

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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.

5 Lease Serial No
NMNM0467932

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Marbob Energy Corporation

3a Address
P.O. Box 227, Artesia, NM 88211-0227

3b. Phone No (include area code)
575-748-3303

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)
Surf 1700' FNL & 1050' FEL, BHL 1724' FNL & 835' FEL
Section 21, T17S - R30E

7 If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
EL Federal #13

9. API Well No
30-015-36662

10. Field and Pool or Exploration Area
Loco Hills; Glorieta-Yeso

11. Country or Parish, State
Eddy County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) 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"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input checked="" 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 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 of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 respectfully requests a variance for the casing-to-casing clearance requirement in Onshore Order 2. We have a bad spot in our 5 1/2" production casing at approximately 532' and need to run a liner in the well to isolate the 5 1/2" casing. We propose to set a composite bridge plug at 4400', run 4400' of 4 1/2"/11.6 ppf/55/FL-45 flush joint liner, cement liner to surface with 125 sx Class "C" cement (14.8 ppg, 1.32 cfps), drill out the composite plug and return well to production.

Our current Yeso perf interval is 5286-5948' with plans to add Yeso pay 4444-4880' in the future. The total clearance between the 5 1/2" 17 ppf casing and the 4 1/2" liner is 0.392". The burst SF=1.125, collapse SF=2.41 and tension SF=3.41.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Nancy T. Agnew

Title Land Department

Signature

Date 12/04/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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

APPROVED

DEC 4 2009

**WESLEY W. INGRAM
PETROLEUM ENGINEER**

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

(Instructions on page 2)