015-28002

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

٠.

JUN 27 2007 Oil Conservation Division 1220 South St. Francis Dr. OCD-ARTESIA

**FORM C-108** Revised June 10, 2003

### **APPLICATION FOR AUTHORIZATION TO INJECT**

1.	PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage Application qualifies for administrative approval? X Yes No
II.	OPERATOR: MARBOB ENERGY CORPORATION
	ADDRESS: P O BOX 227, ARTESIA, NM 88211-0227
	CONTACT PARTY: Brian Collins PHONE: 505; 748; 3803
III.	WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.  Additional sheets may be attached if necessary.
IV.	Is this an expansion of an existing project? Yes X No If yes, give the Division order number authorizing the project:
V.	Oil Conservation Division Attach a map that identifies all wells and leases within two miles of any proposed injection well with greet injection well with greet injection well with greet injection well. This circle identifies the well's area of review.  Santa Fe, NM 87505
VI.	Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
VII	Attach data on the proposed operation, including:
<u>ì</u>	<ol> <li>Proposed average and maximum daily rate and volume of fluids to be injected;</li> <li>Whether the system is open or closed;</li> <li>Proposed average and maximum injection pressure;</li> <li>Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,</li> <li>If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).</li> </ol>
*VIII	. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
IX.	Describe the proposed stimulation program, if any.
*X.	Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
*XI.	Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
XII.	Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
XIII.	Applicants must complete the "Proof of Notice" section on the reverse side of this form.
	Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
	NAME: Brian Collins TITLE: Engineer
	NAME: Brian Collins TITLE: Engineer  SIGNATURE: DATE: 25 May 07
*	E-MAIL ADDRESS: <u>engineering@marbob.com</u> If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

# C-108 Application for Authorization to Inject South Malaga I-2-25-28 SWD (Formerly Yates Petroleum Corporation Hoss BHK State #1) 1980' FSL 660' FEL I-2-25S-28E, Eddy County

Marbob Energy Corporation proposes to re-enter the captioned well and convert it to salt water disposal service into the Delaware Sand.

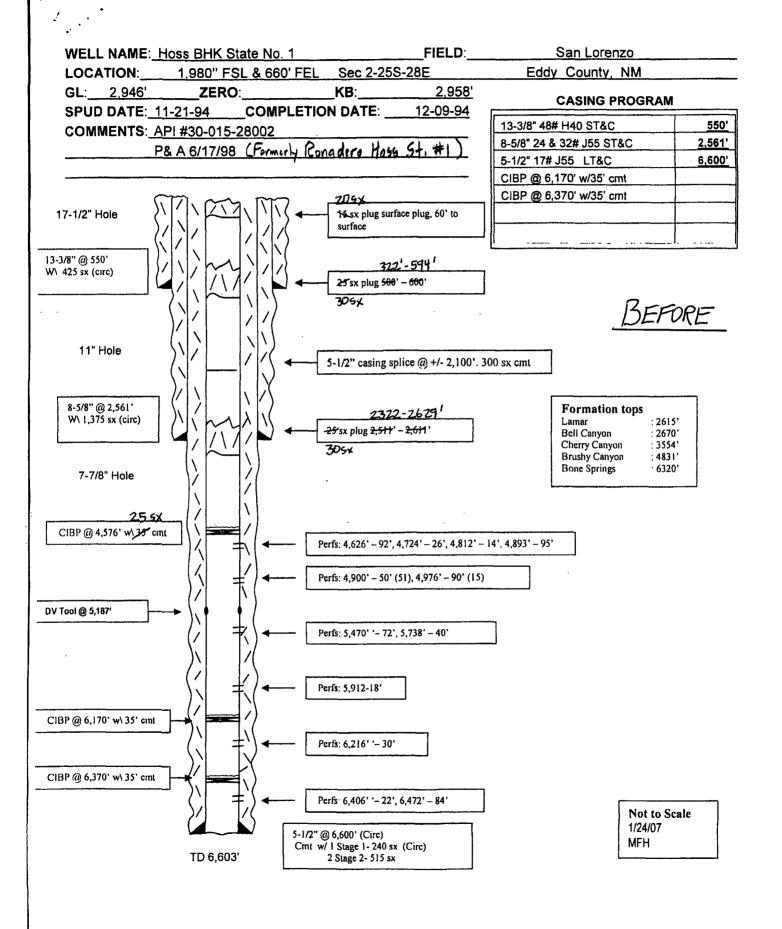
- V. Map is attached.
- VI. Wellbore schematics are attached for all the wells that penetrate the proposed injection zone within the 1/2 mile radius area of review.
- VII. 1. Proposed average daily injection rate = 500 BWPD

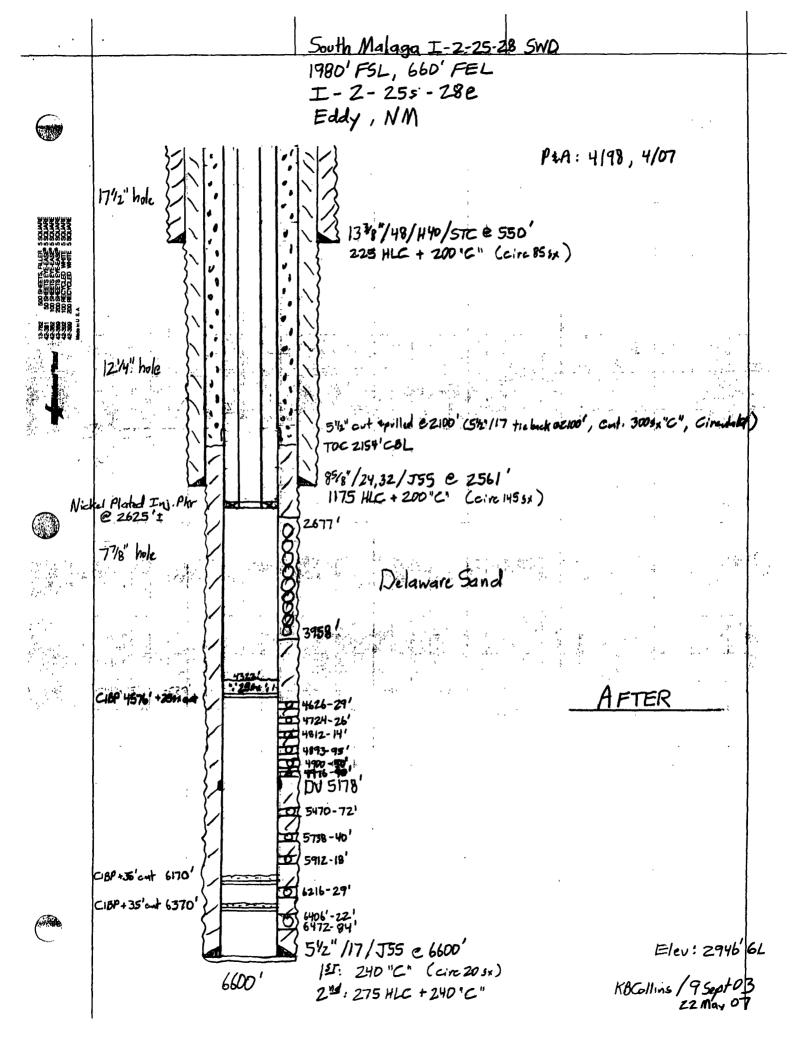
  Proposed maximum daily injection rate = 2500 BWPD
  - 2. Closed system
  - 3. Proposed maximum injection pressure = 535 psi (0.2 psi/ft. x 2677 ft.)
  - 4. Source of injected water will be Delaware Sand produced water. The Delaware produced water is the same as the Delaware water in the receiving formation. No compatibility problems are expected. An analysis of Delaware water from an analogous field is attached.
  - 5. Disposal zone formation water is essentially the same as the injection water.
- VIII. The injection zone is the Delaware Sandstone, a fine-grained sandstone from 2677' to 3958'. Any underground water sources will be shallower than 550'.
- IX. The Delaware sand injection interval will be acidized with approximately 20 gals/ft. of 7 1/2% HCl acid. If necessary, the Delaware injection interval may be fraced with up to 300,000 lbs. of 16/30 mesh sand.
- X. Well logs have been filed with the Division.
- XI. There is a windmill located NE/4NE/4, Sec. 3, T25S-R28E about a mile northwest of the proposed SWD well. The water analysis is attached.
- XII. After examining the available geologic and engineering data, no evidence was found of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Proof of Notice is attached.

