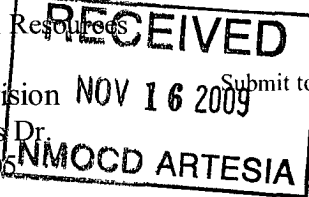


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
June 16, 2008



Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Marbob Energy Corporation, P.O. Box 227, Artesia, NM 88211-0227		⁴ OGRID Number 14049
		⁵ API Number 30 - 015-26105
³ Property Code 37915	² Property Name SRO 5 SWD	⁶ Well No. 1
⁹ Proposed Pool 1. SWD; Delaware		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South	Feet from the	East/West line	County
G	5	26S	28E		1980'	North line	1980'	East Line	Eddy

⁸ 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

Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code S	¹³ Cable/Rotary	¹⁴ Lease Type Code	¹⁵ Ground Level Elevation 3026'
¹⁶ Multiple	¹⁷ Proposed Depth 5700'	¹⁸ Formation Delaware	¹⁹ Contractor	²⁰ Spud Date Upon Approval

²¹ 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	450'	500	Surface-In Place
11"	8 5/8"	32	2340'	1000	Surface-In Place
7 7/8"	5 1/2"	17, 15.5	1175'-8300'	975	1200'-In Place

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.

Drill out plugs and clean well out to 5700'. Tie back 5 1/2" from 1175' to surface with 5 1/2" / 17/ J55/ LTC cemented with 200sx class "C" neat to surface. Set CIBP at 5700'. Perforate, acidize and frac the Delaware Sand 4100' to 5500'. Run injection tubing and packer, set packer at 4050' and place well on SWD service per Order SWD-1192. Will do reentry with a WSU using a 3000psi WP double ram BOP tested to 2000psi.

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

Signature:

Marissa Villa

Printed name: **Marissa Villa**

Title: **Land Department**

E-mail Address: **reception@marbob.com**

Date: **11/11/2009**

Phone **575-748-3303**

OIL CONSERVATION DIVISION

Approved by:

Naquin
Geologist

Title:

Approval Date: **11/18/2009**

Expiration Date:

Conditions of Approval Attached ☐

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-26105	² Pool Code 96100	³ Pool Name SWD; DELAWARE
⁴ Property Code 37913	⁵ Property Name SRO 5 SWD	⁶ Well Number 1
⁷ OGRID No. 14049	⁸ Operator Name MARBOB ENERGY CORPORATION	⁹ Elevation 3026

¹⁰ Surface Location

UL or lot no. G	Section 5	Township 26S	Range 28E	Lot Idn	Feet from the 1980	North/South line NORTH LINE	Feet from the 1980	East/West line EAST LINE	County EDDY
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¹¹ 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
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

¹⁶ 	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>Marissa Villa</u> Date: <u>11-11-2009</u></p> <p>Marissa Villa Printed Name</p>
	<p>¹⁸ 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.</p>
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>

W MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

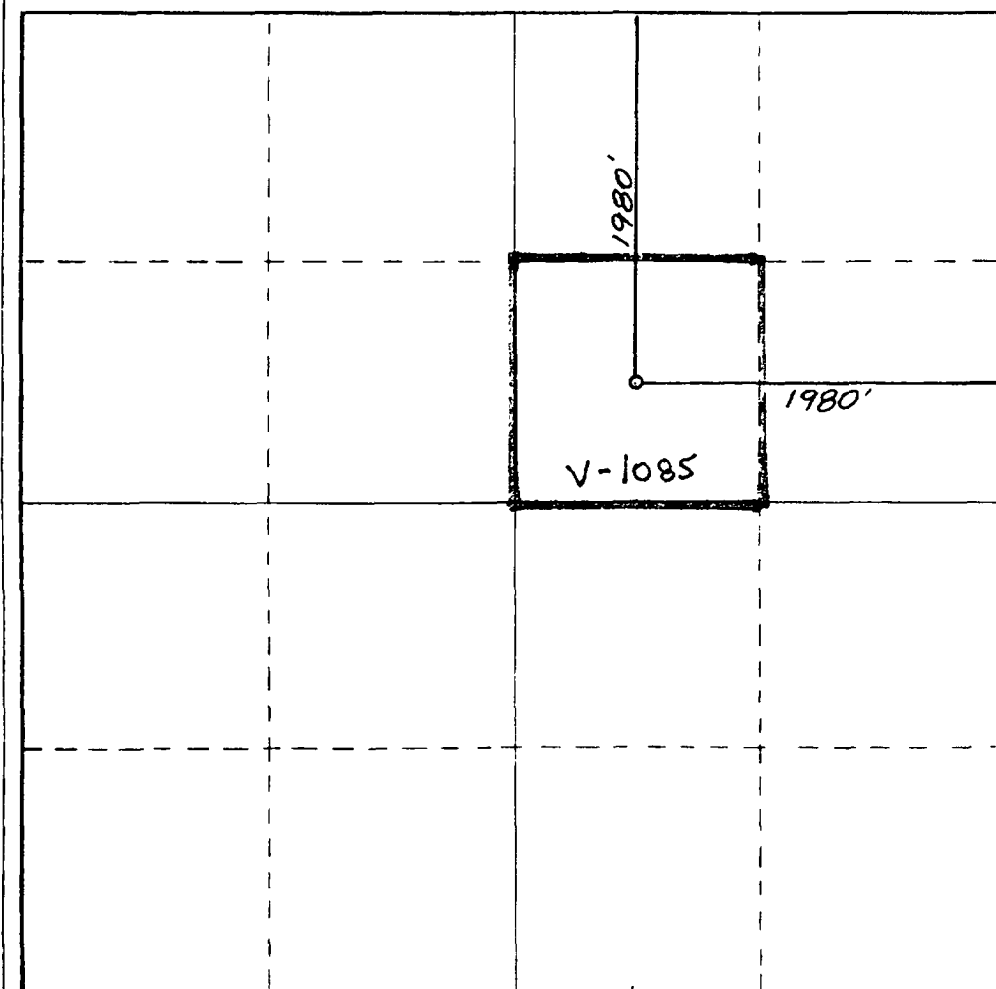
Operator YATES PETROLEUM CORPORATION			Lease East Apple State Unit		Well No. 1
Unit Letter G	Section 5	Township 26 South	Range 28 East	County Eddy County, N.M.	
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the East line					
Ground Level Elev 3026.	Producing Formation BONE SPRINGS		Pool Wildcat		Dedicated Acreage: 40 Acres

- 1 Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- 2 If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Ken Beaudry

Name

LAWSON

Position

Yates Pet. Corp.

Company

4-20-89

Date

DAN R. REDDY
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 knowledge and belief.
PROFESSIONAL ENGINEER

Date Surveyed

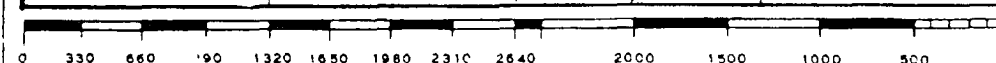
March 20, 1989

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM PE&LS NO. 5412



SRO 5 SWD M.1

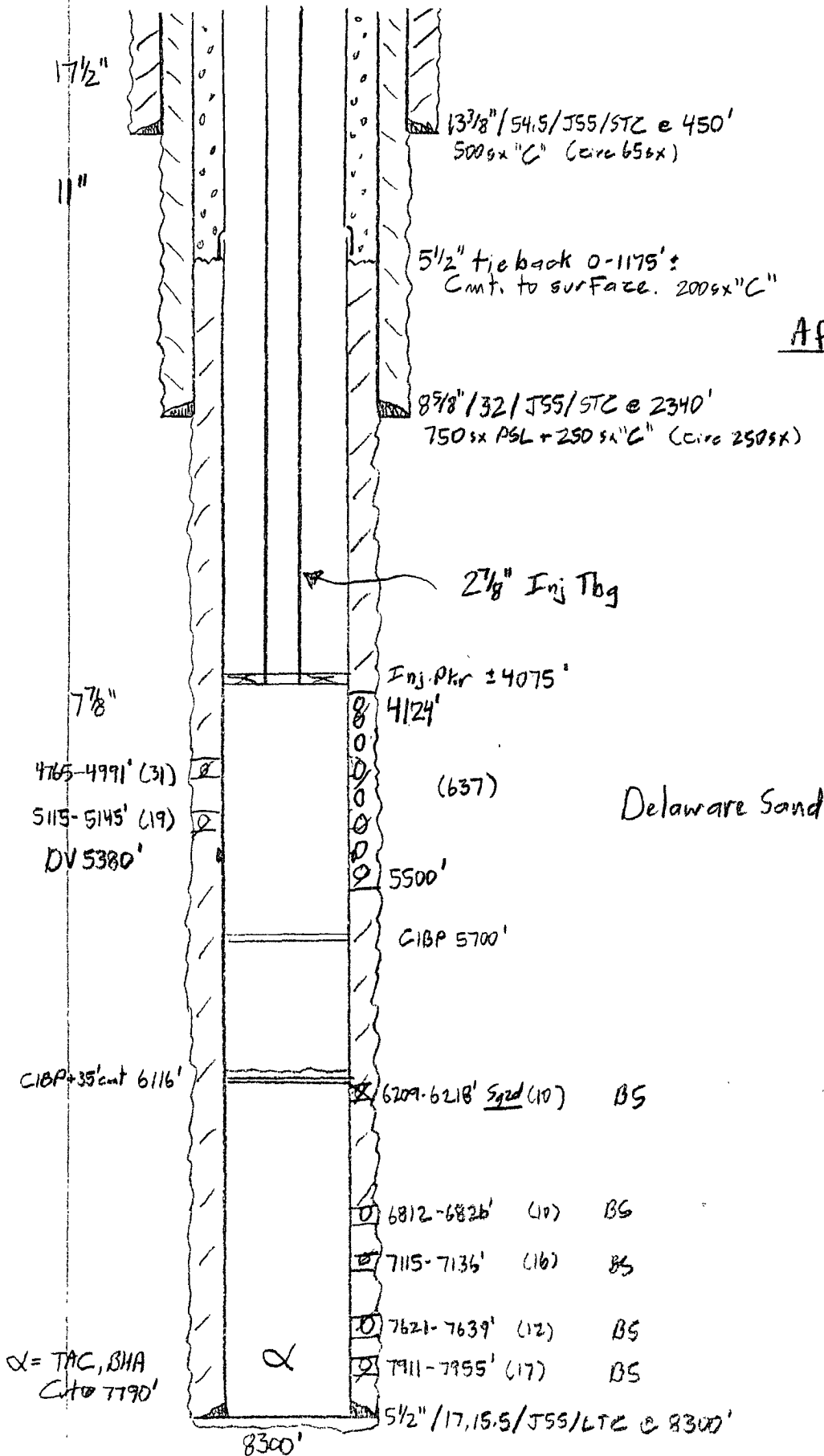
30-015-26105

(Formerly East Apple State Unit 1)

1980' FNL, 1980' FEL

G-5-26s-28e

Eddy NM



After SWD Conversion

1st: 385 gx Sgd/H

2nd: 590 gx Sgd/H

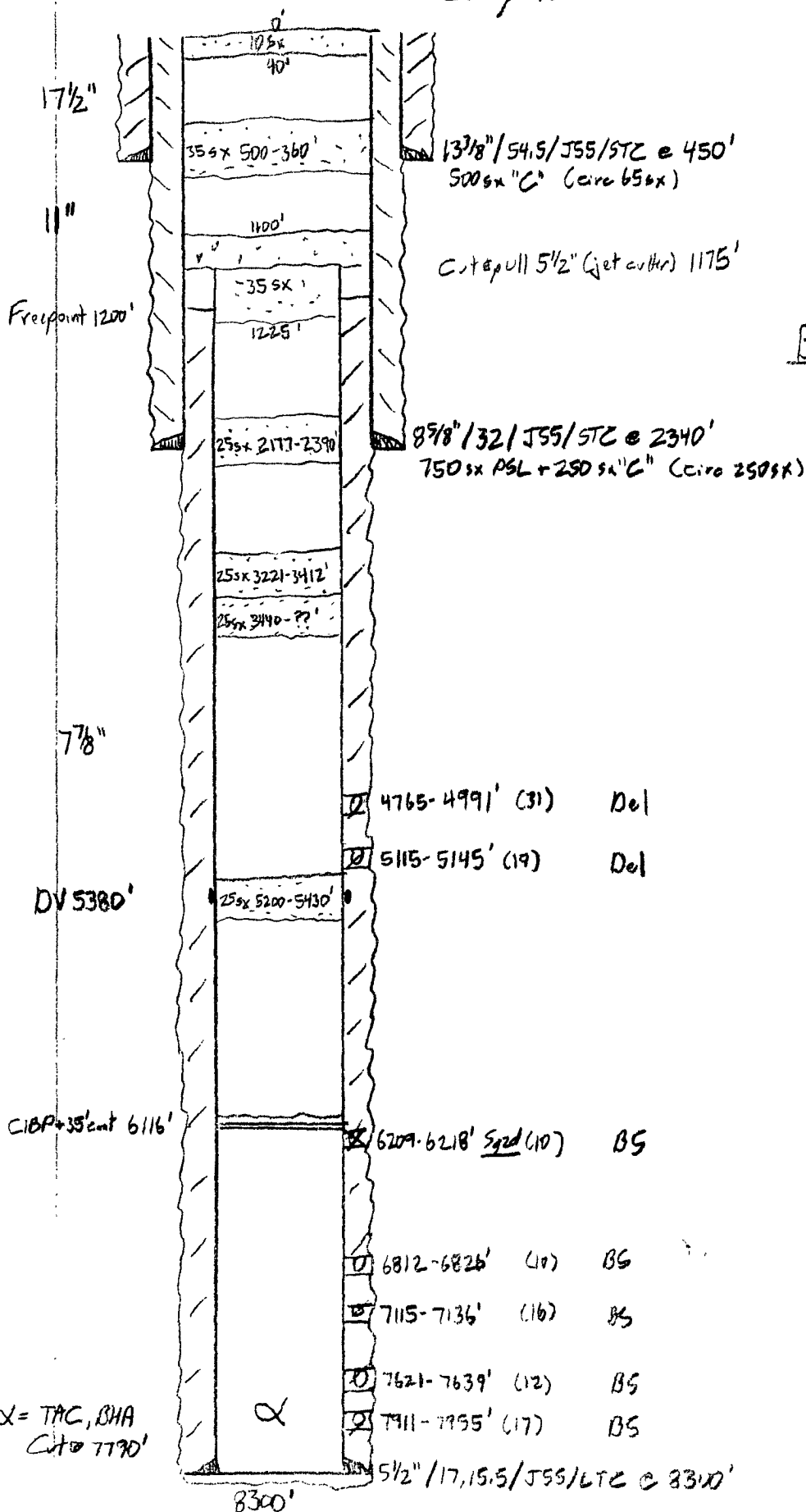
30-D15-26105

(Formerly East Apple State Unit 1)

1980' FNL, 1980' FEL

G-5-2bs-28e

Eddy NM



13 3/8" / 54.5 / J55 / STC @ 450'
500 5/8 x "C" (circ 65 5/8 x)

COT pull 5 1/2" (jet cutter) 1175'

Before SWD Conversion

8 5/8" / 32 / J55 / STC @ 2340'
750 5/8 x PSL + 250 5/8 x "C" (circ 250 5/8 x)

1st: 385 5/8 x Spd H

2nd: 590 5/8 x Spd H