

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

3

E-58

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC029395A
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator MARBOB ENERGY CORPORATION Contact: DIANA CANNON E-Mail: production@marbob.com		7. If Unit or CA Agreement, Name and No.
3a. Address P O BOX 227 ARTESIA, NM 88211-0227 14049	3b. Phone No. (include area code) Ph: 505.748.3303 Fx: 505.746.2523	8. Lease Name and Well No. TONY FEDERAL 19 13629
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NWSW Lot L 1650FSL 638FWL At proposed prod. zone NWSW Lot L 1650FSL 638FWL		9. API Well No. 30-015-32802
14. Distance in miles and direction from nearest town or post office* SEE SURFACE USE PLAN		10. Field and Pool, or Exploratory CEDAR LAKE YESO
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 638'	16. No. of Acres in Lease 609.43	11. Sec., T., R., M., or Blk. and Survey or Area Sec 18 T17S R31E Mer NMP
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 6000 MD	12. County or Parish EDDY
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3755 GL	22. Approximate date work will start 04/01/2003	13. State NM
23. Estimated duration		17. Spacing Unit dedicated to this well 40.00
24. Attachments Newell Controlled Water Basin		

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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) DIANA CANNON	Date 02/27/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ LESLIE A. THEISS	Name (Printed/Typed) /s/ LESLIE A. THEISS	Date MAY 16 2003
Title 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 any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

APPROVAL SUBJECT TO Electronic Submission #18992 verified by the BLM Well Information System
GENERAL REQUIREMENTS For MARBOB ENERGY CORPORATION, sent to the Carlsbad
SPECIAL STIPULATIONS committed to AFMS for processing by Linda Askwig on 02/27/2003 (03LA0341AE)
ATTACHED

** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED **

Additional Operator Remarks:

17 1/2" HOLE, 13 3/8" J55 48# CSG SET @ 350', CMT W/ 350 SX TO SURF.
12 1/4" HOLE, 8 5/8" J55 24# CSG SET @ 1300', CMT W/ 550 SX TO SURF.
7 7/8" HOLE, 5 1/2" J55 17# CSG SET @ 6000', CMT SUFFICIENT TO COVER 200' ABOVE ALL KNOWN OIL & GAS HORIZONS.

PRESSURE CONTROL EQUIPMENT: WE WILL BE USING A 2M SYSTEM - SEE EXHIBIT #1 (4 PGS).

PAY ZONE WILL BE SELECTIVELY STIMULATED AND PERFORATED AS NEEDED FOR OPTIMUM PRODUCTION.

ATTACHMENT INCLUDES:

1. WELL LOCATION AND ACREAGE DEDICATION PLAT
2. DRILLING PROGRAM
3. SURFACE USE AND OPERATING PLAN
4. HYDROGEN SULFIDE DRILLING OPERATIONS PLAN
5. ADDITIONAL REQUIRED INFORMATION (EXHIBITS #1 (4 PGS) - #4)

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

DISTRICT II
P.O. Drawer DD, Aramis, 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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

JAN 20 2003

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-	Pool Code 96831	Pool Name CEDAR LAKE; YESO
Property Code 23629	Property Name TONY FEDERAL	Well Number 19
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3755'

