

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

WELL API NO. 30-015-32472
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-5196
7. Lease Name or Unit Agreement Name PECOS 32 STATE
8. Well Number 2
9. OGRID Number 14049
10. Pool name or Wildcat MCMILLAN; MORROW, NORTH (GAS)

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

RECEIVED

DEC - 5 2003

OCD-ARTESIA

4. Well Location
 Unit Letter C : 660 feet from the NORTH line and 1650 feet from the WEST line
 Section 32 Township 19S Range 27E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3325' GL

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"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: CHG OF OPERATOR, FRAC <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.

MARBOB ENERGY CORPORATION ASSUMED OPERATIONS OF THIS WELL EFFECTIVE 11/12/03.

12/2/03 - FRAC THE MORROW @ 10490' - 10648' WITH 39774 GAL WATER FRAC, 75000# VERSAPROP & 304 TONS CO2.
 AIR - 40.2 BPM, AIP - 5646#, ISDP - 4416#.
 CLEANED WELL UP. SIWOPL.

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 12/4/03

Type or print name DIANA J. CANNON Telephone No. (505) 748-3303

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any: