Form 3160-3 (July 1992)

N.M. Oil Cons. DiV

SINGLE

ZONE

(50

1301 W. Grandur vonue **UNITED STATES** DEPARTMENT OF THE INTERIOR Artesia, NM 882105. LEASE DESIGNATION AND SERIAL NO

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

BUREAU OF LAND MANAGEMENT

NMLC028784C 028793 C

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WORK DRILL X

b. TYPE OF WELL WELL X

OTHER

2. NAME OF OPERATOR

MARBOB ENERGY CORPORATION

3. ADDRESS AND TELEPHONE NO

PO BOX 227, ARTESIA, NM 88211-0227

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface 999 FNL 330 FWL, UNIT D

At proposed prod. zone 1190

SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

SEE SURFACE USE PLAN

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drig, unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

DEEPEN

330'

16. NO. OF ACRES IN LEASE

1120 19. PROPOSED DEPTH

48001

7. UNIT AGREEMENT NAME NMNM88525X

8. FARM OR LEASE NAME, WELL NO.

BURCH KEELY UNIT #892 9. API WELL NO.

30-015-10. FIELD AND POOL

GRBG JACKSON SR Q GRBG SA 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

SEC. 23-T17S-R29E 12. COUNTY OR PARISH 13. STATE

EDDY

NM

17. NO. OF ACRES ASSIGNED TO THIS WELL

20. ROTARY OR CABLE TOOLS

ROTARY

22. APPROX. DATE WORK WILL STARTS

3589' GL

Roswell Controlled Water Basin

SETTING DEPTH

AUGUST 19. 2002

23

PROPOSED CASING AND CEMENTING PROGRAM

QUANTITY OF CEMENT

SIZE OF HOLE 12 1/4" 7/8" GRADE, SIZE OF CASING 8 5/8" J55 5 1/2"

OPTIMUM PRODUCTION.

WEIGHT PER FOOT 24# 17#

350' 48001

300 SX SUFFICIENT TO COVER 200' ABOVE ALL KNOWN OIL & GAS HORIZONS

PAY ZONE WILL BE SELECTIVELY PERFORATED AND STIMULATED AS NEEDED FOR

ATTACHED ARE:

- WELL LOCATION AND ACREAGE DEDICATION PLAT
- 2. SURFACE USE PLAN
- SUPPLEMENTAL DRILLING DATA 3.

MASTER SURFACE USE PLAN ON FILE AT BLM ROSWELL.

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen dilectionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED

PRODUCTION ANALYST

7/23/02

(This space for Federal or State office use)

PERMIT NO

APPROVAL DATE

Application approval does not warrant or certify that 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:

/s/ Mary J. Rugwell

FIELD MANAGER

SEP 1 1 2002

APPROVED BY

*See Instructions On Reverse Side APPROVAL FOR 1 Y
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.