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District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

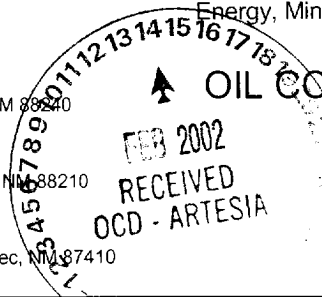
Form C-103
Revised 1-1-89

CISF
OP

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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



OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-20829
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE
State Oil & Gas Lease No. K-6290
Lease Name or Unit Agreement Name AIRPORT GRACE
Well No. 1
Pool name or Wildcat CARLSBAD STRAWN SOUTH

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.)

Type of Well:
OIL WELL GAS WELL OTHER

Name of Operator
MARBOB ENERGY CORPORATION

Address of Operator
PO BOX 227, ARTESIA, NM 88211-0227 505-748-3303

Well Location
Unit Letter K 1980 Feet From The SOUTH Line and 2164 Feet From The WEST Line
Section 36 Township 22S Range 26E NMPM EDDY County

Elevation (Show whether DF, RKB, RT, GR, etc.)
3221' GR

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ANBANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: RECOMPLETION <input checked="" type="checkbox"/>

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.

PLUG BACK AS FOLLOWS:
 1/21/02 - SET 7" CIBP @ 11400', DUMP 35' CMT ON TOP OF PLUG. SET SECOND 7" CIBP @ 10865', DUMP 35' CMT ON TOP OF PLUG. LOAD HOLE W/ 2% KCL & TEST CSG TO 700 PSI @ 2 BPM. PERF STRAWN @ 1 SPF @ 10435, 37, 39, 41, 43, 45, 513, 15, 17, 19, 54, 56, 58 & 60' (14 SHOTS).
 1/22/02 - SET PKR @ 10366'. START SWABBING DOWN TO 9000'.
 1/23/02 - PUMP 5000 GAL 15% NEFE HCL ACID AND DROP 5 SLUGS OF 5 BALLS. FORMATION BROKE @ 6844 PSI. TREAT @ 4800 - 5000 PSI @ 3.5 BPM. ISDP 3140 PSI.
 1/24/02 - SWAB WELL DRY IN 7 RUNS. WELL MAKING 25-30 MCF. SWI.
 1/29/02 - PUMP 16,000 GAL HCL 15% ACID AND 85 TONS OF CO2. TREATED @ 6100 PSI @ 10 BPM. ISIP 3562 PSI. STARTED FLOWING WELL BACK ON 20/64" CHOKE WITH 3300 PSI.
 1/30/02 - LEFT WELL FLOWING TO FRAC TANK ON 6/64" CHOKE.
 1/31/02 - WELL HAD 200 PSI ON 6/64" CHOKE. TAG FLUID @ S/N (10350').

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

SIGNATURE TITLE PRODUCTION ANALYST DATE 02-13-02
 TYPE OR PRINT NAME DIANA J. CANNON TELEPHONE NO. 505-748-3303

(This space for State Use)

**ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR**

APPROVED BY TITLE DATE MAR 19 2002

CONDITIONS OF APPROVAL, IF ANY:

