

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 28 2009

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other Instructions on page 2.**

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Serial No NMNM100316
2 Name of Operator Marbob Energy Corporation		6 If Indian, Allottee, or Tribe Name
3a Address PO Box 227 Artesia, NM 88211-0227	3b Phone No (include area code) (575) 748-3303	7 If Unit or CA Agreement Name and/or No
4 Location of Well (footage, Sec., T., R., M., or Survey Description) 2094 FSL 1773 FEL, Sec. 22-T26S-R24E, Unit J		8 Well Name and No Kickapoo Federal Com #1
		9 API Well No 30-015-30770
		10 Field and Pool, or Exploratory Area Wildcat; Mississippian (Gas)
		11 County or Parish, State Eddy Co., NM

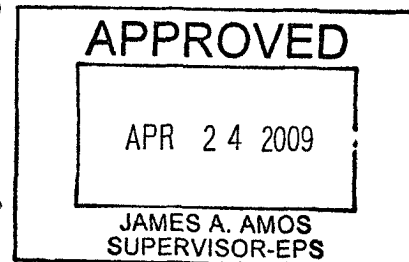
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Marbob Energy Corporation proposes to plug and abandon this well.

(See procedure and wellbore schematics attached)

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**** See Attached Reclamation Procedures*

14 I hereby certify that the foregoing is true and correct

Name (Printed Typed)

Title

Production Manager

Signature

Date

April 21, 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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 any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

APR 4/30/09

Diana:
Pls File in/ent to P&A.

Kickapoo Federal Com #1
J-22-26S-24E
2094' FSL 1773' FEL
30-015-30770
Eddy Co., NM

RECEIVED

APR 15 2009

....BC.....

Plug and Abandonment Procedure
15 Apr 09

Basic Data:

8-5/8" @ 878' Circ. Cmt.
5.5" @ 9083' TOC @ 8200' TS.
5.5"/17ppf/M95-110/LTC Burst=10640 psi, 8512 psi at 80% Nom. ID=4.892" Drift ID=4.767"
2 3/4"/4.7ppf/L80/EUE Burst=11200 psi, 8960 psi at 80% Nom ID=1.995" Drift ID=1.901"
Collapse=11780 psi, 9424 at 80%
Tensile=104,300 lb with no safety factor

Note: Notify BLM inspectors in Carlsbad (887-6544) at least 24 hrs. before starting plugging operation.

Procedure:

1. RIH with tubing and fill casing with 185 bbls 9 ppg brine mixed with 25 sx salt gel per 100 bbls brine. TOOH with tubing.
2. ND wellhead, install lift sub onto 5.5" casing if necessary, RU wireline truck, dump bail 35' cement on top of CIBP set at 8543', run freepoint and cut casing approx. 50' above freepoint using chemical or jet cutter. RU casing crew and casing handling equipment and lay down 5.5" casing. **This procedure assumes casing will be cut at approx. 8000'. If freepoint is significantly different let's discuss before continuing with procedure. May be best to combine top of Morrow and stub Plug**
3. RIH with open ended tubing to 8050' and spot 40 sx. Class "C" neat 50' in and out of 5.5" casing stub at 8000'. Pull up to 7000', wait 2 hrs then tag plug. Respot plug if tag deeper than 7950'. 180' plug (100' plus 10% per 1000')
4. Pull open ended tubing to 7700' and spot 45 sx. Class "C" neat across top of Morrow at 7650'. Pull up to 6700', wait 2 hrs then tag plug. Respot plug if tag deeper than 7600'. 180' plug 7740-7560
5. Pull open ended tubing to 6710' and spot 45 sx. Class "C" neat across top of Wolfcamp at 6660'. Pull up to 5700', wait 2 hrs then tag plug. Respot plug if tag deeper than 6610'. 170' plug 6745-6575
6. Pull open ended tubing to 4257' and spot 45 sx. Class "C" neat with 2% CaCl₂ across top of Bone Spring at 4207'. Pull up to 3200', wait 2 hrs then tag plug. Respot plug if tag deeper than 4157'. 140' plug 4277-4137
7. Pull open ended tubing to 2700' and spot 45 sx. Class "C" neat with 2% CaCl₂ for distance between plugs purposes. Pull up to 1700', wait 2 hrs then tag plug. Respot plug if tag deeper than 2600'. 120' plug - Spacer
8. Pull open ended tubing to 1000' and spot 65 sx. Class "C" neat with 2% CaCl₂ across top of Delaware at 950' and across 8-5/8" casing shoe at 878'. Pull up to 200', wait 2 hrs then tag plug. Respot plug if tag deeper than 828'.

