

**OCD-ARTESIA**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007**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  
☒ Oil Well ☐ Gas Well ☐ Other2 Name of Operator **MARBOB ENERGY CORPORATION**3a Address  
**PO BOX 227, ARTESIA, NM 88210-0227**3b. Phone No (include area code)  
**575-748-3303**4. Location of Well (Footage, Sec, T, R, M, or Survey Description)  
**SEC 22-T17S-R29E, 450 FNL 330 FEL, UNIT A**

5 Lease Serial No

**NMLC028731A**

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

**DODD FEDERAL UNIT #127**

9 API Well No

**30-015-37114**10 Field and Pool, or Exploratory Area  
**GRAYBURG JACKSON**

11 County or Parish, State

**EDDY CO., 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 type="checkbox"/> Other
	<input checked="" 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 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 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 PROPOSES TO CHANGE THE SURFACE HOLE SIZE****FROM: 12 1/4"**  
**TO : 17 1/2"****PLAN TO CHANGE THE SURFACE CASING****FROM: 8 5/8" 24# J-55**  
**TO: 13 3/8" 48# H-40 STC****PLAN TO CHANGE CEMENT****FROM: 300 SX "C" WT 14.8 YIELD 1.34**  
**TO: 400 SX "C" WT 14.8 YIELD 1.34****SEE ATTACHED FOR  
CONDITIONS OF APPROVAL****MARBOB PROPOSES TO ADD AN INTERMEDIATE STRING BY DRILLING AN 11" HOLE TO 900' AND SETTING 900' OF 8 5/8" 24# J-55 STC CSG AND CMT TO SURF W/ 250 SX "C" WT 14.8 YIELD 1.34.**

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

**JEANNIE SILLAS**Title **PRODUCTION ANALYST**

Signature

*Jeannie Sillas*

Date

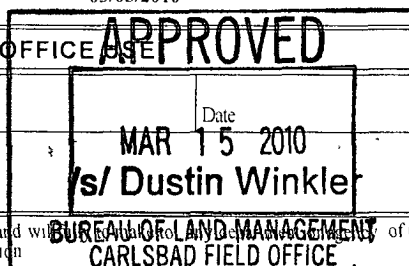
**03/05/2010****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

*Dustin Winkler*  
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.

Title

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 provide false information to any Federal, State, or local agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**3-18-10**

Marbob Energy Corporation  
NMLC-028731-A: Dodd Federal Unit #127  
API: 30-015-37114  
Eddy County, New Mexico

RE: Casing change – Conditions of Approval

**Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.**

**Centralizers required on surface casing per Onshore Order 2.III.B.1.f.**

**Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.**

**No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.**

**Possible water flows in the Salado and Artesia groups.**

**Possible loss of circulation in the Grayburg and San Andres formations.**

1. The 13-3/8 inch surface casing shall be set at **approximately 300 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt)** and cemented to the surface.
  - a. For the surface casing: If cement does not circulate to the surface, the appropriate BLM office shall be notified and a tag with 1" will be performed at four positions 90 degrees apart to verify cement depth. **BLM Petroleum Engineer Technician to witness tags.** If depth is greater than 100' or water is standing in the annulus, remedial cementing will be done. If no water and TOC tag is less than 100', when 100% excess cement of the annulus volume was run on the primary job, ready-mix can be used to bring cement to surface.
  - 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. **Casing to be set in the Tansill formation, below the salt. Additional cement may be needed. Excess cement calculates to only 8%.**

**If 75% or greater lost circulation occurs while drilling the intermediate casing hole, the cement on the production casing must come to surface.**

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

a. **First stage to DV tool, cement shall:**

☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office, before proceeding with second stage cement job.

b. **Second stage above DV tool, cement shall:**

☒ Cement to circulate **due to shallow surface casing setting depth.** If cement does not circulate, contact the appropriate BLM office.

4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

DHW 030910