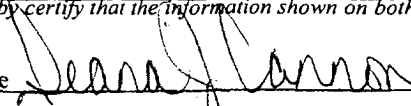


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-33455 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. E-647
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐ WELL OVER BACK RESVR. ☐ OTHER _____		7. Lease Name or Unit Agreement Name RECEIVED NOV 05 2004 DAD STATE
2. Name of Operator MARBOB ENERGY CORPORATION		8. Well No. OP-ARTESIA 41
3. Address of Operator PO BOX 227, ARTESIA, NM 88211-0227		9. Pool name or Wildcat ARTESIA; GLORIETA-YESO
4. Well Location Unit Letter <u>J</u> <u>2410</u> Feet From The <u>SOUTH</u> Line and <u>1650</u> Feet From The <u>EAST</u> Line Section <u>25</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>EDDY</u> County		
10. Date Spudded 8/22/04	11. Date T.D. Reached 8/31/04	12. Date Compl. (Ready to Prod.) 10/21/04
13. Elevations (DF& RKB, RT, GR, etc.) 3677' GL		14. Elev. Casinghead
15. Total Depth 4460'	16. Plug Back T.D. 4419'	17. If Multiple Compl. How Many Zones? _____
18. Intervals Drilled By _____		19. Producing Interval(s), of this completion - Top, Bottom, Name 3925' - 4170' YESO
20. Was Directional Survey Made YES		21. Type Electric and Other Logs Run DLL, CSNG
22. Was Well Cored NO		23. CASING RECORD (Report all strings set in well)
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
8 5/8"	24#	522'
5 1/2"	17#	4450'
24. LINER RECORD		25. TUBING RECORD
SIZE	TOP	SIZE
		2 7/8"
BOTTOM	SACKS CEMENT	DEPTH SET
		3822'
	SCREEN	PACKER SET
26. Perforation record (interval, size, and number) 3925' - 4170' (20 SHOTS)		27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 3925'-4170' AMOUNT AND KIND MATERIAL USED ACDZ W/ 2000 GAL 15% HCL
28. PRODUCTION		
Date First Production 10/22/04		Production Method (Flowing, gas lift, pumping - Size and type pump) PUMPING
Date of Test 10/28/04		Well Status (Prod. or Shut-in) PROD
Hours Tested 24	Choke Size	Prod'n For Test Period
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate
29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD		Test Witnessed By JONATHAN GRAY
30. List Attachments LOGS, DEVIATION SURVEY, DIRECTIONAL SURVEY		
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief		
Signature 		Printed Name DIANA J. CANNON Title PRODUCTION ANALYST Date 11/4/04
E-mail Address PRODUCTION@MARBOB.COM		

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 special 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 767'	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen 1608'	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres 2314'	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 3998'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinbry	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. RUSTLER 390'	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

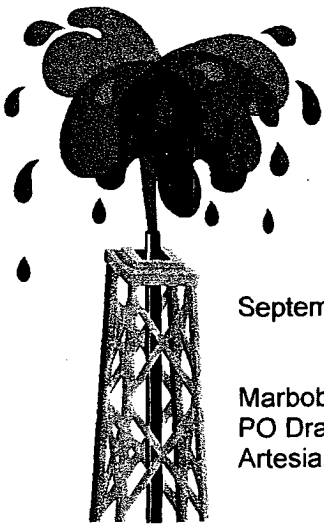
Include data on rate of water inflow and elevation to which water rose in hole.

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



Artesia Fishing Tool Co., Inc.

Oil Well Drilling Contractors
PO Box 1370 Artesia, NM 88211-1370
505/746-6651 746-3518 fax 748-2205

September 9, 2004

SEP 10 2004

Marbob Energy Corporation
PO Drawer 227
Artesia, NM 88211-0227

RE: DAD State #41
2410' FSL & 1650' FEL
Sec. 25, T17S, R28E
Eddy County, New Mexico

Gentlemen:

The following is a Deviation Survey for the above captioned well.

