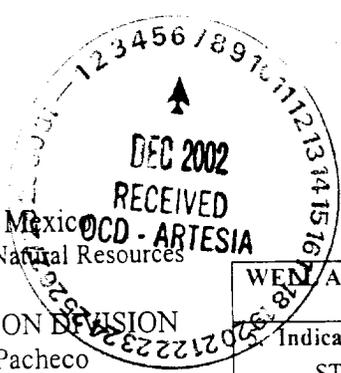


CLST  
gp



Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
811 South First, Artesia, NM 87210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised March 25, 1999

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

WELL API NO. 30-015-32374

Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:  
WALTERTHON FEE

8. Well No.  
2

9. Pool name or Wildcat  
CARLSBAD SOUTH MORROW

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
Oil Well  Gas Well  Other

2. Name of Operator  
MARBOB ENERGY CORPORATION

3. Address of Operator  
PO BOX 227, ARTESIA, NM 88211-0227

4. Well Location  
Unit Letter D : 855 feet from the NORTH line and 660 feet from the WEST line  
Section 21 Township 22S Range 27E NMPM County EDDY

10. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3115' GL

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK  PLUG AND ABANDON   
TEMPORARILY ABANDON  CHANGE PLANS   
PULL OR ALTER CASING  MULTIPLE COMPLETION   
OTHER:

SUBSEQUENT REPORT OF:  
REMEDIAL WORK  ALTERING CASING   
COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
CASING TEST AND CEMENT JOB   
OTHER: INTERMEDIATE CSG, CMT

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

11:00 AM ON 12/2/02 - TD 8 3/4" HOLE, DRILD 8 3/4" HOLE TO 9000', RAN 210 JTS 7" 23# N80 & P110 CSG (9005.52') TO 9000'. CMTD 1ST STG W/ 250 SX H/L P+, TAILED IN W/ 200 SX SUPER "H", PLUG DOWN @ 8:15 AM ON 12/4/02, CIRC 58 SX OFF TOP OF DV TOOL. CMTD 2ND STG W/ 600 SX H/L P+, TAILED IN W/ 200 SX P+ NEAT, PLUG DOWN @ 3:15 PM ON 12/4/02, CIRC 70 SX TO PIT. WOC 18 HRS, TESTED CSG TO 1500# FOR 30 MIN - HELD OK.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Diana J. Cannon TITLE PRODUCTION ANALYST DATE 12/5/02

Type or print name DIANA J. CANNON Telephone No. (505) 748-3303

APPROVED BY [Signature] ORIGINAL SIGNED BY TIM W. GUM DISTRICT H SUPERVISOR DATE DEC 16 2002

Conditions of approval, if any: