORTH	660'	WEST	EDDY

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 310.4		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

	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=459305.1 N X=530315.1 E</p> <p>LAT.=32°15'45.75" N LONG.=106°14'06.95" W</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></p> <p>Signature DIANA J. BRIGGS Printed Name PRODUCTION ANALYST Title SEPTEMBER 19, 2005 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>JUNE 1, 2004</p> <p>Date Surveyed Signature & Seal of Professional Surveyor </p> <p>Certificate No. GARY EDSON 12641</p>
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RECEIVED

State of New Mexico

SEP 20 2005

DISTRICT I

P.O. Box 1880, Hobbs, NM 88241-1980

Energy, Minerals and Natural Resources Department

COURTESY

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-33560	Pool Code 96086	Pool Name Withee, WOLFCAMP, SE (GAS)
Property Code 34159	Property Name T.L.C. STATE COM	Well Number 1
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3239'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	31	23-S	27-E		1980'	NORTH	660'	WEST	EDDY

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 310.4	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

	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=459305.1 N X=530314.1 E</p> <p>LAT.=32°15'45.75" N LONG.=105°14'06.95" W</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</p> <p>DIANA J. BRIGGS Printed Name</p> <p>PRODUCTION ANALYST Title</p> <p>SEPTEMBER 19, 2005 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>JUNE 1, 2004</p> <p>Date Surveyed</p> <p><i>[Signature]</i> Signature & Seal of Professional Surveyor</p> <p>GARY EIDSON Professional Surveyor</p> <p>04.11.0613</p> <p>Certificate No. GARY EIDSON 12641</p>

TLC St Com 1
E-31-23s-27e
Eddy Co., NM

Recompletion Procedure 1
31 August 2005

Basic Data:

13-3/8" @ 354' Circ. Cmt.

9-5/8" @ 1847' Circ. Cmt.

7" @ 9048' Circ. Cmt.

4-1/2" @ 12170' DV @ 9003' TOC @ 9003'

4.5"/11.6ppf/M95-110/LTC Burst=10690 psi, 8552 psi at 80% Nom. ID=4.000" Drift ID=3.875"

2.375"/4.7ppf/L80/EUE Burst=11200 psi, 8960 psi at 80% Nom ID=1.995" Drift ID=1.901"

Collapse=11780 psi, 9424 at 80%

Tensile=104,300 lb with no safety factor

Objective: Complete well in the Morrow Lime, Atoka, and/or Wolfcamp.

Procedure:

1. Blow tubing down, pump small slug of 7% KCl water down tubing, ND tree, NU BOP, get off on/off tool, let fluid equalize between tubing and annulus, latch back on to packer, release packer and TOOH. Use just enough water to keep gas from being a problem while TOOH.
2. RU lubricator, run gauge ring/junk basket to 11600', then set a 10k composite frac plug (with ball on top) at approx. 11600'. Load casing with clean 7% KCl water and test plug to 2000 psi.
3. TIH with packer assembly on tubing, set packer at approx. 11450', test annulus to 1000 psi, tree up and swab Morrow sand zone in to ensure frac plug is working.
4. Add water to tubing as/if necessary for fluid level to be 11000' from surface, RU lubricator and perf the Morrow Lime with 1 spf, 0 deg phasing, decentralized guns at the depths shown below using 1-11/16" Millenium Deep Star (8.1 g, 0.28" EHD, 19.6" penetration) capsule guns.

Morrow Lime: 11524-11546' (23 shots)

5. Swab/flow fluid out of tubing, install treesaver and acidize Morrow Lime with 2000 gals. NE Fe 15% HCl acid (200°F BHST) at 3-5 bpm while limiting treating pressure to 8500 psi and holding 1000 psi on annulus. Drop 20 ball sealers throughout acid. Flow/swab test well.

-
6. If decision made to move up hole, plug back method will be determined based on results of previous zone(s). RU lubricator and perf the Atoka with 3-1/8" or 3-3/8" casing guns loaded 4 spf at 90° phasing at the depths shown below.

