

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor  
Betty Rivera  
Cabinet Secretary

Lori Wrotenbery  
Director  
Oil Conservation Division

27 December 2002

Marbob Energy  
P.O. Box 227  
Artesia, New Mexico 88211-0227

3/4/03  
Valley between 208 & 209  
OK for Release  
rwb

DEC 30 2002



Form C-103 Report of Plugging for your NG Phillips State # 2 H-27-17-28 API 30-01201570  
Cannot be approved until an NMOCDD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

- ☒ 1. All pits have been filled and leveled.
- ☒ 2. Rat hole and cellar have been filled and leveled.
- ☒ 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
- ☒ 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- ☒ 5. The dead men and tie downs have been cut and removed.
- ☒ 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been leveled and cleared of all junk & equipment.
- ☒ 7. All environmental concerns have been addressed as per OCD guidelines.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.

Name DIANA J. CANNON

Van Barton  
Field Rep. II

PRODUCTION ANALYST  
Title

FEBRUARY 27, 2003

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, 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  
Revised March 25, 1999

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

WELL API NO. 30-015-01570
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-2071
7. Lease Name or Unit Agreement Name: NG Phillips State
8. Well No. 2
9. Pool name or Wildcat East Empire Yates Seven Rivers

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Plug & Abandon <input type="checkbox"/>	2. Name of Operator Marbob Energy Corporation /
3. Address of Operator P. O. Box 227 - Artesia, NM 88211-0227	4. Well Location Unit Letter <u>H</u> : <u>1650</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>East</u> line Section <u>27</u> Township <u>17S</u> Range <u>28E</u> NMPM Eddy County
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3598' GR	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER: <input type="checkbox"/>

12. 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.

12-6-2002 - Moved in and rigged up pulling unit and plugging equipment. Nipped down wellhead and nipped up BOP. Rigged up wireline. RIH with CIBP and CIBP stopped at 180'. POOH and rigged down wireline. Rigged up tubing tongs. RIH with notched collar to 1474'. Shut well in for night.

12-7-9-2002 - Circulated hole with plugging mud. Spotted a 25 sack Class C cement plug at 1474'. POOH with tubing. WOC 4 hours. RIH with tubing and tagged cement at 1255'. Circulated hole with plugging mud. POOH with tubing. Rigged up wireline. RIH and perforated 5-1/2" casing at 902'. POOH and rigged down wireline. RIH with packer and tubing and set packer at 596'. Squeezed with 45 sacks Class C cement. Shut well in for night. WOC.

12-10-2002 - POOH with packer and tubing. RIH with tubing and tagged cement at 800'. POOH with tubing. Rigged up wireline. RIH and perforated 5-1/2" casing at 515'. POOH & rigged down wireline. RIH with packer and tubing and set packer at 31'. Squeezed with 50 sacks Class C cement. WOC 4 hours. POOH with packer and tubing. Rigged up wireline. RIH and tagged cement at 400'. POOH. RIH and perforated 5-1/2" casing at 60'.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Agent for BCM & Associates DATE Dec. 16, 2002

Type or print name Rusty Klein

Telephone No. 505-748-2159

(This space for State use)

APPROVED BY [Signature] TITLE Field Rep

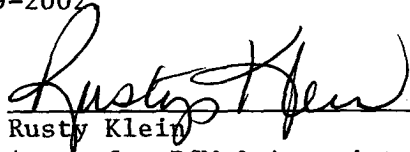
MAR 5 2003

Conditions of approval, if any

MARBOB ENERGY CORPORATION  
NG Phillips State #2  
Section 27-T17S-R28E  
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

TOOH and rigged down wireline. Nippled down BOP. Circulated 25 sacks Class C cement to surface. Shut well in for night. WOC.  
12-11-2001 - RIH with 1 joint tubing and tagged cement plug at 28'. POOH with tubing. Pumped 10 sacks Class C cement. Cut off wellhead. Rigged down pulling unit and plugging equipment. Installed regulation abandonment marker. PLUGGED AND ABANDONED  
- FINAL REPORT. Plugging completed 12-9-2002

  
Rusty Klein  
Agent for BCM & Associates  
December 16, 2002