

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

Month - Year
MAY 23 2007
OCD - ARTESIA, NMFORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. NMNM1028784B
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____		6. If Indian, Allottee or Tribe Name
2. Name of Operator Marbob Energy Corporation		7. Unit or CA Agreement Name and No. NMNM88525X
3. Address PO Box 227 Artesia, NM 88211-0227	3a. Phone No. (include area code) 505-748-3303	8. Lease Name and Well No. Burch Keely Unit #399
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 865 FNL 2595 FEL, Unit B At top prod. interval reported below Same At total depth Same		9. AFI Well No. 30-015-35400
14. Date Spudded 02/28/2007		10. Field and Pool, or Exploratory Grbg Jackson SR Q Grbg SA
15. Date T.D. Reached 03/07/2007		11. Sec., T., R., M., on Block and Survey or Area Sec. 23-T17S-R29E
16. Date Completed 04/12/2007 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		12. County or Parish Eddy
17. Elevations (DF, RKB, RT, GL)* 3596' GL		13. State NM
18. Total Depth: MD 4568' TVD 4568'	19. Plug Back T.D.: MD 4516' TVD 4516'	20. Depth Bridge Plug Set: MD TVD
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) DLL, Cnsg		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8"	24#	0	394'		300 sx		0	None
7 7/8"	5 1/2"	17#	0	4543'		1100 sx		0	None

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 7/8"	4133'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Yeso	4129'	4384'	4129' - 4384'		20	Open
B)						
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
4129' - 4384'	Acidz w/ 2000 gal NE Fe 15% HCl acid.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
04/13/2007	04/15/2007	24	→	76	364	320			Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

ACCEPTED FOR RECORD
MAY 24 2007
GARY GOURLEY
PETROLEUM ENGINEER
Producing

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Rustler Yates Seven Rivers Bowers Queen San Andres Glorieta Yeso	230' 996' 1256' 1634' 1868' 2558' 4006' 4066'

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
☐ Sundry Notice for plugging and cement verification
☐ Core Analysis
☐ Other:

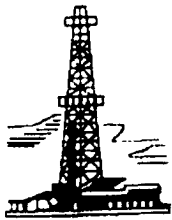
34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Diana J. Briggs**Title **Production Analyst**

Signature

Date **04/20/2007**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Permian Drilling Corporation

P. O. Box 726

(505)397-3798

Fax (505)393-2448

Hobbs, New Mexico 88241

INCLINATION REPORT

DATE: 3/14/2007

WELL NAME AND NUMBER: BKU 399

LOCATION: Eddy Co., NM

WELL 27 2007

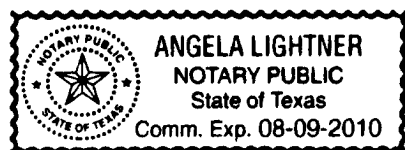
OPERATOR: MARBOB ENERGY CORP.

DRILLING CONTRACTOR: PERMIAN DRILLING CORPORATION

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
0.75	354				
1.50	780				
1.00	1020				
1.50	1494				
1.25	1994				
0.75	2430				
1.00	2893				
1.00	3370				
0.75	3970				
1.00	4442				

Drilling Contractor:
Permian Drilling Corporation



By Sherry Coskrey
Sherry Coskrey
Regulatory Clerk

Subscribed and sworn to before me on this 19th day of March, 2007.

My Commission Expires: 08-09-2010

Angela Lightner