

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

RECEIVED

SEP 03 2009

HOBBSOCD

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

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

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 PO Box 227 Artesia, NM 88211-0227		² OGRID Number 14049
³ Property Code 35924		⁴ API Number 30 - 025-38067
⁵ Property Name Rhoid State		⁶ Well No 1
⁹ Proposed Pool 1 E.K Yates - SR - BW (1995)		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no D	Section 24	Township 18S	Range 33E	Lot Idn	Feet from the 330	North/South line North	Feet from the 330	East/West line West	County Lea
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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
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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3903' GL
¹⁶ Multiple N	¹⁷ Proposed Depth 9200'	¹⁸ Formation Delaware	¹⁹ Contractor	²⁰ Spud Date 1/25/07

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" existing	48#	382'	400 sx	0
12 1/4"	8 5/8" existing	32#	3037'	1400 sx	0
7 7/8"	5 1/2" existing	17#	9189'	1400 sx	2300' CBL

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.

Marbob Energy Corporation proposes to perforate, acidize, test & possibly frac the Yates zone as follows:

Set CIBP + 35' cmt @ 5290'.

Yates Sand 3544' - 3552' (27 shots)

750 gal NE Fe 7 1/2 % HCl

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway**

Plugback

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

Signature:

Printed name Diana J. Briggs

Title Production Manager

E-mail Address: production@marbob.com

Date 9/1/09

Phone: (575) 748-3303

OIL CONSERVATION DIVISION

Approved by:

Title DISTRICT 1 SUPERVISOR

Approval Date: SEP 21 2009

Expiration Date:

Conditions of Approval Attached ☐

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State of New Mexico

Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-38067	² Pool Code 1995D	³ Pool Name E-K Yates - SR-QW
⁴ Property Code 35924	⁵ Property Name Rhoid State	⁶ Well Number 1
⁷ OGRID No. 14049	⁸ Operator Name Marbob Energy Corporation	⁹ Elevation 3903' GL

¹⁰ Surface Location

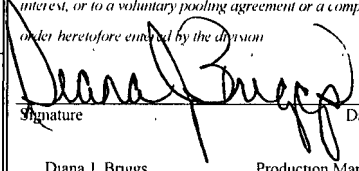
UL or lot no. D	Section 24	Township 18S	Range 33E	Lot Idn	Feet from the 330	North/South line North	Feet from the 330	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

<div><div>16</div><div>3239</div></div>				<div><div>¹⁷ OPERATOR CERTIFICATION</div><div><i>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</i></div><div><div></div><div>9/2/09</div></div><div><div>Signature</div><div>Date</div></div><div><div>Diana J. Briggs</div><div>Production Manager</div></div><div><div>Printed Name</div></div></div>
				<div><div>¹⁸ SURVEYOR CERTIFICATION</div><div><i>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</i></div><div><div>8/1/06</div></div><div><div>Date of Survey</div></div><div><div>Signature and Seal of Professional Surveyor</div></div><div><div>REFER TO ORIGINAL PLAT</div></div><div><div>3239</div><div>Ronald J. Eidson</div></div><div><div>Certificate Number</div></div></div>