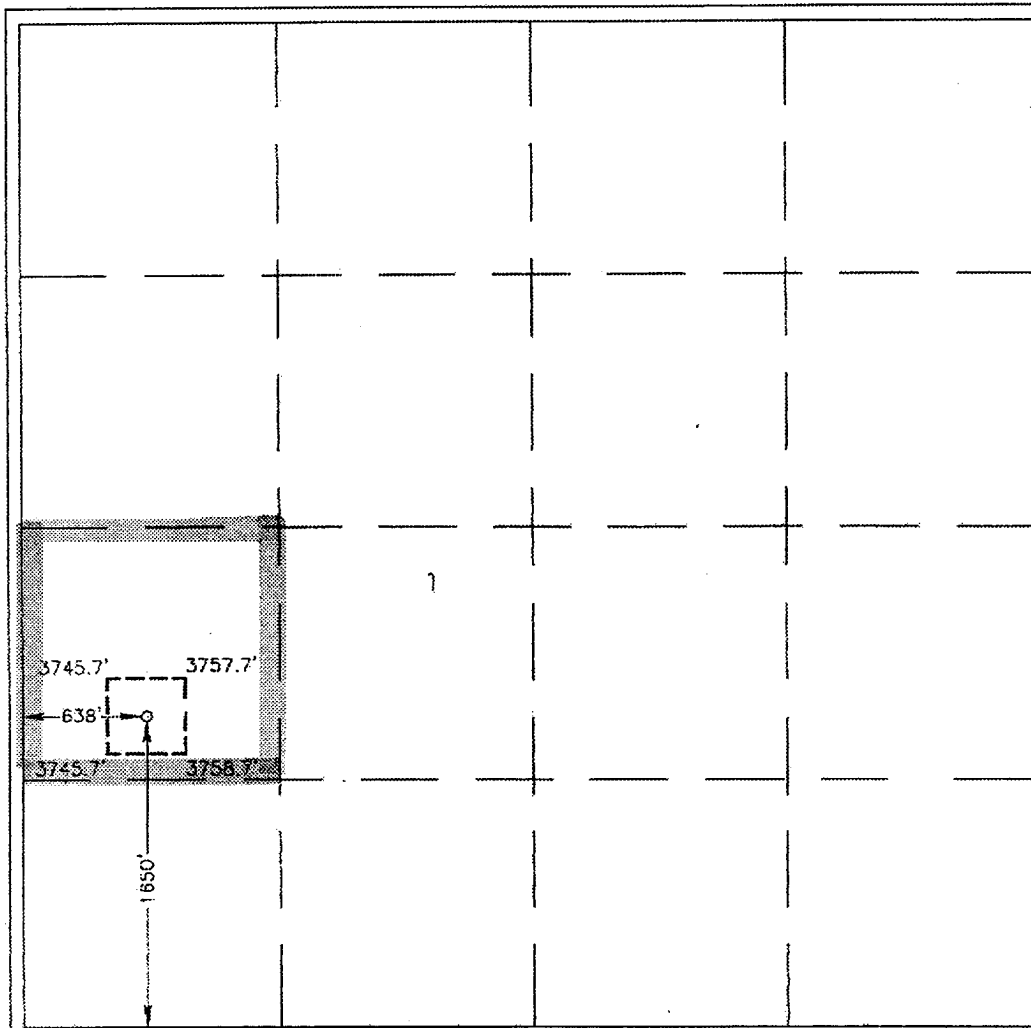
Surface Location

UL or lot No. L	Section 18	Township 17-S	Range 31-E	Lot Idn	Feet from the 1650	North/South line SOUTH	Feet from the 638	East/West line WEST	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



OPERATOR CERTIFICATION

I hereby certify the the information
contained herein is true and complete to the
best of my knowledge and belief.

Diana J. Cannon
Signature

DIANA J. CANNON

Printed Name

PRODUCTION ANALYST

Title

FEBRUARY 27, 2003

Date

SURVEYOR CERTIFICATION

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.

JANUARY 15, 2003

Date Surveyed

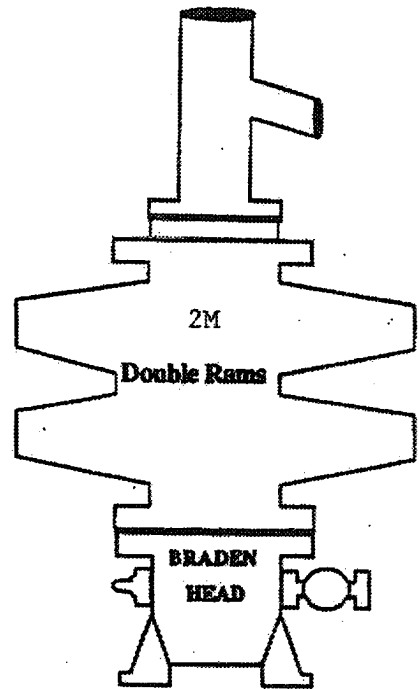
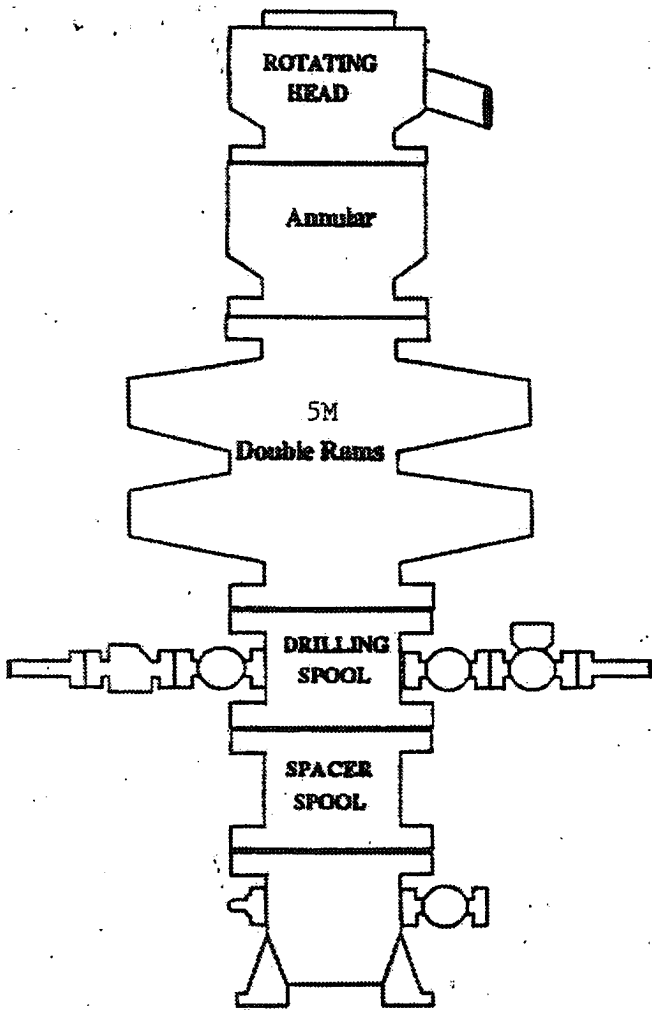
L.A.

