

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Permit 78980

|                                                                                                                                                                                                                                                                                                                                         |  |                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)                                                                                                                                   |  | WELL API NUMBER<br>30-025-38827                                 |
| 1. Type of Well:G                                                                                                                                                                                                                                                                                                                       |  | 5. Indicate Type of Lease<br>S                                  |
| 2. Name of Operator<br>MARBOB ENERGY CORP                                                                                                                                                                                                                                                                                               |  | 6. State Oil & Gas Lease No.                                    |
| 3. Address of Operator<br>PO Box 227, Artesia, NM 88211                                                                                                                                                                                                                                                                                 |  | 7. Lease Name or Unit Agreement Name<br>MAGNUM PRONTO STATE COM |
| 4. Well Location<br>Unit Letter K : 1980 feet from the S line and 1980 feet from the W line<br>Section 32 Township 19S Range 32E NMPM Lea County                                                                                                                                                                                        |  | 8. Well Number<br>002                                           |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3533 GR.                                                                                                                                                                                                                                                                           |  | 9. OGRID Number<br>14049                                        |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ |  | 10. Pool name or Wildcat                                        |

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 OF PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐  
CASING/CEMENT JOB ☐  
Other: **Drilling/Cement** ☒

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.

TD WELL @10:00 PM ON 06/21/08. DRLD 7 7/8" HOLE TO 12945'. RAN 303 JTS (12939.81') 5 1/2" 17# P-110 8RD CSG TO 12945'. CMTD 1ST STG W/350 SX HLP, TAILED IN W/250 SX PB SUPER H, PD @7:19 PM ON 06/24/08, CIRC 59 SX OFF DVT @9509'. CMTD 2ND STG W/1100 SX HLP, TAILED IN W/200 SX PERM H, PD @3:18 AM ON 06/25/08, DNC. RAN TEMP SURVEY - TOC @3460'. WOC 18 HRS, TSTD CSG TO 1500# F/30 MIN - HELD OK. 5/16/2008 Spudded well.

Casing and Cement Program

| Date     | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class      | 1" Dpth | Pres Held | Pres Drop | Open Hole |
|----------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|------------|---------|-----------|-----------|-----------|
| 05/17/08 | Surf   |            | 17.5      | 13.375   | 54.5         | J55   | 0       | 876      | 800   |       | HLP, P+    |         | 600       | 0         |           |
| 05/25/08 | Int1   |            | 12.25     | 9.625    | 36           | 155   | 0       | 4011     | 2000  |       | HP,P+,H/L  |         | 1500      | 0         |           |
| 06/24/08 | Prod   |            | 7.875     | 5.5      | 17           | P110  | 0       | 12945    | 350   |       | PB SUPER H |         | 1500      | 0         |           |
| 06/24/08 | Prod   |            | 7.875     | 5.5      | 17           | P110  |         | 12945    | 1400  |       | HLP, PREM  |         | 1500      | 0         |           |

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed

TITLE Production Analyst

DATE 7/16/2008

Type or print name Diana Briggs

E-mail address production@marbob.com

Telephone No. 505-748-3303

For State Use Only:

APPROVED BY: Paul Kautz

TITLE Geologist

DATE 7/17/2008 8:55:26 AM