

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

RECEIVED

Form C-101
June 16, 2008

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

AUG 23 2010

HOBBSOC

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 API Number 30-025-38827
⁴ Property Code 31985	⁵ Property Name Magnum Pronto State Com	⁶ Well No. 2
⁹ Proposed Pool 1 Lusk; Bone Spring, South		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no K	Section 32	Township 19S	Range 32E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	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 N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3533'
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Morrow	¹⁹ Contractor	²⁰ Spud Date ASAP

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	54.5#	876'	800 sx (In Place)	0
12 1/4"	9 5/8" existing	36# & 40#	4011'	2100 sx (In Place)	0
7 7/8"	5 1/2" existing	17#	12945'	1900 sx (In Place)	3460' TS

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.

Propose to recomple to Bone Spring as follows:

Set CIBP + 35' cmt @ 11850'. Perforate 2nd Bone Spring sand 9323-9362' (15). Acdz w/1500 gal NEFE 7 1/2% HCl & swab test. If decision is made to frac, frac w/120,000# 16/30 sand.

Perforate Bone Spring 7656-8023' (25). Acdz w/2150 gal NEFE 7 1/2% HCl & swab test. If decision is made to frac, frac w/500,000# sand.

Any zoneto be abandoned will be done with a CIBP + 35' cmt set within 50' - 100' of the top perforation. Marginally producing zones may be downhole commingled with NMOCD approval. A pkr/RBP, pkr/CBP and/or pkr/CIBP combination will be used when testing zones.

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

Signature.

Stormi Davis

Printed name. Stormi Davis

Title. Production Assistant

E-mail Address: sdavis@marbob.com

Date: 8/20/10

Phone: (575) 748-3303

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title

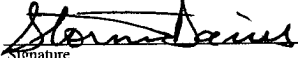
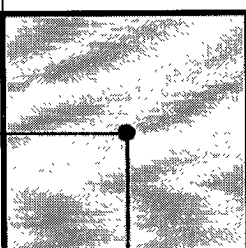
PETROLEUM ENGINEER

Approval Date: AUG 31 2010

Expiration Date:

Conditions of Approval Attached ☐

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plug back

16				<div data-bbox="1071 957 1533 1241"><p>17 OPERATOR CERTIFICATION</p><p><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></p><div data-bbox="1071 1184 1533 1241"><div> Signature</div><div>8/20/10 Date</div></div><div data-bbox="1071 1262 1533 1314"><div>Stormi Davis</div><div>Production Assistant</div><div>Printed Name</div></div></div>
1980'				<div data-bbox="1071 1440 1533 1667"><p>18 SURVEYOR CERTIFICATION</p><p><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></p><div data-bbox="1071 1659 1533 1715"><div>Date of Survey</div><div>Signature and Seal of Professional Surveyor</div></div><div data-bbox="1071 1759 1533 1860"><div>REFER TO ORIGINAL PLAT</div><div>Certificate Number</div></div></div>
	1980'			