

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1 S. 1 ST. 21
Artesia, NM

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

CISF

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. LC-029395B
2. Name of Operator MARBOB ENERGY CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 227, ARTESIA, NM 88210	3b. Phone No. (include area code) (505) 748-3303	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650 FNL 990 FWL, SEC. 20-T17S-R31E UNIT E		8. Well Name and No. LEE FEDERAL #2
		9. API Well No. 30-015-30268
		10. Field and Pool, or Exploratory Area LOCO HILLS PADDOCK
		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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other TD, CMT CSG

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 recompleate 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 recompleation 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.)

TD WELL ON 6:30 A.M. 8/23/98. DRLD 7 7/8" HOLE TO 5300', RAN 139 JTS 5 1/2" J-55 17# CSG TO 5274', CMTD 1ST STAGE W/400 SX 50/50 POZ, PLUG DOWN @ 7:30 P.M. 8/24/98, CIRC 150 SX TO SURF, CMTD 2ND STAGE W/1100 SX HALL LITE & 300 SX 50/50 POZ, PLUG DOWN @ 3:00 A.M. 8/25/98, CIRC 125 SX TO SURF. WOC 18 HRS, TSTD CSG TO 1500# FOR 30 MINUTES - HELD OK. DV TOOL @ 3319'.

(ORIG. SGD.) DAVID F. GLASS

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) RHONDA NELSON	Title PRODUCTION ANALYST
Signature <i>Rhonda Nelson</i>	Date 8/26/98

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	