Form 3160-3
(July 1989)
(formerly 9-331C)

N.M. OIL CONS. COMMISSION
P.O. BOX 1980
HOBBS, NEW MEXICO 88240

CONTACT RECEIVING OFFICE FOR NUMBER OF COPIES REQUIRED

(Other instructions on reverse side)

BLM Roswell District
Modified Form No.
NM060-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: Marbob Energy Corporation

3a. Area Code & Phone No.: 505-748-3303

3. ADDRESS OF OPERATOR: P. O. Drawer 226 Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1980 FSL 660 FEL UNIT I
At proposed prod. zone: SAME

5. LEASE DESIGNATION AND SERIAL NO.: ~~NM-65655~~ NM-90592

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: CHEAPER THAN KIDS FEDERAL

9. WELL NO.: 02

10. FIELD AND POOL, OR WILDCAT: WILDCAT Bone Spring

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SEC. 22-T22S-R33E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: EAST OF CARLSBAD ON U.S. 182 (SEE SURFACE USE & OPERATING PLAN)

12. COUNTY OR PARISH: LEA

13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 660'

16. NO. OF ACRES IN LEASE: 1960

17. NO. OF ACRES ASSIGNED TO THIS WELL: 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 5442'

19. PROPOSED DEPTH: 10,000

20. ROTARY OR CABLE TOOLS: ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3532' GR

22. APPROX. DATE WORK WILL START*: MARCH 15, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	J-55	STC	1150'	600 SX CIRC
12 1/4"	8 5/8"	32#	J-55	LTC	4975'	2000 SX CIRC
7 7/8"	5 1/2"	17#	J-55	LTC	10,000	CMT AS NECESSARY (TIEBACK)

PAY ZONE WILL BE SELECTIVELY PERFORATED AND STIMULATED AS NEEDED FOR OPTIMUM PRODUCTION.

ATTACHED ARE:
1. LOCATION & DEDICATION PLAT
2. SUPPLEMENTAL DRILLING DATA
3. SURFACE USE PLAN

OPER. OGRID NO. 14049
PROPERTY NO. 18731
POOL CODE 96
EFF. DATE 3-17-96
API NO. 30-025-33343

RECEIVED
FEB 7 3 03 PM '96
OIL CONSERVATION DIVISION

FEB 15 '96

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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.
SIGNED Rhonda Nelson TITLE Production Clerk DATE 2/6/96

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED (ORIG. SGD.) DAVID R. GLASS TITLE Area Manager DATE MAR 1 1996

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

*See Instructions On Reverse Side

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Departme...

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-025-33342	-	WILDCAT Paddock Spring

