

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

JUN -9 2009

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 NMLC069041
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 (Location, Sec., T., R., M., or Survey Description) 760 FNL 1980 FWL, Sec. 4-T19S-R31E, Unit C		8 Well Name and No South Shugart Deep Unit #1
		9 API Well No 30-015-23938
		10 Field and Pool, or Exploratory Area Shugart; Morrow (Gas)
		11 County or Parish, State Eddy Co., NM

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

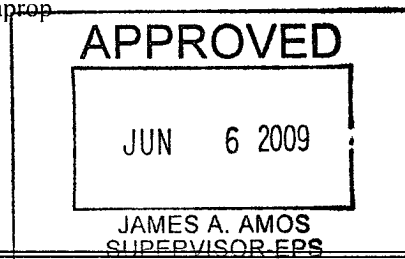
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input 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 recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will be 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 recompletion 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 perforate, acidize & frac the Morrow zone to add pay as follows:

Perforate Morrow Sand 11881' - 11932' (72 shots)
Perforate Lower Morrow Sand 12072' - 12076' (15 shots) Acidz w/ 500 gal NE Fe 7 1/2% HCl
Straddle Morrow @ 11823' - 11969' Acidz w/ 2400 gal NE Fe 7 1/2% HCl
Frac Morrow @ 11823' - 11969' w/ 60-65Q CO2 foam carrying 30000# 18/40 versaprop

(See wellbore schematics attached)



14 I hereby certify that the foregoing is true and correct Name (Printed/ Typed) Diana J. Briggs		Title Production Manager
Signature		Date May 8, 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)

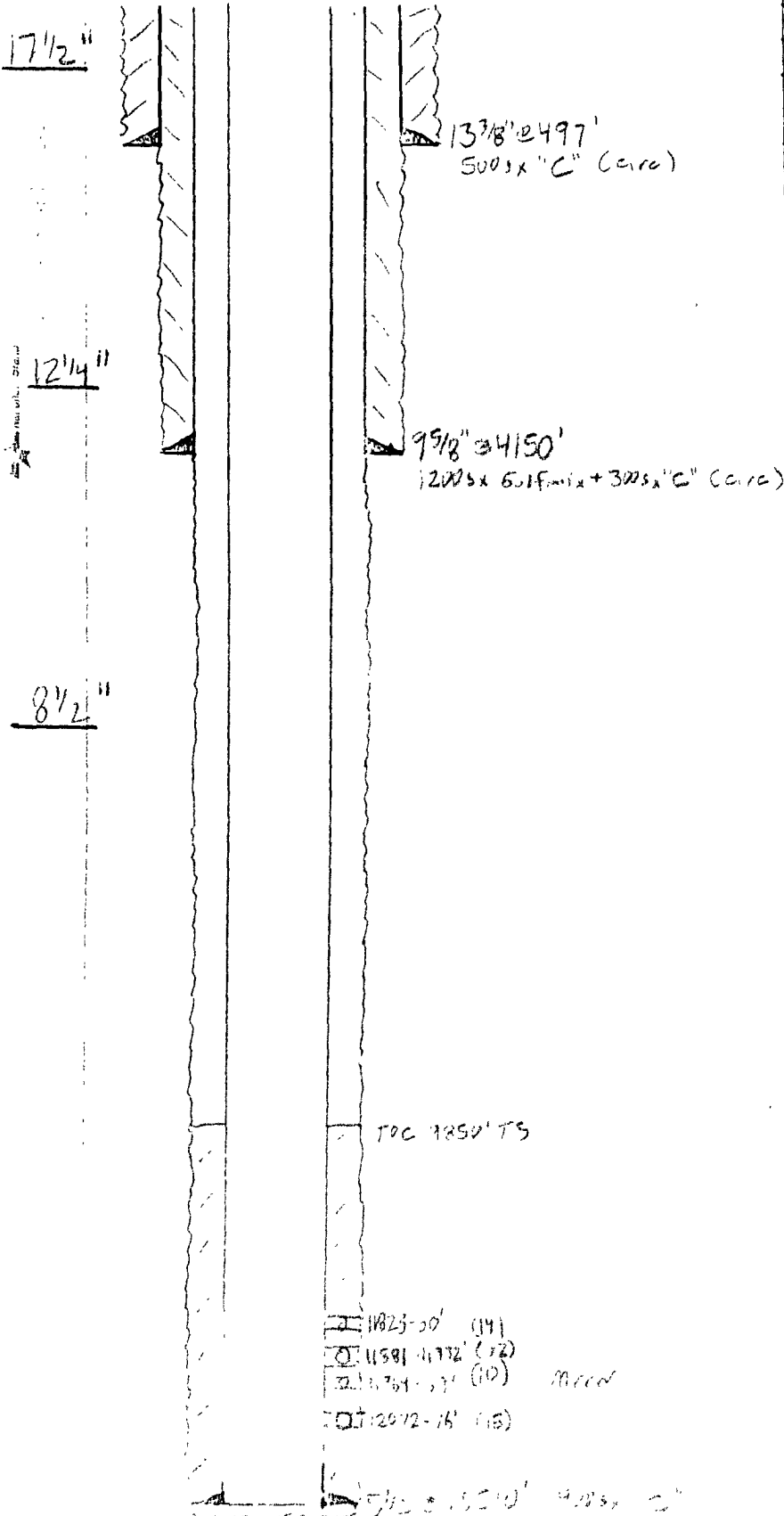
Well: South Shugart Deep 1

Location: 760' FNL 1780' FNL
C-4-175-31
Edaj NM
30-DIS-23938

Zero: 19' AGL
 KB: 3605'
 CL: 3586'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
13 7/8"	48	H40	STC	497'
9 5/8"	40	N80/S95	LTC	4150'
5 1/2"	17	N80/S95	LTC	13510'
(59 ft. 17/S95 on bottom)				
(262 + 15 ft. 17/N80 on top)				
2 7/8"	4.7	N80	EVE	11767'
387 ft. Butler Lockout w/ EL on top 1.81" x 1.81"				



