

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
May 27, 2004

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

| |
|---|
| WELL API NO. 30-015-34935 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name COMPADRES FEE |
| 8. Well Number 2 |
| 9. OGRID Number 14049 |
| 10. Pool name or Wildcat ESPERANZA; DELAWARE |

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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
MARBOB ENERGY CORPORATION

3. Address of Operator
PO BOX 227, ARTESIA, NM 88211-0227

4. Well Location
Unit Letter H : 2310 feet from the NORTH line and 1060 feet from the EAST line
Section 4 Township 22S Range 27E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3100' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO: | | | | SUBSEQUENT REPORT OF: | | | |
|---|---|--|--|-----------------------|--|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> | | | | |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> | | | | |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | | | | | |
| OTHER: ADD ADDITIONAL PAY <input checked="" type="checkbox"/> | | OTHER: <input 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.

MARBOB ENERGY CORPORATION PROPOSES TO PERFORATE, ACIDIZE W/ 7½% HCL, TEST & POSSIBLY FRAC THE FOLLOWING DELAWARE SAND ZONES:

****PLUG BACK METHODS WILL BE DETERMINED BASED ON RESULTS OF PREVIOUS ZONE(S).****

| | | | |
|------------|-------------------|------------------|---------------|
| DELAWARE 2 | CIBP @ APPX 4900' | 4810'-4818' (27) | 500 GAL ACID |
| DELAWARE 3 | CIBP @ APPX 4300' | 4164'-4214' (18) | 1000 GAL ACID |
| DELAWARE 4 | CIBP @ APPX 3750' | 3646'-3660' (20) | 500 GAL ACID |
| DELAWARE 5 | CIBP @ APPX 2100' | 1978'-1984' (21) | 500 GAL ACID |

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

SIGNATURE Diana J. Briggs TITLE PRODUCTION ANALYST DATE 9/20/06

Type or print name DIANA J. BRIGGS E-mail address PRODUCTION@MARBOB.COM Telephone No. (505) 748-3303

For State Use Only
BRYAN G. ARRANT

APPROVED BY: DISTRICT II GEOLOGIST TITLE _____ DATE _____

Conditions of Approval (if any):