

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised May 08, 2003

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-31567
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator MARBOB ENERGY CORPORATION		6. State Oil & Gas Lease No. L-6381
3. Address of Operator PO BOX 227, ARTESIA, NM 88211-0227		7. Lease Name or Unit Agreement Name CCAP STATE COM
4. Well Location Unit Letter O : 990 feet from the SOUTH line and 1488 feet from the EAST line Section 16 Township 22S Range 27E NMPM County EDDY		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3102' GL		9. OGRID Number 14049
		10. Pool name or Wildcat CARLSBAD; MORROW, SOUTH

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: ADD ADD'L PAY IN MORROW <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

ADD ADDITIONAL PAY IN THE MORROW SANDS AS FOLLOWS:

SET 10K COMPOSITE BRIDGE PLUG @ 11550'. PERF THE UPPER MORROW @ 11440'-11464' (18 SHOTS) & 11498'-11532' (6 SHOTS). ACIDIZE W/ 1500 GAL CLAY SAFE H ACID. SWAB/FLOW TEST. IF DECISION MADE TO FRAC, PERF THE MORROW @ 11440'-11464' (108 SHOTS) & FRAC DOWN CSG W/ 30000# 18/40 VERSAPROP.

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

SIGNATURE Diana J. Cannon TITLE PRODUCTION ANALYST DATE 1/21/05

Type or print name DIANA J. CANNON Telephone No. (505) 748-3303
(This space for State use)

APPROVED BY TIM W. GUM TITLE DISTRICT II SUPERVISOR DATE FEB 02 2005
Conditions of approval, if any