

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Permit 66863

|                                                                                                                                                                                                                                                                                                                                         |  |                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)<br>1. Type of Well: <input type="radio"/>                                                                                 |  | WELL API NUMBER<br>30-015-34959                             |
|                                                                                                                                                                                                                                                                                                                                         |  | 5. Indicate Type of Lease<br>S                              |
|                                                                                                                                                                                                                                                                                                                                         |  | 6. State Oil & Gas Lease No.                                |
| 2. Name of Operator<br>MARBOB ENERGY CORP                                                                                                                                                                                                                                                                                               |  | 7. Lease Name or Unit Agreement Name<br>PETROLEUM JLE STATE |
| 3. Address of Operator<br>PO Box 227, Artesia, NM 88211                                                                                                                                                                                                                                                                                 |  | 8. Well Number<br>001                                       |
| 4. Well Location<br>Unit Letter <u>B</u> : <u>330</u> feet from the <u>N</u> line and <u>1800</u> feet from the <u>E</u> line<br>Section <u>32</u> Township <u>18S</u> Range <u>30E</u> NMPM <u>Eddy</u> County                                                                                                                         |  | 9. OGRID Number<br>14049                                    |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3431 GR                                                                                                                                                                                                                                                                            |  | 10. Pool name or Wildcat                                    |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ |  |                                                             |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐  
CASING/CEMENT JOB ☐  
Other: **Drilling/Cement** ☒

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.  
SPUD WELL @12:30 AM ON 12/29/07. DRLD 17 1/2" HOLE TO 405' @11:15 AM ON 12/29/07. RAN 10 JTS (407.49') 13 3/8" 48# K-55 CSG TO 403.50'. CMTD W/470 SX P+, PD @4:00 PM ON 12/29/07, CIRC 155 SX TO PIT. WOC 18 HRS, TSTD CSG TO 600# F/30 MIN - HELD OK.

12/31/07 @2:30 PM, DRLD 12 1/4" HOLE TO 1522'. RAN 36 JTS (1516.13') 9 5/8" 36# K-55 CSG TO 1520'. CMTD W/300 SX HLPP, TAILED IN W/250 SX P+, PD @10:00 PM ON 12/31/07, CIRC 125 SX TO PIT. WOC 18 HRS, TSTD CSG TO 1500# F/30 MIN - HELD OK. 12/29/2007 Spudded well.

Casing and Cement Program

| Date     | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class    | 1" Dpth | Pres Held | Pres Drop | Open Hole |
|----------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|----------|---------|-----------|-----------|-----------|
| 12/29/07 | Surf   |            | 17.5      | 13.375   | 48           | K55   | 0       | 404      | 470   |       | P+       |         | 600       | 0         |           |
| 12/31/07 | Int1   |            | 12.25     | 9.625    | 36           | K55   | 0       | 1520     | 550   |       | HLPP, PP |         | 1500      | 0         |           |

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE Production Analyst DATE 1/2/2008  
Type or print name Diana Briggs E-mail address production@marbob.com Telephone No. 505-748-3303

For State Use Only:

APPROVED BY: Bryan Arrant TITLE Geologist DATE 1/3/2008 8:19:35 AM