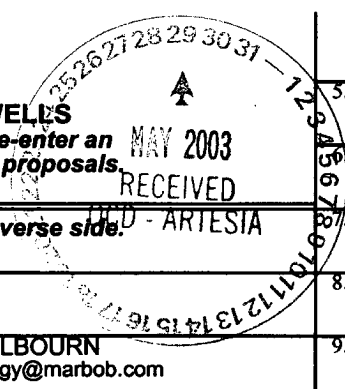


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC029395B
2. Name of Operator MARBOB ENERGY CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 227 ARTESIA, NM 88211-0227		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 505.748.3303 Fx: 505.746.2523		8. Well Name and No. LEE FEDERAL 34
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T17S R31E SWSW Lot M 330FSL 890FWL		9. API Well No. 30-015-32738-00-X1
		10. Field and Pool, or Exploratory LOCO HILLS-PADDOCK
		11. County or Parish, and 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 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 checked="" 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Well Spud
	<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.)

SPUD WELL @2:15 PM ON 5/19/03. DRILD 17 1/2" HOLE TO 385', RAN 9 JTS (370') 13 3/8" 48# H-40 CSG TO 385.50', CMTD W/445 SX P+, PD @5:00 AM, CIRC 0 SX, READY MIX TO SURF. WOC 18 HRS, TSTD CSG TO 600# FOR 20 MIN - HELD OK.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #22163 verified by the BLM Well Information System For MARBOB ENERGY CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by Linda Askwig on 05/27/2003 (03LA0538SE)	
Name (Printed/Typed) DEBBIE WILBOURN	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 05/21/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	LES BABYAK Title PETROLEUM ENGINEER	Date 05/27/2003
	Office Carlsbad	

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 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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.