DEPTH	DEVIATION
250'	3/4°
527'	1 1/2°

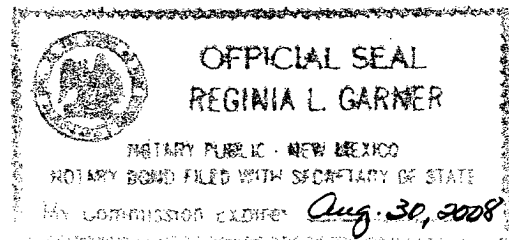
Deviation drilling survey supplied by another company

Very truly yours,

Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 9th day of September, 2004.

Notary Public

04-1292

Serving Southeast New Mexico and West Texas Since 1974

PathFinder Energy Services

Survey Report

Page 1
Job No: J-WT-0408-0111
Date: 8/31/2004
Time: 1:22 pm
Wellpath ID: dad41
Date Created: 8/24/2004
Last Revision: 8/31/2004

Calculated using the Minimum Curvature Method
Computed using PDS VER2.2.6
Vertical Section Plane: 201.80 deg.

Survey Reference: WELLHEAD
Vertical Section Reference: WELLHEAD
Closure Reference: WELLHEAD
TVD Reference: WELLHEAD

MARBOB
DAD STATE #41
L&M #2
EDDY Co.
dad41

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	Course Length (ft)	TVD (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)		Build Rate (dg/100ft)	DLS (dg/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00 N	0.00 E	0.00	0.00
Totco Inc, assumed Azimuth									
250.00	0.75	4.42	250.00	249.99	-1.56	1.63 N	0.13 E	0.30	0.30
527.00	1.50	4.42	277.00	526.94	-6.75	7.05 N	0.55 E	0.27	0.27
Pathfinder MWD									
680.00	0.97	4.42	153.00	679.90	-9.90	10.34 N	0.80 E	-0.35	0.35
716.00	0.79	358.00	36.00	715.90	-10.42	10.89 N	0.81 E	-0.50	0.57
747.00	0.79	7.14	31.00	746.89	-10.82	11.32 N	0.83 E	0.00	0.41
779.00	0.70	1.14	32.00	778.89	-11.22	11.73 N	0.86 E	-0.28	0.37
811.00	0.35	318.89	32.00	810.89	-11.44	12.00 N	0.80 E	-1.09	1.56
843.00	0.79	223.00	32.00	842.89	-11.28	11.91 N	0.59 E	1.38	2.80
874.00	1.67	210.08	31.00	873.88	-10.64	11.37 N	0.22 E	2.84	2.96
905.00	2.46	210.26	31.00	904.86	-9.53	10.40 N	0.34W	2.55	2.55
936.00	3.25	208.68	31.00	935.82	-8.00	9.06 N	1.10W	2.55	2.56
967.00	3.34	209.82	31.00	966.77	-6.23	7.50 N	1.97W	0.29	0.36
997.00	3.78	210.78	30.00	996.71	-4.39	5.89 N	2.91W	1.47	1.48
1059.00	4.13	204.02	62.00	1058.57	-0.14	2.10 N	4.87W	0.56	0.94
1122.00	3.96	205.95	63.00	1121.41	4.30	1.93 S	6.74W	-0.27	0.35
1184.00	3.87	199.10	62.00	1183.26	8.52	5.83 S	8.36W	-0.15	0.77
1246.00	4.22	192.68	62.00	1245.11	12.86	10.03 S	9.55W	0.56	0.92
1307.00	3.96	190.39	61.00	1305.96	17.14	14.30 S	10.42W	-0.43	0.50
1369.00	4.04	188.64	62.00	1367.80	21.37	18.56 S	11.14W	0.13	0.24
1431.00	4.84	192.50	62.00	1429.62	26.08	23.27 S	12.03W	1.29	1.38
1491.00	4.84	192.77	60.00	1489.40	31.07	28.21 S	13.14W	0.00	0.04
1553.00	4.40	187.41	62.00	1551.20	35.96	33.12 S	14.02W	-0.71	0.99
1616.00	3.78	189.08	63.00	1614.04	40.33	37.57 S	14.66W	-0.98	1.00