OPERATOR: Mark	ob Energy Corp	127			
	: South Malaga I-2	2-25-28 SWD (A	Formerly Hoss B	HK St.#1	<u>30-015- Z8002)</u>
	BO' FSL 660' FEL	エ	2	255	28e
FO	OTAGE LOCATION	· UNIT LETTER	SECTION	TOWNSHIP	RANGE
WELLBO	ORE SCHEMATIC		7.77	TRUCTION DAT face Casing	<b>74</b>
		Hole Size:	17/2"	Casing Size: 13	%"e 550'
R C . d AGL	r Schematics Attack	Cemented wi	th: 425	SX. <i>OF</i>	ft³
Detore & 19478	r Johannatics Attack	Top of Ceme	nt: Surface	_Method Determin	ned: Circulated
	:		Intern	nediate Casing	•
	. <del>-</del>	Hole Size:	1244	Casing Size: 8	7/8"e2561'
	* · · · · · · · · · · · · · · · · · · ·	Cemented wi	th: 1375	sx.	ft³
•		Top of Ceme	nt: Surface	_Method Determin	ned: <u>Circulated</u>
	. *		Produ	ction Casing	
		Hole Size:	77/8"	Casing Size: 5	½"e 6600'
' · · · ·		Cemented wi	th: 835	sx. or	ft³
•		Top of Ceme	nt: Surface	_Method Determin	ned: Circulated
		Total Depth:	6600'		•
,			Inje	ction Interval	
•		267	7 <b>7</b> fe	et to395	8'
•			Perforated or Ope	en Hole; indicate	which)

## INJECTION WELL DATA SHEET

Tubin	g Size: 27/8" Lining Material: Dvoline 20 or IPC
Туре	of Packer: 10K nickel plated or stainless steel double grip retrievable
Packe	* Setting Depth: 2625' ±
Other	Type of Tubing/Casing Seal (if applicable): N/A
•	
	Additional Data
:	
1.	Is this a new well drilled for injection? Yes
	If no, for what purpose was the well originally drilled? # 445
2.	Name of the Injection Formation: Delaware Sand
3.	Name of Field or Pool (if applicable): San Loren 20
4.	Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 6406-84, CIBP+35' entre 6370',
<b>5.</b>	6216-29' CIBP+35' ant 8 6170', 4626-5918', CIOP+255x cm+8 4576', 30sx cent 2322-2629', 30sx cent 322-594', 20sx cent 0-60' Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:
	Overlying: None
	Under lying Delawar 4500'-6000'+ Bone Spring 6000'-8000'+
,	Atoka 11700-12300'±

