

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
Revised May 08, 2003

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

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.)		WELL API NO. 30-015-32899
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator MARBOB ENERGY CORPORATION		6. State Oil & Gas Lease No. B-8814
3. Address of Operator PO BOX 227, ARTESIA, NM 88211-0227		7. Lease Name or Unit Agreement Name BM STATE
4. Well Location Unit Letter <u>K</u> : <u>2310</u> feet from the <u>SOUTH</u> line and <u>2310</u> feet from the <u>WEST</u> line Section <u>2</u> Township <u>18S</u> Range <u>27E</u> NMPM County <u>EDDY</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3535' GL		9. OGRID Number 14049
		10. Pool name or Wildcat RED LAKE; QN GRBG SAN ANDRES

12. 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 type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: ADD PAY IN SAN ANDRES <input checked="" type="checkbox"/>

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.

ADDED PAY IN THE SAN ANDRES AS FOLLOWS:

- 10/13/04 - SET CIBP @ 3200'. PERF THE LOWER SAN ANDRES @ 2561'-2879' (7 SHOTS).
PERF THE UPPER SAN ANDRES @ 2051'-2438' (19 SHOTS).
10/14/04 - ACIDIZE THE LOWER SAN ANDRES @ 2561'-2879' W/ 1000 GAL NEFE 15% HCL ACID.
SWAB TEST. ACIDIZE THE UPPER SAN ANDRES @ 2051'-2438' W/ 3000 GAL NEFE
15% HCL ACID. SWAB TEST.
10/15/04 - FRAC THE LOWER & UPPER SAN ANDRES @ 2051'-2879' W/ 124K GAL FLUID &
208K# PROPPANT. AIR 69.66 BPM. AIP 2088#.
10/19/04 - PUT WELL ON PUMP.

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

SIGNATURE Diana J. Cannon TITLE PRODUCTION ANALYST DATE 10/25/04

Type or print name DIANA J. CANNON

Telephone No. (505) 748-3303

(This space for State use)

OCT 28 2004

APPROVED BY FOR RECORDS ONLY DATE

Conditions of approval, if any: