1625 N. French Drive
Hobbs, NM 88246 SUBMIT IN TRIPLICATE*
(Other instructions on

FORM APPROVED Burgayu 992 and Management Received (Other instructions on OMB NO. 1004-0136 UNITED STATES Expires: February 28, 1995 reverse side) DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO JUN 1 3 2000 BUREAU OF LAND MANAGEMENT NM-59045 6. IF INDIAN, ALLOTTEE OR TRIBE NAME OR PERMIT TO DRILL Carlsba PRUIOACEION 12 TYPE Carlsbad 7. UNIT AGREEMENT NAME DEEPEN DRILL X b. TYPE OF WELL MULTIPLE : SINGLE OIL _ GAS 8. FARM OR LEASE NAME, WELL NO. WELL X ZONE OTHER SL DEEP FEDERAL COM #1 2. NAME OF OPERATOR 9. API WELL NO MARBOB ENERGY CORPORATION 30-025-3508 3. ADDRESS AND TELEPHONE NO 10. FIELD AND POOL, OR WILDCAT P.O. BOX 227, ARTESIA, NM 88210 505-748-3303 LUSK MORROW (GAS) 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA At surface 1980 FSL 1650 FEL At proposed prod. zone SEC. 30-T19S-R32E SAME 12. COUNTY OR PARISH 13. STATE 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE NM LEA SEE SURFACE USE PLAN 17. NO. OF ACRES ASSIGNED TO THIS WELL 16, NO. OF ACRES IN LEASE 15. DISTANCE FROM PROPOSED LOCATION TO NEAREST 642.4 160 1650 PROPERTY OR LEASE LINE, FT (Also to nearest drig, unit line, if any) 20. ROTARY OR CABLE TOOLS 19. PROPOSED DEPTH 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, 12.500 ROTARY OR APPLIED FOR, ON THIS LEASE, FT. 22. APPROX. DATE WORK WILL START* 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 07/08/00 3542' GR 23. PROPOSED CASING AND CEMENTING PROGRAM QUANTITY OF CEMENT SETTING DEPTH WEIGHT PER FOOT GRADE, SIZE OF CASING SIZE OF HOLE 450 SX 800 H-40, 13 3/8" 48# 17 1/2" 2200 SX 24# & 32# 4500 J-55, 8 5/8" 12 1/4" 12,500 17# SUFF TO COVER 200' ABOVE ALL KNOWN OIL&GAS HORIZONS 7 7/8" S-95 & N-80, 5 1/2 PAY ZONE WILL BE SELECTIVELY STIMULATED AND PERFORATED AS NEEDED FOR OPTIMUM PRODUCTION ATTACHED ARE: 1. WELL LOCATION AND ACREAGE DEDICATION PLAT face water protection.

Hole: - 20" casing set at 850'

into the top of the Rustler SURFACE USE PLAN 3. SUPPLEMENTAL DRILLING DATE OPER. OGRID NO. 1404 PROPERTY NO. 2 POOL CODE / 7 EFF. DATE 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 directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. 24 TITLE PRODUCTION ANALYST SIGNED (This space for Federal or State office use) 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 Assistant Field Manager, APPROVED BY /S/LARRY D. BRAY Lands And Minerals DATE TITLE

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