PathFinder Energy Services

Survey Report

Page 2
Date: 8/31/2004
Wellpath ID: dad41

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	Course Length (ft)	TVD (ft)	Vertical Section (ft)	T O T A L Rectangular Offsets (ft)		Build Rate (dg/100ft)	DLS (dg/100ft)
1646.00	3.52	192.33	30.00	1643.98	42.20	39.45 S	15.01W	-0.87	1.11
1708.00	3.52	202.17	62.00	1705.86	45.98	43.07 S	16.14W	0.00	0.97
1769.00	3.78	201.56	61.00	1766.74	49.86	46.67 S	17.59W	0.43	0.43
1832.00	4.13	210.55	63.00	1829.59	54.18	50.56 S	19.50W	0.56	1.13
1894.00	4.48	208.24	62.00	1891.42	58.80	54.61 S	21.78W	0.56	0.63
1955.00	4.66	209.03	61.00	1952.22	63.62	58.88 S	24.11W	0.30	0.31
2016.00	5.45	211.84	61.00	2012.98	68.93	63.51 S	26.84W	1.30	1.36
2078.00	5.45	210.08	62.00	2074.70	74.75	68.56 S	29.87W	0.00	0.27
2141.00	5.10	211.22	63.00	2137.44	80.47	73.54 S	32.82W	-0.56	0.58
2233.00	4.92	212.46	92.00	2229.09	88.38	80.36 S	37.06W	-0.20	0.23
2327.00	4.84	203.34	94.00	2322.75	96.31	87.41 S	40.79W	-0.09	0.83
2389.00	4.66	205.34	62.00	2384.53	101.43	92.08 S	42.91W	-0.29	0.39
2450.00	4.75	202.70	61.00	2445.33	106.43	96.65 S	44.94W	0.15	0.38
2541.00	4.57	200.76	91.00	2536.03	113.82	103.52 S	47.68W	-0.20	0.26
2634.00	4.40	200.76	93.00	2628.74	121.10	110.32 S	50.26W	-0.18	0.18
2727.00	4.31	201.12	93.00	2721.47	128.16	116.92 S	52.78W	-0.10	0.10
2788.00	4.22	201.12	61.00	2782.30	132.69	121.15 S	54.42W	-0.15	0.15
2883.00	3.87	200.68	95.00	2877.07	139.39	127.41 S	56.81W	-0.37	0.37
2975.00	3.61	197.34	92.00	2968.87	145.39	133.08 S	58.77W	-0.28	0.37
3069.00	4.04	196.99	94.00	3062.66	151.64	139.07 S	60.62W	0.46	0.46
3162.00	3.96	194.35	93.00	3155.44	158.08	145.31 S	62.37W	-0.09	0.22
3256.00	3.78	205.07	94.00	3249.22	164.40	151.26 S	64.49W	-0.19	0.79
3348.00	3.78	204.54	92.00	3341.02	170.45	156.77 S	67.03W	0.00	0.04
3440.00	3.78	201.64	92.00	3432.82	176.51	162.35 S	69.41W	0.00	0.21
3534.00	3.61	202.96	94.00	3526.63	182.57	167.95 S	71.71W	-0.18	0.20
3627.00	3.69	203.67	93.00	3619.44	188.49	173.39 S	74.05W	0.09	0.10
3721.00	3.52	201.73	94.00	3713.25	194.40	178.84 S	76.34W	-0.18	0.22
3815.00	3.43	203.75	94.00	3807.08	200.09	184.09 S	78.54W	-0.10	0.16
3908.00	3.08	207.53	93.00	3899.93	205.36	188.86 S	80.81W	-0.38	0.44
4002.00	3.17	197.95	94.00	3993.79	210.47	193.57 S	82.78W	0.10	0.56
4097.00	3.08	197.87	95.00	4088.65	215.63	198.50 S	84.37W	-0.09	0.09
4191.00	3.43	201.64	94.00	4182.50	220.97	203.51 S	86.18W	0.37	0.44
4284.00	2.99	214.30	93.00	4275.35	226.12	208.10 S	88.58W	-0.47	0.89
4376.00	2.81	221.77	92.00	4367.23	230.58	211.77 S	91.43W	-0.20	0.45
4410.00	2.81	222.83	34.00	4401.19	232.14	213.00 S	92.55W	0.00	0.15
SRAIGHT LINE PROJ. TO BIT									
4460.00	2.81	222.83	50.00	4451.13	234.43	214.80 S	94.22W	0.00	0.00