Atoka: 11348-11352' (20 shots) Open Hole Log

Atoka: 11346-11350' (20 shots) GR/CCL

7. RIH with packer assembly, space out, set packer, tree up, test annulus to 1000 psi and swab/flow test until notified to do otherwise. If a decision is made to acidize, pump 500 gals. Clay Safe H acid at 2-3 bpm while limiting treating pressure to 5000 psi and holding 1000 psi on annulus. No ball sealers will be used. Swab/flow test until notified to do otherwise.
 8. If decision made to frac, kill well if necessary, install 10K frac valve with hydraulic BOP on top, unseat packer, swab as much fluid as possible while still allowing for safe trip OOH, and POOH with packer.
 9. If decision made to frac, will frac down casing at 20-25 bpm with 65Q CO2 foam carrying approx. 20,000 lbs. 18/40 versaprop. Flow back until gas burns. Dump 15 bbls clean 7% KCl water down casing, shut in overnight, set a retrievable packer with pump out plug on wireline, blow casing down, run tubing, circulate packer fluid, tree up, pump out plug, swab well in, clean it up and SIWOPL.
-

10. If decision made to move up hole, plug back technique will be determined based on results of previous zone(s). RU lubricator and perf the Wolfcamp with 3-1/8" or 3-3/8" casing guns loaded 1 spf at any phasing at the depths shown below.

Wolfcamp: 9479', 9480', 9491', 9499', 9515', 9553', 9554', 9562', 9563', 9568', 9569',
9585', 9605', 9654', 9724', 9726', 9737', 9739', 9785', 9787' (20 shots) Open Hole Log
Wolfcamp: 9474', 9475', 9486', 9494', 9510', 9548', 9549', 9557', 9558', 9563', 9564',
9580', 9600', 9649', 9719', 9721', 9732', 9734', 9781', 9783' (20 shots) GR/CCL

11. RIH with packer assembly, space out, tree up, test annulus to 1000 psi, and swab test until notified to do otherwise. If decision made to acidize, install treesaver and pump 4000 gals. NE Fe 15% HCl acid at 3-5 bpm while limiting treating pressure to 8000 psi and holding 1000 psi on annulus. Drop 60 ball sealers throughout acid. Swab/flow test until notified to do otherwise.

Kbc/tlc 1 atoka str wc

Well: TLC St Com 1

Zero: 17' AGL

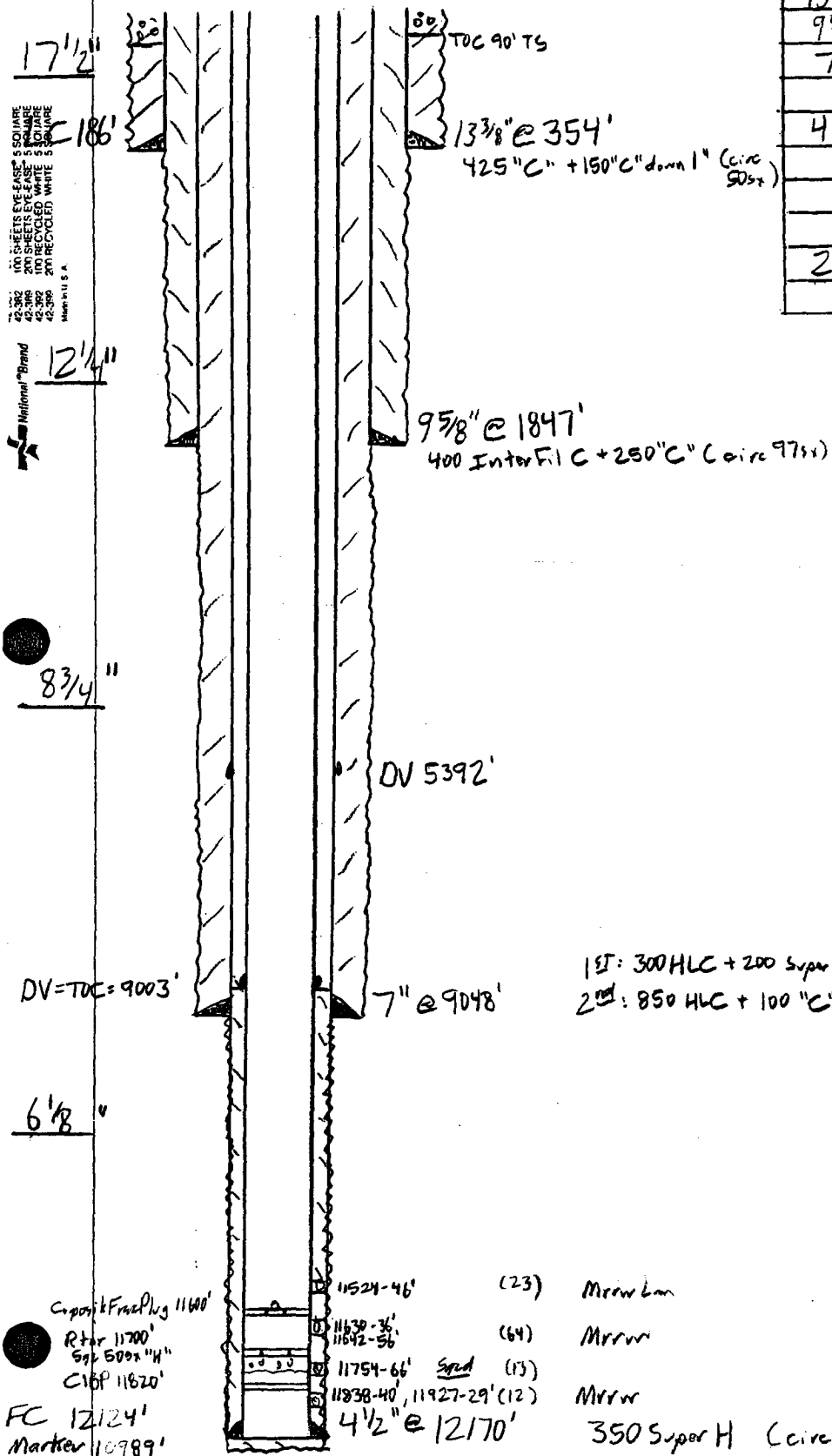
Location: 1980' FNL, 660' FWL
E-31-23s-27e
Edy NM