After

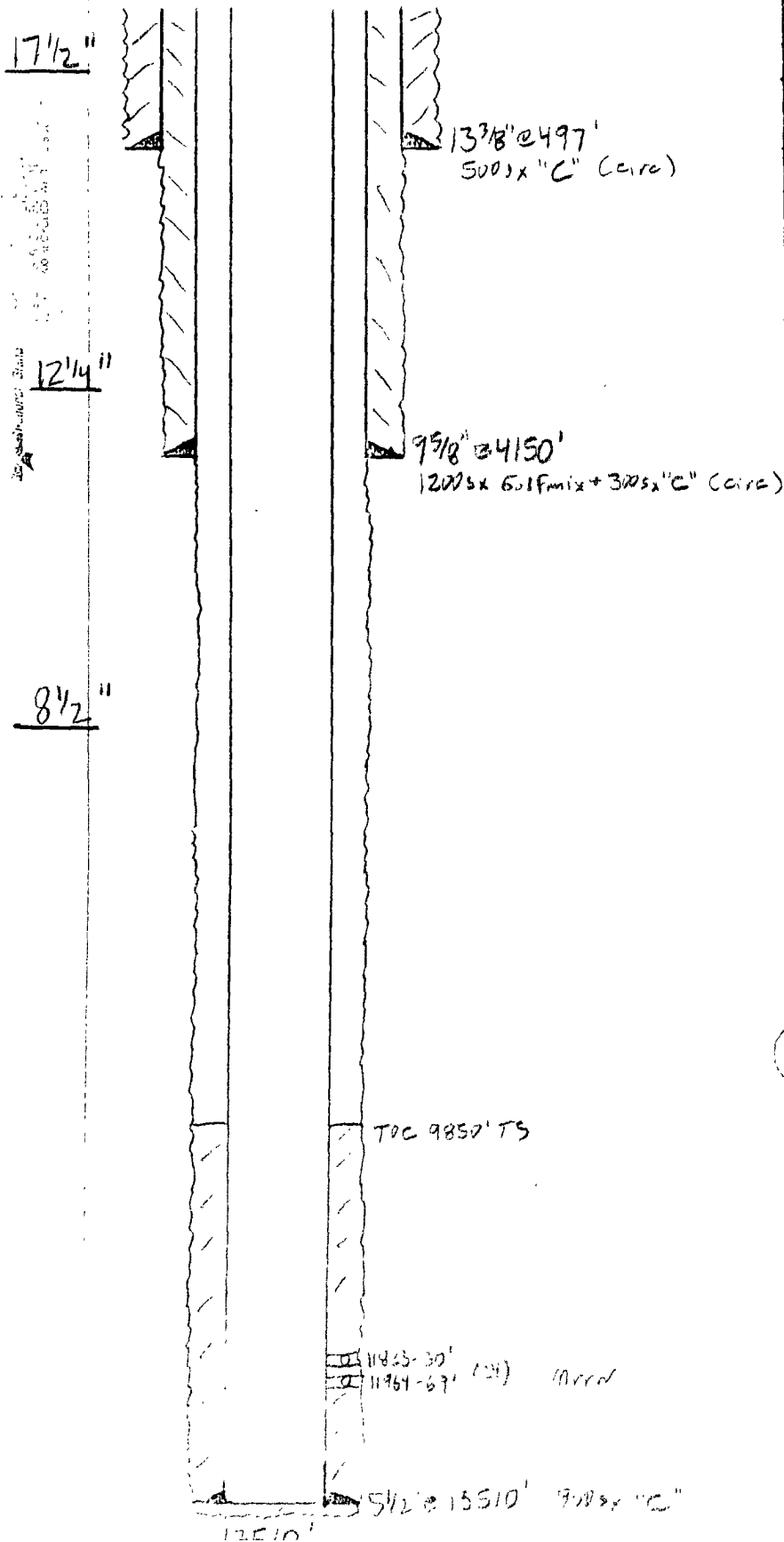
Well: South Shugart Deep 1

Location: 760' FNL, 1980' FNL
C-4-175-31c
Eddy NM
30-DIS-23938

Zone: 19' AGL
 KB: 3605'
 GL: 3586'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
13 7/8"	48	H40	STC	497'
9 5/8"	40	N80/575	LTC	4150'
5 1/2"	17	N80/575	STC	13510'
(59 ft 17/575 sub 12m)				
(262 ft 17/575 in top)				
2 3/8"	4.7	N80	STC	11769'
387 ft 17/575 sub 12m EL 0/D 1461' FNL				



BEFORE