

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCT 21 2008
OCD-ARTESIAFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010**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.5. Lease Serial No.
NMNM106231

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well☐ Gas Well☐ Other

8. Well Name and No.

LOCO FED #7

2. Name of Operator
Marbob Energy Corp.

9. API Well No.

30-015-36638

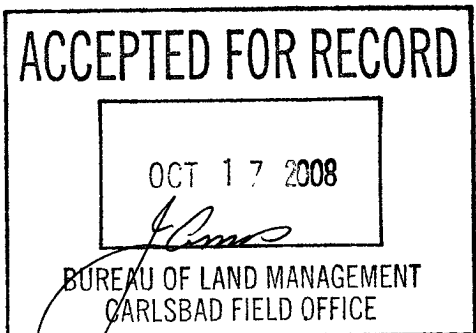
3a. Address
p.o box 227 artesia, nm 88211-02273b. Phone No. (include area code)
575 748-330310. Field and Pool or Exploratory Area
Loco Hills; Glorieta-Yeso4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
900' FNL 1650' FEL Sec 21 T17S R30E11. Country or Parish, State
eddy county, nm

12. CHECK THE 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 Copy of Pipeline
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Wavier
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Enclosed is a pipeline wavier from COG.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
William Miller

Title Landman

Signature

Date

9/10/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

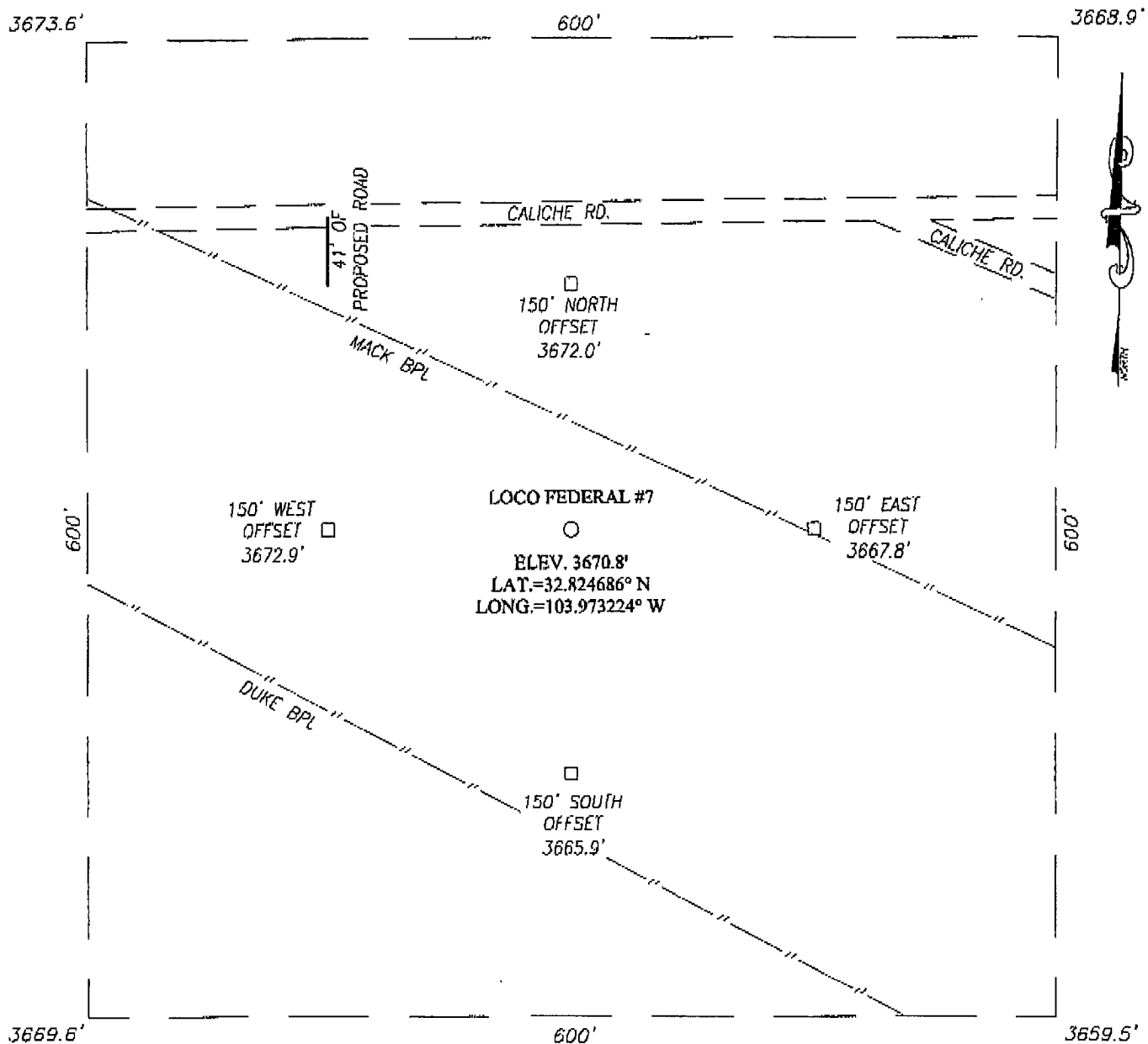
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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.