9. Pull open ended tubing to 60' and spot 20 sx. Class "C" neat with 2% CaCl₂ for surface plug. Top off casing when POOH with tubing.
10. Cut wellhead and casings off 3' below ground level and remove. Weld plate onto 8-5/8" stub. Weld a 4" diameter dry hole marker onto plate such that 4' of it is above ground level. The following information needs to be placed on the marker:

Marbob Energy, Kickapoo Fed Com 1, 2094' fsl, 1773' fel, Unit J, Sec. 22, T26S, R24E, Eddy Co., NM, NM100316, Date well plugged

12. Cut off anchors, and reclaim location per BLM specs.

Kbc/kickapoo 1 plug

Well: Kickapoo Fld. Conn 1

Location 2094' FSL 1773' FEL
J-22-265-24e
Eddy NM
30-015-30770

Zero: 155' AGL
KB: 3969.5'
GL: 3954'

Casing Program:

Size	Wt.	Grade	Conn	Depth
8 5/8"	24	J55	STC	878'
5 1/2"	17	M75-110	JC	9283'
2 7/8"	6.5	J55	EVE	

Orig TD 8570'
PAA 11/00
Reentry of
Primary Program
22 Fld. 1

8 5/8" @ 878'
500" C" Casing

BEFORE

TXC 8200' TS

CIBP @
8543'

CIBP + 35' cat
@ 8854

8610-8730' (60) Barnett Shale

8864-84 (121) Woodford Shale

Well: Kickapoo Fld. Conn 1

Location 2094' FSL 1773' FEL
J-22-265-24e
E. d. y. NM
30-215-30770

Zero: 155' AGL
 KB: 3969.5'
 GL: 3754'

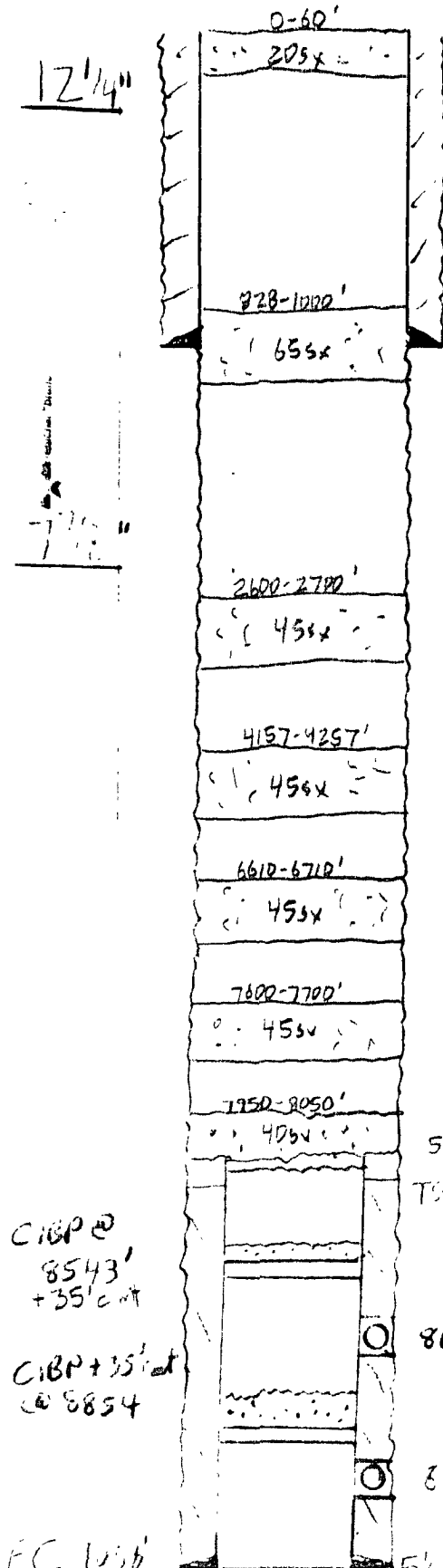
Casing Program:

Size	Wt.	Grade	Conn	Depth
8 5/8"	24	J55	SIC	878'
5 1/2"	17	M75-110	IC	9283'
2 7/8"	6.5	J55	EVE	

Orig ID 8570'
 P&A 11/10
 Reentry 1/8
 Per. 212 5/10/10
 22 Feb. 1

8 5/8" e 878'
 500" C" (Circ 635x)

AFTER



CIBP @
 8543'
 +35' cmt

CIBP +35' cat
 @ 8854

FC 1056

8864-84 (21) Woodford Shale

5 1/2" P 9000'

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed prior to commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



In Reply Refer To: 1310

Reclamation (Interim/Final) Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation

equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Environmental Protection Specialist
575-234-5909, 575-361-2648 (Cell)

Cody Layton
Natural Resource Specialist
575-234-5959

Terry Gregston
Environmental Protection Specialist
575-234-5958

Trishia Bad Bear
Natural Resource Specialist
575-393-3612

Bobby Ballard
Environmental Protection Specialist
575-234-2230

Todd Suter
Surface Protection Specialist
575-234-5987

Randy Rust
Environmental Protection Specialist
575-234-5943

Doug Hoag
Civil Engineering Technician
575-234-5979

Linda Denniston
Environmental Protection Specialist
575-234-5974

Jennifer Van Curen
Environmental Protection Specialist
575-234-5905

Justin Frye
Environmental Protection Specialist
575-234-5922