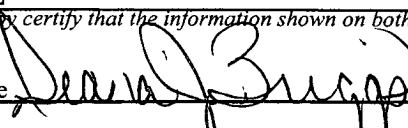


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505		<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>		<b>Form C-105</b> Revised June 10, 2003	
				WELL API NO. 30-015-32473	
				5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
				State Oil & Gas Lease No. V-5196	
<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>					
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>				7. Lease Name or Unit Agreement Name  PECOS 32 STATE	
b. Type of Completion: NEW <input type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input checked="" type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESV. <input type="checkbox"/> OTHER <input type="checkbox"/>					
2. Name of Operator MARBOB ENERGY CORPORATION				8. Well No. 3	
3. Address of Operator PO BOX 227, ARTESIA, NM 88211-0227				9. Pool name or Wildcat MCMILLAN; UPPER PENN (GAS)	
4. Well Location Unit Letter <u>N</u> : <u>990</u> Feet From The <u>SOUTH</u> Line and <u>1980</u> Feet From The <u>WEST</u> Line Section <u>32</u> Township <u>19S</u> Range <u>27E</u> NMPM <u>EDDY</u> County					
10. Date Spudded 2/2/05		11. Date T.D. Reached 3/1/05		12. Date Compl. (Ready to Prod.) 8/18/06	
13. Elevations (DF& RKB, RT, GR, etc.) 3379' GL		14. Elev. Casinghead			
15. Total Depth 10760'		16. Plug Back T.D. 9612'		17. If Multiple Compl. How Many Zones?	
18. Intervals Drilled By 0 - 10760-		19. Producing Interval(s), of this completion - Top, Bottom, Name 8811' - 9398' UPPER PENN		20. Was Directional Survey Made NO	
21. Type Electric and Other Logs Run NONE		22. Was Well Cored NO			
23. <b>EXISTING CASING RECORD (Report all strings set in well)</b>					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	54.5#	251'	17 1/2"	325 SX	NONE
9 5/8"	36#	2205'	12 1/4"	550 SX	NONE
5 1/2"	17#	10703'	8 3/4"	1800 SX	NONE
24. <b>LINER RECORD</b>					
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	
25. <b>TUBING RECORD</b>					
SIZE	DEPTH SET	PACKER SET			
2 3/8"	8755'				
26. Perforation record (interval, size, and number) 8811' - 9398' (27 SHOTS)			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
			DEPTH INTERVAL		
			AMOUNT AND KIND MATERIAL USED		
			8811'-9398' ACDZ W/ 4000 GAL 15% NEFE		
28. <b>PRODUCTION</b>					
Date First Production 8/18/06		Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING		Well Status (Prod. or Shut-in) PRODUCING	
Date of Test 8/19/06	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 7	Gas - MCF 64
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl. 5
					Gas - Oil Ratio
29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD					Test Witnessed By JONATHAN GRAY
30. List Attachments NONE					
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief					
Signature 		Printed Name DIANA J. BRIGGS		Title PRODUCTION ANALYST	
E-mail Address PRODUCTION@MARBOB.COM		Date 8/22/06			