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 ECEIVED

Form C-101 June 16, 2008

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

MENDED REPORT NMOCD ARTESIA

MAR 2 Suzningo appropriate District Office

| | | OR PERM | OT TI | DRILL, R | E-EN' | TER, I | DEEPE | | | OR A | DD A ZONE |
|--|--|-------------------------|--------------------|--------------------|-------------------------------|---|---------------|--|---------------------------------------|-----------------------------------|-----------|
| Operator Name and Add | iress | Marbob Energy PO Box | n | | OGRID Number 14049 API Number | | | | | | |
| Artesia, NM 88211-0227 | | | | | | 30 – | | | 119 | 1 | |
| Property Code Property | | | | | | | | | | | |
| 34898 CTA State 9 Proposed Pool 1 | | | | | | e Com 2 | | | | | |
| | | Strawn Sand | | | | | гюрс | iscu rooi . | | | |
| | | | | ⁷ Surfa | ace Lo | cation | | | | | |
| UL or lot no Section L 32 | Township Range 18S 30E | | Lot 1 | 1 | iom the North/So 980 Sou | | i | Feet from the 660 | | ast/West line County West Eddy | |
| | | ⁸ Pro | ottom Hole L | ocation | If Differ | ent Fron | n Surface | | | | |
| UL or lot no Section | Township | Range | Lot I | dn Feet t | iom the | North/So | uth line | Feet from the | East/We | st/West line County | |
| Additional Well Information | | | | | | | | | | | |
| 11 Work Type Code P | 11 Work Type Code 12 Well Type Code 13 Cable | | | le/Rotary R | | 14 Lease Type Code S | | | 15 Ground Level Elevation 3405' GL | | |
| ¹⁶ Multiple N | 16 Multiple 17 Proposed Depth | | | | rmation orrow | | 19 Contractor | | | ²⁰ Spud Date 7/3/09 | |
| | | | ²¹ Prop | osed Casin | g and | Cemen | t Progr | am | | | |
| Hole Size | | | | | 1 | | Sacks of Cer | of Cement | | Estimated TOC | |
| 17 ½" 13 3/8" existing | | | 54.5# | | | 422' | | 450 sx | | 0 . | |
| 12 1/4" | | | | 36# | | 3415' | | 1150 s | 1150 sx | | 0 |
| 7 7/8" | 5 ½" existing | | 17# | | | 12111' | | 1625 sx | | 3400' TS | |
| | | | | | | ····· | | | | | |
| ²² Describe the proposed program If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone ad proposed new productive zo Describe the blowout prevention program, if any Use additional sheets if necessary | | | | | | | | | ew productive zone | | |
| Marbob Energy Corporation proposes to perforate, acidize and test the Strawn zone, then downhole commingle with the Morrow zone as follows: | | | | | | | | | | | |
| Set composite frac plug @ 10624'. | | | | | | | | | | | |
| Strawn Sand 10510' – 10518' (27 shots) 1000 gal NE Fe 15% HCl acid | | | | | | | | | | | |
| ***See Administrative Order DHC-4220 for downhole commingling information.*** | | | | | | | | | | | |
| ²³ I hereby certify that the | e informati | on given above is | true and co | omplete to the | | | | ************************************* | · | | |
| best of my knowledge and belief | | | | | | OIL CONSERVATION DIVISION | | | | | |
| Signature () 12. () | | | | | | Approved by. | | | | | |
| Printed name Diana J. Briggs | | | | | | Title Creator 5 | | | | | |
| Title Production Manager | | | | | | Approval Date 4/14/2000 Expiration Date | | | | | |
| E-mail Address dbriggs@marbob.com | | | | | | | | | - | | |
| Date March 26, 2010 Phone (575) 748-3303 | | | | | | Conditions of Approval Attached | | | | | |

State of New Mexico

Form C-102

District Office

1625 N. French Dr., Hobbs, NM 88240

District II

12 Dedicated Acres

320

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

¹³ Joint or Infill

Revised October 15,2009

Energy, Minerals & Natural Resources Department Revised October 15,2009
OIL CONSERVATION DIVISION ECEIVE Dom't one copy to appropriate

1220 South St. Francis Dr. Santa Fe, NM 87505

MAR 2 9 2010

NMOCD ARTESIA

| API Number | | | | ² Pool Code | | ³ Pool Name | | | | | |
|---------------|---------------------|---------------------------|----------------------------|------------------------|---------------|------------------------|---------------|------------------------|----------|--------|--|
| 30- | 19 | | | | Strawn | | | | | | |
| 4 Property | | | ⁵ Property Name | | | | | | | | |
| 34898 | 3 | CTA State Com | | | | | | | 2 | | |
| 7 OGRID | No. 8 Operator Name | | | | | | | ⁹ Elevation | | | |
| 14049 | • | Marbob Energy Corporation | | | | | | 3405' GL | | | |
| | , | | | · | 10 Surface | Location | | · | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/We | est line | County | |
| L | 32 | 18S | 30E | | 1980 | South | 660 | West | | Eddy | |
| | • | • | 11 Bo | ottom Ho | le Location I | f Different Froi | n Surface | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/We | est line | County | |

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.

¹⁵ Order No.

¹⁴ Consolidation Code

| 16 | | | 17 |
|--------|---|------|---|
| 10 | | | 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 |
| | | | March 26, 2010 |
| | | | Sunature Date |
| | | | Diana J. Briggs Production Manager |
| | | | Printed Name |
| | | | |
| | | | |
| | | - | ¹⁸ SURVEYOR CERTIFICATION |
| | | | I hereby certify that the well location shown on this |
| | | | plat was plotted from field notes of actual surveys |
| (de) | | | |
| T I | | | made by me or under my supervision, and that the |
| | | | same is true and correct to the best of my belief |
| | | | June 8, 2009 |
| | | | Date of Survey |
| | | | Signature and Seal of Professional Surveyor |
| , O& b | | | |
| 9 | | | REFER TO ORIGINAL PLAT |
| | | | Ronald J Eidson |
| | | | 3239 |
| | | | |
| | | | Certificate Number |
| | | | |