

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007Month - Year
MAR - 5 2007
OCD - ARTESIA, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator MARBOB ENERGY CORPORATION

3a. Address
P O BOX 227, ARTESIA, NM 88211-02273b. Phone No. (include area code)
505-748-3303

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEC. 23-T24S-R25E, UNIT N
550 FSL 2215 FWL, SE/4SW/4

5. Lease Serial No.

NMNM31636

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MULE 23 FEDERAL #1

9. API Well No.

30-015-34400

10. Field and Pool, or Exploratory Area

WILDCAT MORROW

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

MARBOB ENERGY CORPORATION PROPOSES TO CHANGE THE CASING PROGRAM

FROM: 17 1/2" HOLE, 0-400', 13 3/8" 48# H-40 STC CSG
12 1/4" HOLE, 400-2300', 9 5/8" 36# J-55 STC CSG
8 3/4" HOLE, 2300-12100', 5 1/2" 17# S-95 P-110 CSG

TO: 26" HOLE, 0-400', 20" 94# H-40 CSG
12 1/4" HOLE, 400-2300', 9 5/8" 36# J-55 STC CSG
8 3/4" HOLE, 2300-8770', 7" 23# N-80 P-110 (TOC TO BE 200' INTO BTM OF 9 5/8" CSG)
6 1/8" HOLE, 8770-12000', 4 1/2" 11.6# S-95 P-110 CSG

SEE ATTACHED FOR
CONDITIONS OF APPROVAL14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

DEBORA L. WILBOURN

Title GEOTECH

Signature

Deborah L. Wilbourn

Date

02/21/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE APPROVED

Approved by

Conditions of approval, if any, are attached. Approval of this notice 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.

Title

Office

Date

FEB 23 2007

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Accepted for record - NMOCD

3/6/07

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted for changes in the COA for the casing settings and cementing to read as follows:
2. The 5.5" production casing will be replaced by a 7" casing string from 0 to 8770' and a 4.5" string.
3. The 7" casing will be cemented such that the cement will come up to at least 200 feet inside the 9.625" casing, unless there is lost circulation while drilling the well bore for the 9.625" casing; in which case the cement on the 7" casing will be brought up to at least 200 feet above the top of the most shallow lost circulation zone.
4. 7" 23# N-80 and P-110 casing will be used for the well with the 7" N-80 casing not being used below 7800 feet.
5. 4.5" 11.6# S-95 and P-110 casing will be used for the production casing with cement being circulated to at least 200 feet inside of the 7" casing.
6. The rest of the proposal is accepted as presented.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 2/23/07