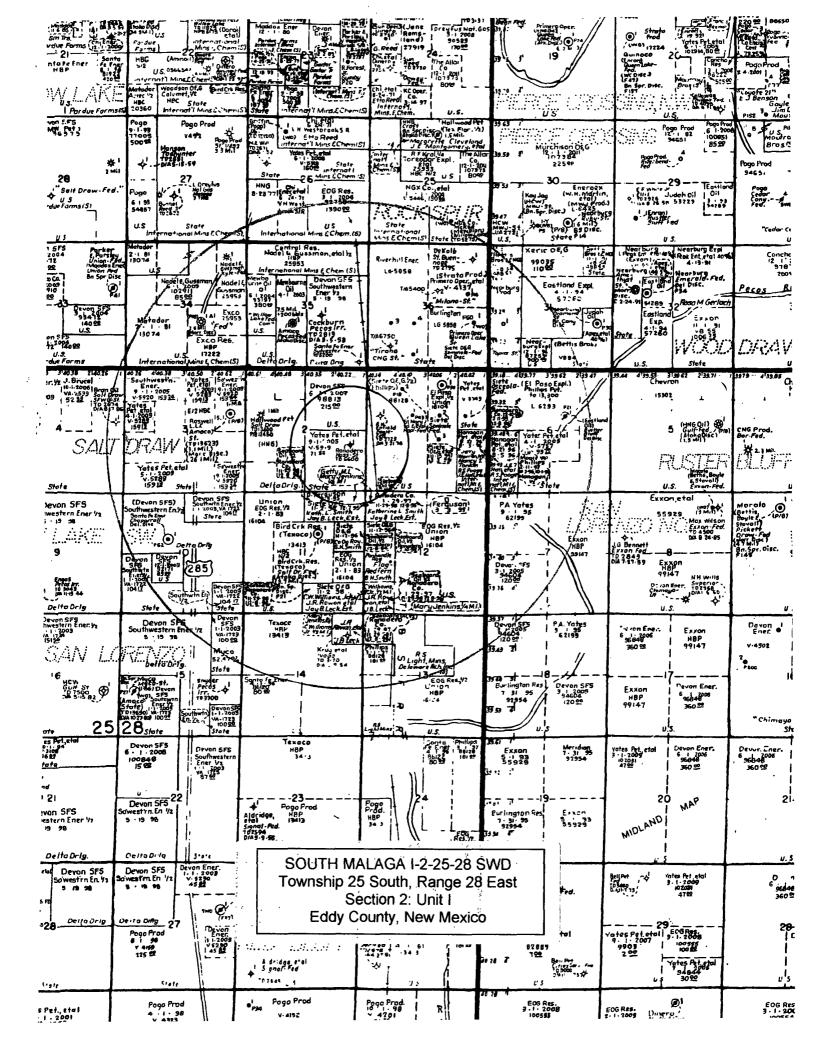




Submit 3 Copies To Appropriate District	State of New M	lexico .		Form C-103
Coffice Districe	Energy, Minerals and Na	tural Resources	CHARLE ARENIA	May 27, 2004
1625 N. French Dr., Hobbs, NM 882			WELL API NO. 30-015-	-28002
1301 W. Grand Ave., Artesia, NM	OIL CONSERVATIO	N DIVISION JUN	8. /Indicate Type of Le	ase
District III 1000 Rio Brazos Rd., Aztec, NM 8	1220 South St. Fr. Santa Fe, NM	ancis i a	STATE	
District IV 1220 S. St. Francis Dr., Santa Fe, NM	Santa Pe, Inivi	5/303	"6! "State 2011, & Gas Le	ase No.
87505			VO-S	5919
	ES AND REPORTS ON WELL		7. Lease Name or Uni	t Agreement Name
(DO NOT USE THIS FORM FOR PROPOSA DIFFERENT RESERVOIR. USE "APPLICA			Hoss BH	IK State
PROPOSALS.)  1. Type of Well: Oil Well G	as Well Other P&A		8. Well Number	K State
	as well Other Fock	4	1	
2. Name of Operator Yates Petroleum Corporation		APR / / 2007	9. OGRID Number 0255	576
3. Address of Operator		OCO AMERICA NON	10. Pool name or Wile	
105 S. 4th Street, Artesia, NN	A 88210	MA	Willow Lake; Dela	
4. Well Location				
Unit Letter I : 19	80 feet from the Sou	th line and	660 feet from the	East line
Section 2		ange 28E	NMPM Eddy	County
	11. Elevation (Show whether D	<i>R, RKB, RT, GR, etc.)</i> 6'GR		
Pit or Below-grade Tank Application or (		U OK	,	
Pit type Depth to Groundwater _	Distance from nearest fresh	water well Dist	ance from nearest surface w	ater
Pit Liner Thickness: mil	Below-Grade Tank: Volume	bbls; Con	nstruction Material	
12. Check Ap	propriate Box to Indicate	Nature of Notice, 1	Report or Other Data	a
•	•		•	
NOTICE OF INT PERFORM REMEDIAL WORK □	ENTION TO: PLUG AND ABANDON	REMEDIAL WORK	SEQUENT REPOR	RTOF: ERING CASING □
	CHANGE PLANS	COMMENCE DRIL		G AND ABANDON 🖾
	MULTIPLE COMPL	CASING/CEMENT		SANDANADON Z
OTUE				_
OTHER:  13. Describe proposed or complet	red operations (Clearly state all	OTHER:	give pertinent dates inc	cluding estimated date
	c). SEE RULE 1103. For Multi			
4/2/07 – Set a CIBP at 4576'. Tagged WOC.	CIBP. Circulated mud. Spotter	d 25 sx cement on top	of CIBP. Spotted 30 sx	cement at 2629'.
4/3/07 - Tagged at 2322'. Spotted 30 s	sx cement at 594'. WOC. Tagg	ged at 322'. Circulated	d 20 sx cement 60' to su	rface. Cut off
wellhead. Installed dry hole marker. 1	VELL IS PLUGGED AND A	BANDONED. FINA	<u>L REPORT</u> .	
Plugging of the	ie well bore.			
Liability under	r bond is retained			
until surface	estoration,			
final incontra	remediation and	• •		
mid Hebert	े अविकास and a second of the			
I hereby certify that the information about	ove is true and complete to the b	est of my knowledge	and belief. I further certi	fy that any pit or below-
grade tank has been/will be constructed or clo	sed according to NMOCD guidelines	∐, a general permit ☐ o	r an (attached) alternative (	CD-approved plan .
SIGNATURE LA HELE	TITLE Regul	atory Compliance Sup	pervisor DATE	April 10, 2007
Type or print nameTina Huerta	E-mail address:	tinah@ypcnm.cor		o. <u>505-748-1471</u>
For State Use Only	July	Geny Guye Deputy Field Insp		
APPROVED BY:  Conditions of Approval (if any):	TITLE	District II - Arte		TE APR 1 1 2007

