

Submit 3 Copies to Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-33756
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name AGAVE STATE
8. Well Number 1
9. OGRID Number 14049
10. Pool name or Wildcat MILLMAN; MORROW, SOUTH
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3539' GL

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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
MARBOB ENERGY CORPORATION

3. Address of Operator
PO BOX 227, ARTESIA, NM 88211-0227

4. Well Location
Unit Letter G : 1980 feet from the NORTH line and 1670 feet from the EAST line
Section 9 Township 19S Range 28E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3539' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

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 PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☒

OTHER: ADD ADDITIONAL PAY IN MORROW ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

MARBOB ENERGY CORPORATION PROPOSES TO ADD ADDITIONAL PAY IN THE MORROW SANDS ZONE AS FOLLOWS:

SET 10K COMPOSITE FRAC PLUG @ 10860'. PERF THE UPPER MORROW @ 10784' - 10840' (57 SHOTS). ACIDIZE W/ 1500 GAL CLAY SAFE H ACID. SWAB/FLOW TEST. IF DECISION MADE TO FRAC, FRAC DOWN CSG W/ 50K# 18/40 VERSAPROP.

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 Diana J. Briggs TITLE PRODUCTION ANALYST DATE 4/25/06

Type or print name DIANA J. BRIGGS E-mail address PRODUCTION@MARBOB.COM Telephone No. (505) 748-3303

For State Use Only

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

APPROVED BY: _____ TITLE _____ DATE APR 26 2006

Conditions of Approval (if any):