

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. 30-015-30744
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No. V-220
Lease Name or Unit Agreement Name MONCRIEF STATE
Well No. 2
Pool name or Wildcat RED LAKE QUEEN GRBG SA

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
P.O. BOX 227, ARTESIA, NM 88210

Well Location
Unit Letter L : 2310 Feet From The SOUTH Line and 531 Feet From The WEST Line
Section 23 Township 17S Range 28E NMPM EDDY County

Elevation (Show whether DF, RKB, RT, GR, etc.)
3593'

11 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 PLANS
PULL OR ALTER CASING
OTHER: _____

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING
COMMENCE DRILLING OPNS. PLUG AND ANBANDONMENT
CASING TEST AND CEMENT JOB
OTHER: SPUD, CMT CSG

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.

SPUD WELL @ 9:30 A.M. 9/8/99. DRLD 12 1/4" HOLE TO 540', RAN 13 JTS 8 5/8" 24# J-55 CSG TO 532', CMTD W/300 SX, PLUG DOWN @ 9:10 A.M. 9/9/99, CIRC 15 SX TO SURF. WOC 18 HRS, TSTD CSG TO 600# FOR 20 MINUTES - HELD OK.

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

SIGNATURE Robin Cockrum TITLE ROBIN COCKRUM DATE 09-10-99

TYPE OR PRINT NAME ROBIN COCKRUM TELEPHONE NO. 748-3303

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

- Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
 Santa Fe, NM 87505

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

DISTRICT III
 1000 Rio Brazos Rd, Aztec, NM 87410

WELL API NO. 30-015-30744
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-220

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	7. Lease Name or Unit Agreement Name MONCRIEF STATE
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____	

2. Name of Operator MARBOB ENERGY CORPORATION	8. Well No. 2
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3. Address of Operator P.O. BOX 227, ARTESIA, NM 88210	9. Pool name or Wildcat RED LAKE QUEEN GRBG SA
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4. Well Location Unit Letter <u>L</u> : <u>2310</u> Feet From The <u>SOUTH</u> Line and <u>531</u> Feet From The <u>WEST</u> Line Section <u>23</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>EDDY</u> County	
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10. Date Spudded 09/08/99	11. Date T.D. Reached 09/17/99	12. Date Compl. (Ready to Prod.) 09/30/99	13. Elevations (DF & RKB, RT, GR, etc.) 3593' GR	14. Elev. Casinghead
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15. Total Depth 4025'	16. Plug Back T.D. 4000'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools <input checked="" type="checkbox"/> Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name 3444-3728' SAN ANDRES	20. Was Directional Survey Made No
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21. Type Electric and Other Logs Run DLL, CSNG	22. Was Well Cored No
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23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	532'	12 1/4"	300 SX	CIRC 15 SX
5 1/2"	17#	4012'	7 7/8"	775 SX	CIRC TRACE

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	3401'	

26. Perforation record (interval, size, and number) 3444-3728' 17 SHOTS	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	3444-3728'	ACD W/2000 ALS 15% NEFE ACID

28. PRODUCTION

Date First Production 10/02/99	Production Method (Flowing, gas lift, pumping - Size and type pump) PUMPING				Well Status (Prod. or Shut-in) PROD		
Date of Test 10/04/99	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - BbL. 18	Gas - MCF 54	Water - BbL. 1023	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - BbL.	Gas - MCF	Water - BbL.	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD	Test Witnessed By SHANE GRAY
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30. List Attachments LOGS, DEVIATION SURVEY
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31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Robin Cockrum Printed Name ROBIN COCKRUM Title PRODUCTION ANALYST Date 10/11/99

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____ 1472'	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 2012'	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____ 3422'	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from to
 No. 2, from to
 No. 3, from ... to
 No. 4, from ... to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to ... feet
 No. 2, from to ... feet
 No. 3, from to ... feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology

SEP 23 1999

WELL NAME AND NUMBER Moncrief State No. 2

LOCATION NW/4, SW/4, Section 23, T17S, R28E, Eddy County NM

OPERATOR Marbob Energy Corporation

DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/4° 540'</u>	_____	_____
<u>1/4° 997'</u>	_____	_____
<u>1/2° 1498'</u>	_____	_____
<u>1/2° 1994'</u>	_____	_____
<u>1/4° 2521'</u>	_____	_____
<u>1/2° 3018'</u>	_____	_____
<u>1/4° 3516'</u>	_____	_____
<u>1/2° 4025'</u>	_____	_____

Drilling Contractor United Drilling Inc.

By: Dwight A. Aho

Title: Business Manager

Subscribed and sworn to before me this 20th day of September, 1999.

Karina Fairley
Notary Public

My Commission Expires: 9-25-2003

Chaves NM
County State

MARBOB ENERGY CORPORATION
MONCRIEF STATE #2
2310 FSL 531 FWL, SEC. 23-T17S-R28E
30-015-30744

<u>Working Interest Owner</u>	<u>Percentage Interests</u>
Marbob Energy Corporation P.O. Box 227 Artesia, NM 88210	65.00%
Pitch Energy Corporation P.O. Box 304 Artesia, NM 88210	34.00%
Raye P. Miller Oil & Gas 2308 Sierra Vista Artesia, NM 88210	1.00%
	<hr/>
	100.00%