Property Code	Property Name	Well Number
18736	CHEAPER THAN KIDS FEDERAL	2

OGRID No.	Operator Name	Elevation
014049	MARBOB ENERGY CORPORATION	3532

Surface Location

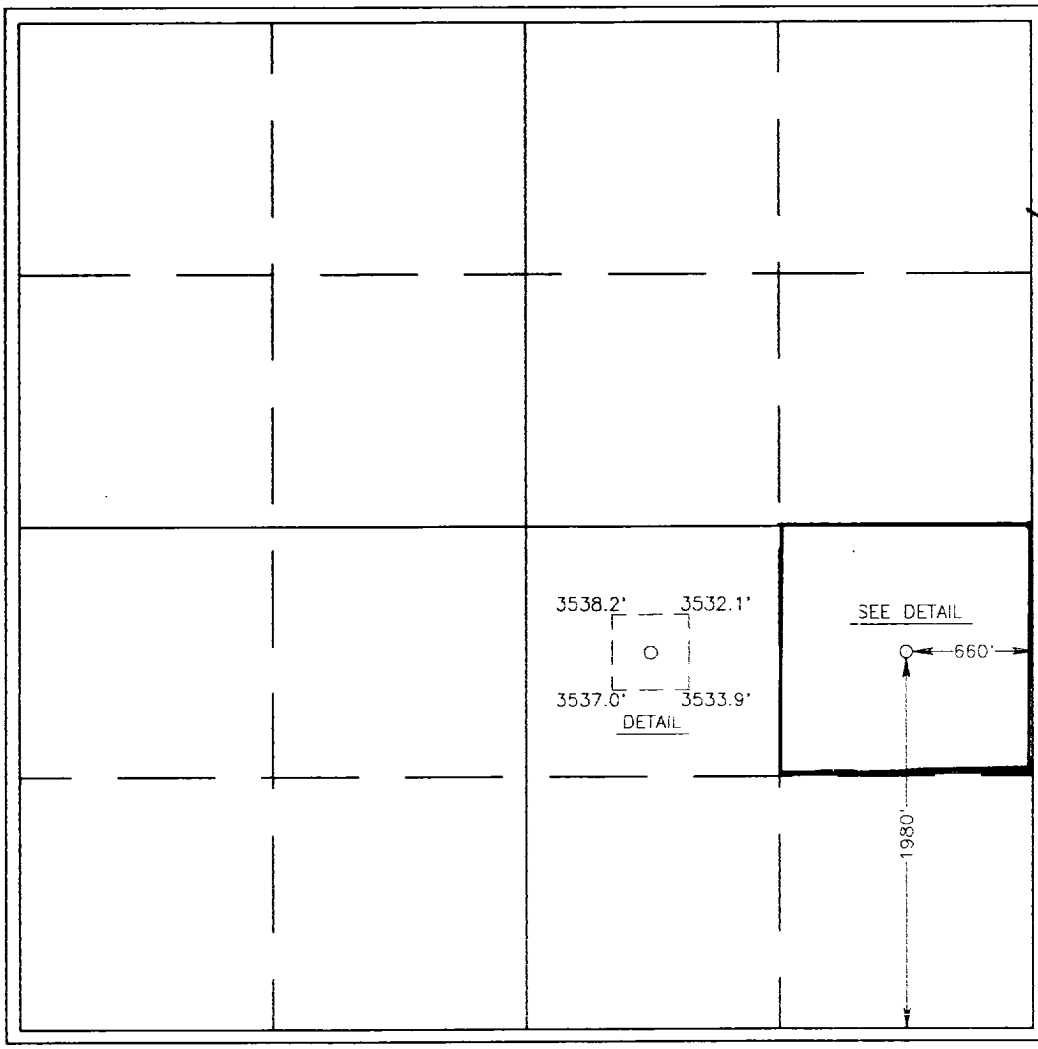
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	22	22 S	33 E		1980	SOUTH	660	EAST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Rhonda Nelson
Signature

Rhonda Nelson
Printed Name

Production Clerk
Title

2/6/96
Date

SURVEYOR CERTIFICATION

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 supervison, and that the same is true and correct to the best of my belief.

JANUARY 25, 1996
Date Surveyed SJA

Signature & Seal of Professional Surveyor

1-30-96

W.O. Num. 96-11-0111

Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
GARY L. EIDSON 12641

MARBOB ENERGY CORPORATION
CHEAPER THAN KIDS FEDERAL NO. 2
1980' FSL AND 660' FEL
I-SECTION 22, T-22S, R-33E
LEA COUNTY, NEW MEXICO

LOCATED:	Approximately 32 miles northwest of Jal, NM
FEDERAL LEASE NUMBER:	NM-65655
LEASE ISSUED:	May 1, 1986
ACRES IN LEASE:	1,960 acres Township 22 South, Range 33 East Section 10: NE/4NE/4 Section 11: E/2, E/2W/2 Section 12: N/2 Section 14: S/2NE/4, SE/4NW/4, E/2SW/4, SE/4 Section 22: S/2 Section 23: NE/4NW/4, S/2NW/4, S/2
RECORD LESSEE:	Kenneth Cherwin
BOND COVERAGE:	Statewide Bond of Marbob Energy Corporation On file at BLM - Carlsbad office
SURFACE OWNERSHIP:	Federal Surface
POOL RULES:	Gramma Ridge Bone Springs/Delaware Statewide Rules - 40 acre oil spacing
EXHIBITS:	1. C-104 2. USGS Topographical Map 3. Map showing roads & wells in vicinity 4. Well pad plat

DRILLING PROGRAM

Attached to Form 3160-3
Marbob Energy Corporation
Cheaper Than Kids Federal No. 2
1980' FSL and 660' FEL
I-Section 22, T-22S, R-33E
Lea County, New Mexico

1. Geologic Name of Surface Formation:

   Permian

2. Estimated Tops of Important Geologic Markers:

Permian	Surface
Rustler	1145'
Lamart	4950'
Cherry Canyon	5950'
Brushy Canyon	7100'
Bone Springs	8850'
1st Sand	8950'
2nd Sand	9950'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas

Brushy Canyon	7100'	Oil or Gas

4. Casing Program:

Hole Size	Interval	OD csg	Weight, Grade, Jt. Cond.	Type
17 1/2"	0 - 1150'	13 3/8"	54.5# J-55 STC NEW	R-3
12 1/4"	0 - 4975'	8 5/8"	32# J-55 LTC NEW	R-3
7 7/8"	0 - TD	5 1/2"	17# J-55 LTC NEW	R-3

Cement Program:

13 3/8" Surface Casing: Cemented to surface with 600sx of Class C w/2% cc. + 200 sx C neat cement w/2% CACL & circulate excess cement to pits. Allow 18 hours to set. Pressure test w/pumps to 500# for 30 minutes.

8 5/8" Intermediate Casing: Cemented with 1800 sx Class C Lite w/10# salt per sx + 200 sx C neat w/1% CACL. Will attempt to curculate to surface. Allow 18 hrs. To set. Pressure test to 1000# for 30 minutes.

5 1/2" Production Casing: Cement as necessary and pressure test to 1900# using rig pumps.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram-type (3000 psi wp) preventer. This unit will by hydraulically operated and the ram-type preventer will be equipped with blind rams on top and 4-1/2" drill pipe rams on bottom. This BOP will be nipped up on the 13 3/8" surface csg and used continuously until TD is reached. All BOP's and accessory equipment will be tested to 1000 psi before drilling out of surface casing.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A 2" kill line and a 3" choke line will be included in the drilling spool located below the ram-type BOP. Other accessories to the BOP equipment will include a kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 3000 psi WP rating.

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to TD with cut brine. The applicable depths and properties of this system are as follows:

Depth	Type	Weight (ppg)	Viscosity (sec)	Waterloss (cc)
0 - 1150'	Native Fresh Water Mud (Spud)	8.5	28	N.C.
1150'-4975'	Saturated Brine	9.8 - 10.2	40 - 45	N.C.
4975'-TD	Fresh Water Cut Brine	9.0 - 9.5	32 - 38	< 15

Starch & gel will be used to control water loss and viscosity

7. Auxiliary Well Control and Monitoring Equipment:

(A) A kelly cock will be kept in the drill string at all times.

(B) A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.

8. Logging, Testing, and Coring Program:

(A) Drillstem tests as needed.

(B) The electric logging program will consist of Dual Laterolog Micro SFL, Spectral Density Dual Spaced Neutron Csng Log, and Depth Control Log.

No conventional coring is anticipated.

9. Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature (BHT) at TD is 150' and estimated bottom hole pressure (BHP) is 3500 psig. Do not expect to encounter H2S in this area.