KB: 3256'

GL: 3239'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
13 3/8"	54.5	J55	STC	354'
9 5/8"	36	J55	STC	1847'
7"	23	N80/P110	LTC	9048'
4 1/2"	11.6	M95-110	LTC	12170'
2 3/8"	4.7	L80	EVE	



AFTER

Well: TLC St Com 1

Zero: 17' AGL

Location: 1980' FNL, 660' FWL
E-31-23s-27e
Eddy NM

KB : 3256'

GL: 3239'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
13 ³ / ₈ "	54.5	J55	STC	354'
9 ⁵ / ₈ "	36	J55	STC	1847'
7"	23	N80/P110	LTC	9048'
4 ¹ / ₂ "	11.6	M95-110	LTC	12170'
2 ³ / ₈	4.7	L80	EVE	11450'

42-381	50 SPEEDS EYE-EASE	5 SQUARE
42-382	100 SHEETS EYE-EASE	5 SQUARE
42-389	200 SHEETS EYE-EASE	5 SQUARE
42-392	100 RECYCLED WHITE	5 SQUARE
42-399	200 RECYCLED WHITE	5 SQUARE

Made in U.S.A.

Leaves National Brand

Rtar 11700'
S/L 5802 "H"
C10P 11820'
FC 12124'
Marker 10989'

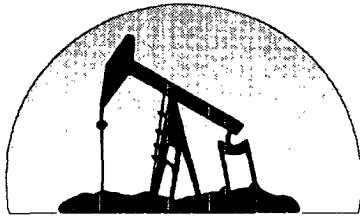
11630-36' (64)
 11642-56'
 11754-66' Sred (13)
 11838-40', 11927-29' (12)
 4 1/2" @ 12170'

Mr. [redacted]

Mr & W

350 Super H (circ 52 sx off DV)

BEFORE



marbob
energy corporation

September 23, 2005

Oil Conservation Division
1301 W. Grand Ave.
Artesia, NM 88210

Attention: Bryan Arrant

Re: TCL State Com #1
1980' FNL & 660' FWL
Section 31, T23S, R27E
Eddy County, New Mexico

Dear Bryan:

Marbob Energy Corporation plans to recompleate this well in the Atoka or Wolfcamp formation and we don't anticipate encountering any H2S gas during the recompleation process. Therefore, we do not believe that an H2S contingency plan is necessary.

If you have questions or need further information, please call.

Sincerely,

Diana Briggs
Production Analyst

DB/mp