V.

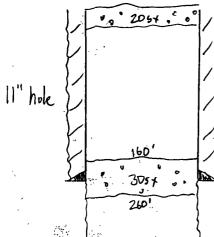
## **MAP**



# VI.

Wells Within 1/2
Mile Area of
Review That
Penetrate
Proposed
Disposal Zone

E-1-255-28e Eddy County



85/8"/24 e 209' 125 "C" +115"C" wth 1" (circ)

63/4" hole

.

" ? 30sx " "

2550'
', '3054', 0

2723'

Within Area of Review

Elev: 2944 6L

MBCollins/11Sept03

## MARBOB ENERGY CORPORATION DRILLING AND OPERATIONS PROGRAM

## High Net Federal #1 SHL: 100' FNL & 2140' FEL BHL: 2500' FNL & 2140' FEL Section 2, T25S, R28E 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. The geological surface formation is Permian.
- 2. The estimated tops of geologic markers are as follows:

Rustler	1100'
Top Salt	1300'
Bottom Salt	2400'
Delaware	2600'
Bone Springs	6100'

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

Delaware 2600' Oil

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 13 3/8" casing at 600' and circulating cement back to surface. Any shallower zones above TD which contain commercial quantities of oil and/or gas will have cement circulated across them by inserting a float shoe joint into the 5 1/2" production casing which will be run at TD to sufficiently cover all known oil and gas horizons 200' above.

4. Proposed Casing Program:

	Hole Size	Interval	OD	Wt	Grade	
			Casing			
Ī	12 1/4"	0-600'	9 5/8"	36#	J-55	
	8 3/4"	600-6800'	5 1/2"	17#	J-55	

**Proposed Cement Program:** 

9 5/8" Surface Casing:

Cement w/ 500 sx. Circulate to surface.

5 1/2" Production Casing:

Cement w/ 1500 sx. Tie into surface.