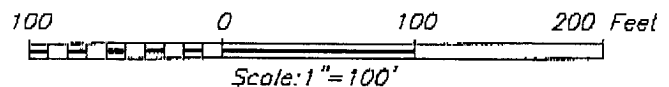
(Instructions on page 2)

SECTION 21, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HIGHWAY #82 AND COUNTY ROAD #219 (COAT ROPERS RD.), GO NORTH ON COUNTY ROAD #219 APPROX. 0.4 MILES. TURN RIGHT ON CALICHE ROAD AND GO EAST APPROX. 0.35 MILES. THIS LOCATION IS APPROX 190 FEET SOUTH.



MARBOB ENERGY CORPORATION

LOCO FEDERAL #7 WELL
LOCATED 900 FEET FROM THE NORTH LINE
AND 1650 FEET FROM THE EAST LINE OF SECTION 21,
TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO

Survey Date: 7/16/08	Sheet 1 of 1 Sheets
W.O. Number: 08.11.1139	Dr By: LA
Date: 7/21/08	08111139
	Scale: 1"=100'



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117



September 3, 2008

Marbob Energy Corporation
P.O. Box 227
Artesia, NM 88211-0227
Attention: William Miller

**Re: Request for Waiver
Loco Federal No. 7 Well
900' FNL & 1650' FEL
Section 21, T17S-R30E
Eddy County, New Mexico**

SEP 08 2008

Dear William:

Please be advised that COG Oil & Gas LP and its general partner COG Operating LLC ("COG") hereby agree to grant a waiver to Marbob Energy Corporation ("Marbob") for the construction of the above captioned well location ("the location") on the condition that Marbob shall be solely responsible and liable for any damages that may occur to the COG SWD Pipeline, including but not limited to any environmental liability, as a result of or arising from the construction of the location or operations conducted in connection with the drilling, completion, recompletion, workover, daily operation and plugging and abandonment of the above captioned well. Further, Marbob shall immediately notify COG of any damages that occur to the SWD Pipeline as a result of operations conducted on the captioned well and after consulting with COG, take immediate steps to affect all necessary repairs to the SWD Pipeline caused by such operations. Prior to construction of the location and continuing through drilling and completion operations conducted on the captioned well, Marbob agrees to flag that portion of the SWD Pipeline that crosses the location so as to minimize the likelihood of causing damage to the SWD Pipeline.

For purposes of providing notice of any damages caused to the SWD Pipeline resulting from the operations on the captioned well described above, please contact:

COG Operating LLC
Erick Nelson (Operations Engineer)
432-686-3018 (office)
432-238-7591 (cell)

If Marbob is in agreement, please so indicate by having the proper authority execute one copy of this letter in the space provided below and returning to my attention at the letterhead address.



August 19, 2008

COG
Fasken Center, Tower II
550 West Texas Ave., Ste. 1300
Midland, TX 79701

ATTN: Brent Robertson
Senior Landman

RE: Encroachment Request
Section 21: T17S- R30E
Eddy County, New Mexico

Dear Mr. Robertson:

Marbob Energy Corporation is in the process of applying our Loco Federal No. 7 at a location of 900' FNL and 1650' FEL in the above referenced lands. COG has a southeast/northwest Water Pipeline approximately 75' north of our proposed center hole location. The BLM has required us to obtain a written waiver from COG to allow construction over your pipeline. Therefore, we would respectfully request execution of this waiver and returning one copy to our office.

Please do not hesitate to contact me should you have any questions, I have attached a plat to aid in your review. Thank you for your assistance with this matter.

Sincerely,

William Miller
Landman

* Subject to Conditional
Letter Agreement dated
9-3-2008.

* COG approves the construction of the Loco Federal No. 7
over COG's Water Pipeline.

By:

Name:

Brent Robertson
Senior Landman

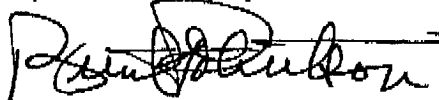
Date:

9-3-2008

Marbob Energy Corporation
September 3, 2008
Page No. 2

If you have any questions, please let me know.

Sincerely,
COG Oil & Gas LP
By COG Operating LLC



Brent Robertson
Senior Landman

Br/

Accepted and Agreed this 9th day of SEPTEMBER, 2008.
Marbob Energy Corporation

By: Dean Humbley

Title: LAND MANAGER