

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
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 reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC060527
2. Name of Operator MARBOB ENERGY CORPORATION		6. If Indian, Allottee or Tribe Name
Contact DEBBIE WILBOURN E-Mail: geology@marbob.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address ARTESIA, NM 88211-0227	3b. Phone No. (include area code) Ph: 575-748-3303	8. Well Name and No. RED FEDERAL 8
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T17S R30E NWSE 1700FSL 1750FEL 32.83203 N Lat, 103.99150 W Lon		9. API Well No. 30-015-36867-00-X1
10. Field and Pool, or Exploratory LOCO HILLS		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK 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 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 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 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 Notices 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 CHANGE THE SURF HOLE SIZE

FROM: 12 1/4"
TO: 17 1/2"

AND CHANGE CSG SIZE

FROM: 8 5/8" 24# J-55
TO: 13 3/8" 48# H-40, CMT TO SURF W/450 SX "C", WT 14.8#, YLD 1.34

AND ADD AN INTMD STRG BY DRLG AN 11" HOLE TO 1250', THEN RUNNING 1250' OF 8 5/8" 24# J-55 CSG. CMT TO SURF W/350 SX "C", WT 14.8, YLD 1.34

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct	
Electronic Submission #80699 verified by the BLM Well Information System For MARBOB ENERGY CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by CHERYLE RYAN on 01/29/2010 (10CMR0233SE)	
Name (Printed/Typed) DEBBIE WILBOURN	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 01/27/2010
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By (BLM Approver Not Specified)	Title
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 Carlsbad

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

**PECOS DISTRICT
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	Marbob Energy Corporation
LEASE NO.:	NMLC060527
WELL NAME & NO.:	Red Federal 8
SURFACE HOLE FOOTAGE:	1700' FSL & 1800' FEL
LOCATION:	Section 17, T. 17 S., R 30 E., NMPM
COUNTY:	Eddy County, New Mexico

1. The **13-3/8** inch surface casing shall be set at **approximately 400 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt)** and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the **8-5/8** inch intermediate casing is:
 - ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.
Additional cement may be required as the excess calculates to 11%.
3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
 - ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.

CRW 012910