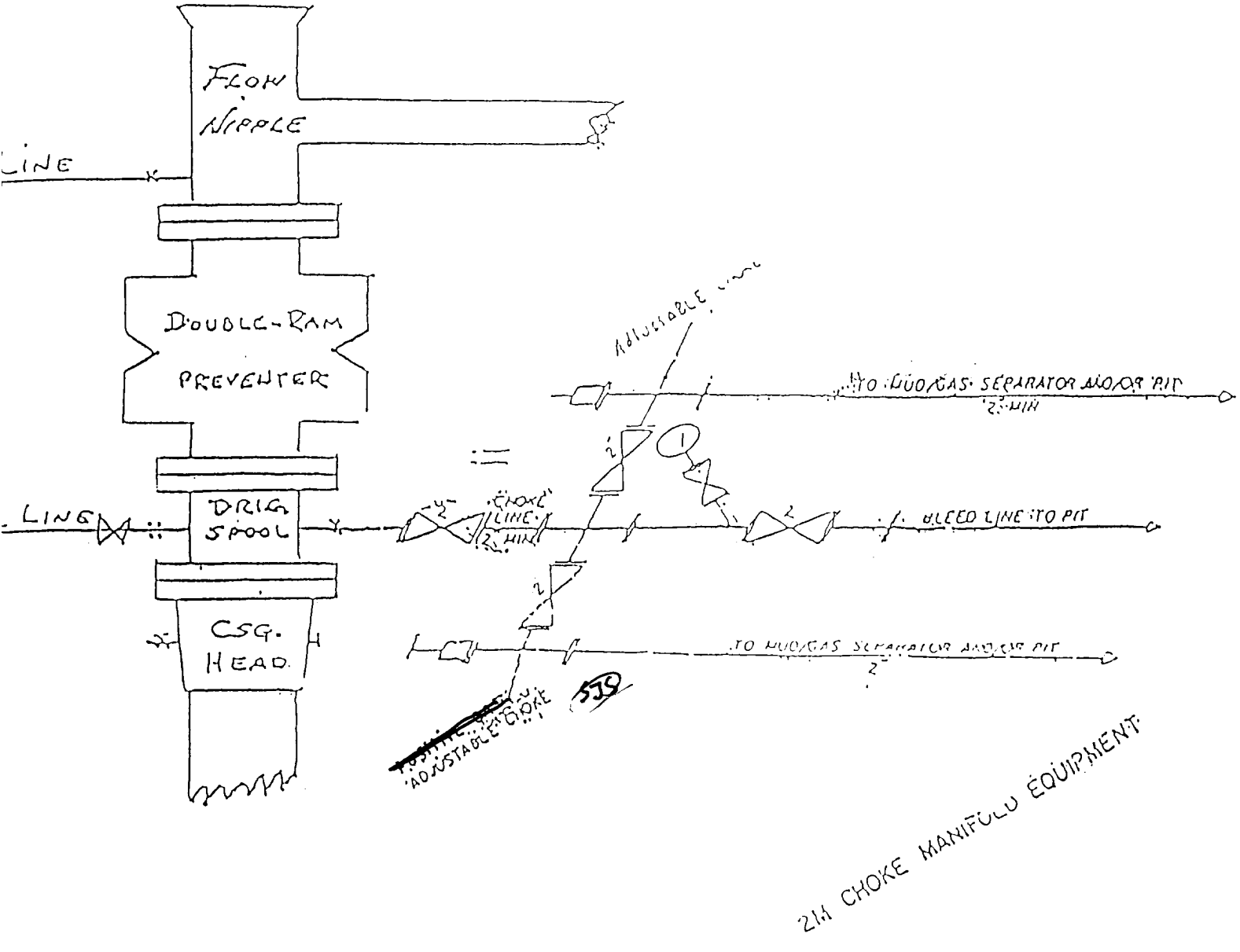
10. Anticipated Starting Date and Duration of Operations:

Location and road work will not begin until approval has been received from the BLM. The anticipated spud date is after March 15, 1996. Once commenced, the drilling operation should be finished in approximately 21 days. If the well is productive, an additional 30 to 60 days will be required for completion and testing before a decision is made to install permanent facilities.

EXHIBIT #1

B O P & CHOKE MANIFOLD

10"/900 Cameron SS Space Saver
3000# Working Pressure
3,000# Working Pressure Choke Manifold



Marbob Energy Corporation
Cheaper Than Kids Federal No. 2
1980' FSL & 660' FEL
I-Section 22, T-22S, R-33E
Lea County, New Mexico
Exhibit #1

Attachment to Exhibit #1
NOTES REGARDING THE BLOWOUT PREVENTERS

1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.

2. Wear ring to be properly installed in head.

3. Blow out preventer and all fittings must be in good condition, 3000 psi W.P. minimum.

4. All fittings to be flanged.

5. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 3000 psi W.P. minimum.

6. All choke and fill lines to be securely anchored, especially ends of choke lines.

7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.

8. Kelly cock on kelly.

9. Extension wrenches and hand wheels to be properly installed.

10. Blow out preventer control to be located as close to driller's position as feasible.

11. Blow out preventer closing equipment to include minimum 40 gallon accumulator, two independent sources of pump power on each closing unit installation, and meet all API specifications.