Signature & Seal of
Professional Surveyor

Ronald J. Edson
02.11.1045

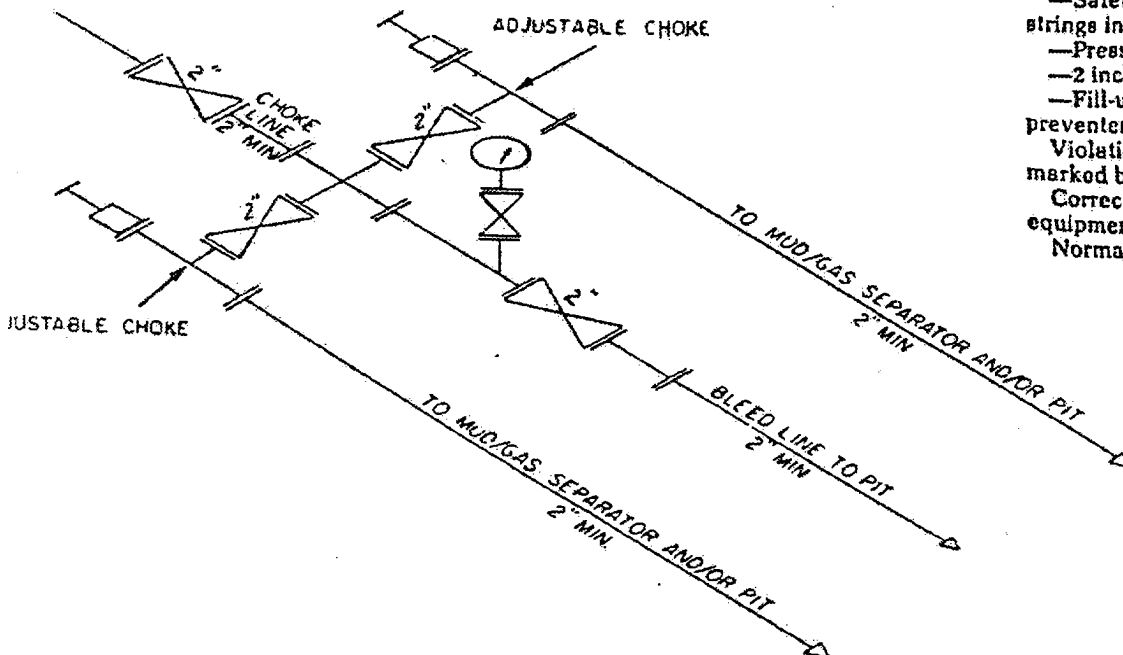
Certificate No. RONALD J. EDSON 3239
GARY EDSON 12641

BOPE SCHEMATIC



ONSHORE OIL AND GAS ORDER NO. 2

- 2M system:
- Annular preventer, or, double ram, or two rams with one being blind and one being a pipe ram *
 - Kill line (2 inch minimum)
 - 1 kill line valve (2 inch minimum)
 - 1 choke line valve
 - 2 chokes (refer to diagram in Attachment 1)
 - Upper kelly cock valve with handle available
 - Safety valve and subs to fit all drill strings in use
 - Pressure gauge on choke manifold
 - 2 inch minimum choke line
 - Fill-up line above the uppermost preventer.
- Violation: Minor (all items unless marked by asterisk).
- Corrective Action: Install the equipment as specified.
- Normal Abatement Period: 24 hours.



2M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION OF CHOKES

MAY VARY

Exhibit One