

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

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

RM

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>(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)</p>		<p>WELL API NO. 30-015-26105</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD</p>		<p>7. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Marbob Energy Corporation</p>		<p>7. State Oil & Gas Lease No.</p>
<p>3. Address of Operator P.O. Box 227, Artesia, NM 88211-0227</p>		<p>7. Lease Name or Unit Agreement Name SRO 5 SWD</p>
<p>4. Well Location Unit Letter <u>G</u> : <u>1980</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>5</u> Township <u>26S</u> Range <u>28E</u> NMPM Eddy County</p>		<p>8. Well Number 1</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3026' GR</p>		<p>9. OGRID Number 14049</p>
<p>10. Pool name or Wildcat SWD; Delaware</p>		

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FEB 16 2010
NMOCD ARTESIA

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Completion Operations (SWD) ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12/16/09 RU WSU.

12/17/09 - 12/28/09 Start drilling from surface. Fell out of 1st plug @ 82'. Tag 2nd plug @ 295' and drilled down to 321'. Circulate hole clean. Continue drilling. Tag 3rd plug @ 1106'. Drilled down to 1183'. Stopped making hole. Think we are on casing stub.

12/29/09 - 1/5/10 Start milling on casing stub @ 1183'. Mill down to 1188'. Mill quit cutting. POOH. RIH w/grapple. Could not latch up. POOH. RIH & start milling. Made 2.8'. Mill quit cutting. POOH. Inspect mill. RIH & mill down 2'.

1/6/10 RU casing crew. PU lead casing patch, 5 1/2" DVT, 1 jt 5 1/2" casing, 10' - 5 1/2" casing sub & 27 jts 5 1/2" casing. Latch up to casing stub w/casing patch. Pull 30 pts on patch to seal lead then slack off to 12 pts over casing weight. Set slips & NU W/H. Pumped 200 sx cement. Circulated 33 sx.

1/8/10 - 1/13/10 RIH to 1183'. Tag and drill out DVT. Drill out to 5475'. RIH to 5735'. Circulate hole.

1/14/10 RIH & set CIBP @ 5700'. Perforate Delaware 5488-5500' (12), 5386-5466' (80), 5328-5336' (8), 5206-5230' (24), 5178-5198' (20), 5104-5152' (48), 4984-5056' (72), 4852-4896' (44) & 4740-4780' (20).

1/15/10 Perforate Delaware 4580-4608' (28), 4424-4472' (48), 4334-4408' (74), 4268-4304' (36), 4176-4242' (66) & 4124-4146' (22).

1/18/10 Acdz all Delaware perms w/10000 gal 15% NEFE. AIR 7.1 BPM, AIP 1700#, ISIP 711#.

1/26/10 Set 127 jts 2 7/8" Duoline tbg & packer @ 4083'.

1/27/10 Ran MIT. Pressured up to 500# for 30 mins. No leak-off. OCD representative Darold Gray witnessed.

2/2/10 Date of first injection. (SWD-1192)

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Stormi Davis TITLE Production Assistant DATE 2/10/10

Type or print name Stormi Davis E-mail address: sdavis@marbob.com PHONE: 575-748-3303

For State Use Only

APPROVED BY: Darold Gray TITLE Field supervisor DATE 2-16-2010

Conditions of Approval (if any): Provide sundry of tbg detail