NM OIL CONS. COMMICTON Drawer DD Artesia, NM 88210

FORM APPROVED Form 3160-5 UNITED STATES Budget Bureau No. 1004-0135 (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. LC-028793A SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE I. Type of Well X Oil Well 8. Well Name and No. Other 2. Name of Operator Burch AA Federal #37 9. API Well No. Marbob Energy Corporation 3. Address and Telephone No. 30-015-505-748-3303 P. O. Drawer 217, Artesia, NM 88210 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Grbg Jackson SR Q Grbg SA 11. County or Parish, State 1650 FNL 330 FEL, Sec. 19-T17S-R30E, Unit H Eddy County, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans New Construction Recompletion X Subsequent Report Plugging Back Non-Routine Fracturing Water Shut-Off Casing Repair Final Abandonment Notice Conversion to Injection Altering Casing Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Marbob Energy requests permission to change the plan for the reserve pit as outlined in the A.P.D. The pit dimensions will be constructed per the APD, but a dike will be built across the pit, dividing it in half. We anticipate only using half of the pit, therefore only the half that we will utilize will be lined with plastic. The other half of the pit will be lined w/plastic and used only if we encounter a waterflow during drlg operations and find that we will need additional room. This portion of the pit is a precautionary measure only. The portion of the pit that we are lining w/plastic should be more than adequate for normal drlg operations. If we do encounter a waterflow, we should have ample time to line the other half of the reserve pit w/plastic before the water encroaches. Production Clerk (This space for Federal or State office use) CORE TO SEE HARD IN MA AREA MANAGER Approved by Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.