Will be horizontal Delaware Sand well @ ±4900' TVD

# VII.

**WATER ANALYSIS** 

## HALLIBURTON DIVISION LABORAT/ 'Y

## HALLIBURTON SERVICES ARTESIA DISTRICT

	LAB	ORATORY R	EPORT	No	W45-93
Managan Per	troleum	·		Date_F	ebruary 7, 1993
P. O. Box 1	1737				
Roswell, N	1 88201		Prevent, nor a co The empress we yeard in the Cou	opy thereof, a to be publish Then approved all taborates	Services and neather 4 for any past end or sectioned without lind sociuming ny menagament, 4 may however, be rationa by any person or concern and from Hallowston Services
Submitted by			Date I	Rec	
Well No. Gehrig #2		Depth	5050'	Formation	Delaware
Field Brushy Draw	9-265-29e	County_	Eddy	Source	Produced Water
		· · · · · · · · · · · · · · · · · · ·	<del></del>		
Resistivity	.052	· · · · · · · · · · · · · · · · · · ·			
Specific Gravity	1.1856		Nater A	nalysis	Representative
pB	7.0		of Prod	veed De	laware Water
Calcium	24,250	t	to be I	-njected	and of
Magnesium	9,000		Delaware	Water	in the
Chlorides	170,000	<u> </u>	mposed	Inject	Lion Interval
Sulfates	250			<del></del>	
Bicarbonates	350				
Soluble Iron	+ 500			<del></del>	
				•	ganalisajamus osas osus osas majamus kisaka Tokkis mai manifelitika
				-	
emarke:		<del></del>	· · · · · · · · · · · · · · · · · · ·	Marine Contract	
			,		

Analyst: Art Carrasco - Technical Advisor

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Haliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Haliburton shall not be hable for any loss or damage, regardless of cause, including any act or omission of Haliburton, resulting from the use hereof

Respectfully submitted

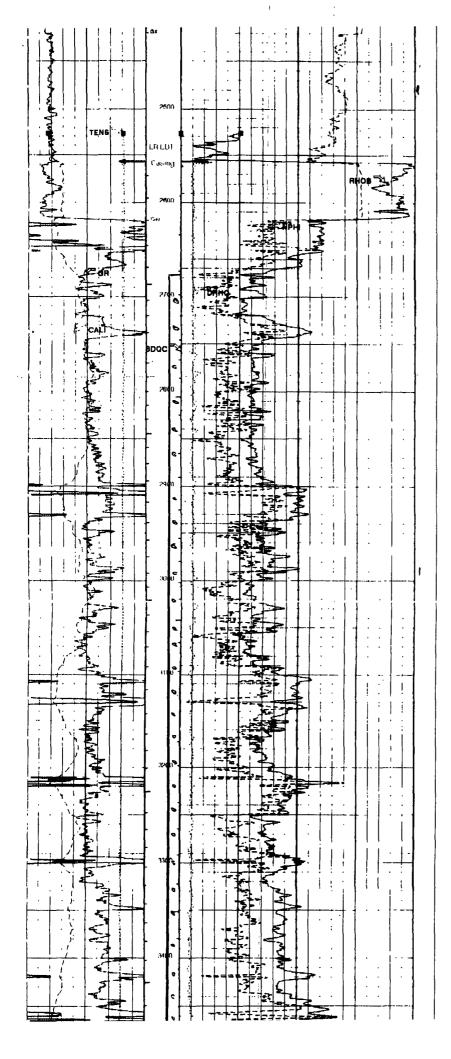
# X.

## NEUTRON DENSITY LOG

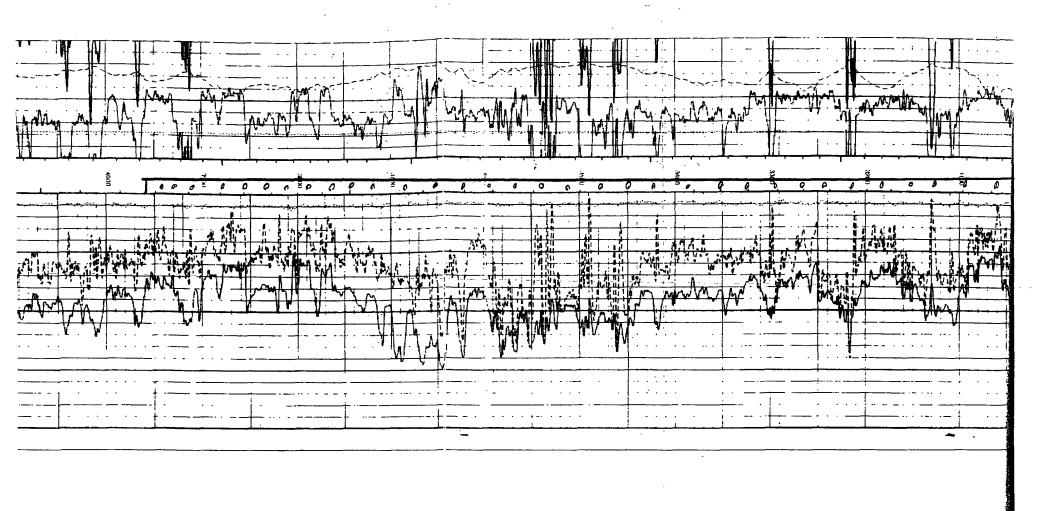
# Across Proposed Disposal Interval

COMPANY Ronagero Company Incorporated Hoss State #1 FIELDÍ Willow Lake STATE New Mexico Eday COUNTY Litho Density Compensated Neutron 29 85 Schlumberger . or K.3 2506° 3 \_ 2940.F D = 292" Eer 2941 Log Minarured From Knity (Lusting) 12 C above Ferri Drawn 4r w Bushey; A: 54'3 NC 11-015 28000 SECTION TOWNS-P 255 ogging Date Depth Driver De on the b 6620 88C1 = FINAL PRINT Suinberger Depth 6567 fiction and Interval Jasin: Dinter Size -- Dept "ar-na "rhiunberger 250c F STATES OF BUILDING 18/5 3 îyanê bis ni de. Dersey KCI Starch Cut Et ha -0.364 - or Or Sample 296.76 351. -44 372. -444 Westured outdeading E/E Mediuter orreinta Appropried Leader of the Appropried Leader of Mediums SA China 1997 to 1997 . ogger On Bottom BEST COPT . يل معددت

Salahan Bankan Bankan Bankan Kalendar K



Gross Delaware Disposal Interval 2677-3958'



# XI.

# FRESH WATER WELL ANALYSIS

Windmill NE/4NE/4 Sec. 3

## **HALLIBURTON**

## PERMAIN BASIN OPERATIONS LABORATORY WATER ANALYSIS REPORT HOBBS, NEW MEXICO

COMPANY	Marbob	,		<del></del>	REPORT	W03-189	
	<u> </u>				DATE DISTRICT	September 10, 200 Hobbs	03_
					DIGTRIO	110003	
				<del></del>			
SUBMITTED B	sy <u>Fre</u>	sh Wo	iter Analyse	5 255-	28e		
WELL	•		EPTH		FORMATION		
COUNTY	Eddy		ELD	-	SOURCE		
	INDMIN NEW NE/4		Windmill NE/4 :	SE/4 Sec.4			<del></del>
SAMPLE	St. MA-1 SWD	- 1	SE SWE Wel	<u> </u>			<del></del>
Onimala Tama	70	°F	78	٥F	°F		٥F
Sample Temp. RESISTIVITY	78 3.34	-	2.99			<del></del>	
SPECIFIC GR.	1.001	- /	1.001			<del></del>	
pH	7.71	- /	7.42	<del></del>		• · · · · · · · · · · · · · · · · · · ·	<del></del>
CALCIUM	900	mpl 🗸 🚡	1,250	— — mpl	mpl		mpl
MAGNESIUM	540	mpl 🗲	135	mpl —	mpl		mpl
CHLORIDE	90	mpi \	473	mpl	mpl		mpl
SULFATES	light	_mpl \	light	mpl	mpl		mpl
BICARBONATES	92	mpl	.61	mpl	mpl	<u> </u>	mpl
SOLUBLE IRON	0	_mpl	0	mpl	mpl		mpl
KCL		/					<del>.</del> .
Sodium TDS	•	_mpl /		mpl	0 mpl	0	mpi
OIL GRAVITY	@	_ <sup>mpl</sup> / °F	@	— <sub>°F</sub>	0mpl 	0	—_mpl ∽F
OIL GIVAVIII		- '		<u> </u>	'		<del></del> '
REMARKS						•	
				···			

MPL = Milligrams per litter
Resitivity measured in: Ohm/m2/m

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management: it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Co.

ANALYST: Mike	Armstrong	
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May 22, 2007

Artesia Daily Press P. O. Box 190 Artesia, NM 88211-0190

Re: Legal Notice

Water Disposal Well

### Gentlemen:

Enclosed is a legal notice regarding New Mexico Oil Conservation Division C-108 Application for Authorization to Inject for a water injection well.

Please run this notice and return the proof of notice to the undersigned at Marbob Energy Corporation, P. O. Box 227, Artesia, NM 88211-0227.

Sincerely,

**Brian Collins** 

Petroleum Engineer

BC/dlw

enclosure

## ARTESIA DAILY PRESS LEGAL NOTICES

Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico, 88211-0227, has filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal The proposed well, the South Malaga I-2-25-28 SWD (formerly the Hoss BHK State No. 1) is located 1980' FSL and 660' FEL, Section 2, Township 25 South, Range 28 East, Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Delaware formation. The disposal water will be injected into the Delaware formation at a depth of 2677' -3958' at a maximum surface pressure of 535 psi and a maximum rate of 2500 BWPD. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Street, Santa Fe, New Mexico, 87505, within fifteen (15) days of this notice. Any interested party with questions or comments may contact Brian Collins at Marbob Energy Corporation, Post Office Box 227, Artesia, New Mexico 88211-0227, or call 505-748-3303.

Published in	i the	Artesia	Daily	Press,	Artesia,	New	Mexico
				2007.			



marbob——energy corporation-

May 22, 2007

NM State Land Office Oil, Gas & Mineral Division P. O. Box 1158 Santa Fe, NM 87504-1148

Re: Application to Inject

South Malaga I-2-25-28 SWD

(formerly the Hoss BHK State No. 1)

Township 25 South, Range 28 East, NMPM

Section 2: 1980 FSL 660 FEL, Unit I

**Eddy County, New Mexico** 

### Gentlemen:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Smilling

Brian Collins

Petroleum Engineer

BC/dlw enclosure

State of New Mexico has no objection to the proposed disposal well:

Ву:	
Title:	
Date:	



May 22, 2007

Vernon E. Faulconer, Inc. P. O Box 7995 Tyler, TX 75711

Re: Application to Inject
South Malaga I-2-25-28 SWD
(formerly the Hoss BHK State No. 1)
Township 25 South, Range 28 East, NMPM
Section 2: 1980 FSL 660 FEL, Unit I
Eddy County, New Mexico

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Please do not hesitate to contact us should you have any questions.

Sincerely,

Sincerely,

Sincerely,

Brian Collins

Petroleum Engineer

BC/dlw enclosure

Vernon E. Faulconer, Inc. has no objection to the proposed disposal well:

By:

Title:

Date:



## energy corporation—

May 22, 2007

St. Mary Land & Exploration 1776 Lincoln St., Ste. 1100 Denver, CO 80203-0180

Re: Application to Inject
South Malaga I-2-25-28 SWD
(formerly the Hoss BHK State No. 1)
Township 25 South, Range 28 East, NMPM
Section 2: 1980 FSL 660 FEL, Unit I
Eddy County, New Mexico

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Please do not hesitate to contact us should you have any questions.

Sincerely,

Sincer

BC/dlw enclosure

St. Mary Land & Exploration has no objection to the proposed disposal well:

By:

Title:



May 22, 2007

Evelyn Cooksey Cooksey Ranch P. O. Box 91 Orla, TX 79970-0091

Re: Application to Inject

South Malaga I-2-25-28 SWD

(formerly the Hoss BHK State No. 1)

Township 25 South, Range 28 East, NMPM

Section 2: 1980 FSL 660 FEL, Unit I

Eddy County, New Mexico

Dear Ms. Cooksey:

Enclosed for your review is a copy of Marbob Energy Corporation's application to convert the referenced well into a saltwater disposal well. As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as an operator or surface owner. Any objections must be submitted in writing to NMOCD, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within fifteen (15) days of receipt of this letter. If you have no objections to our application, please indicate below and return one copy of this letter to our office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Similalling

Brian Collins

Brian Collins
Petroleum Engineer

BC/dlw enclosure

Evelyn Cooksey, Cooksey Ranch has no objection to the proposed disposal well:

By:
Title:
Date: