



marbob
energy corporation

SEP 11 2000

September 8, 2000

Exxon Mobil Production Company
396 West Greens
Houston, Texas 77067-4530

Attention: Mr. Paul Keffer

Catalunach
Case FILE
Case 12358

**RE: Force Pooling Costs
Giles State Com #1
S/2 - Section 15
T-17S, R-35E, NMPM
Lea County, New Mexico**

Dear Mr. Keffer:

Enclosed is a copy of our accounting departments analysis of the cost of drilling and completing the above described well. The total cost is \$1,105,831.36. We will be setting up payout reports. A copy of the completion report is also attached.

If you need any additional information, please contact me.

Sincerely,

Raye Miller

Raye Miller
Land Department

RM/mm
Enclosures

Cc: Ms. Lori Wrotenberry
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

JUL 20 2000

Form C-105
Revised 1-1-89

WELL API NO. 30-025-34939
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. B-2735

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____	7. Lease Name or Unit Agreement Name GILES STATE COM
b. Type of Completion: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER _____	
2. Name of Operator MARBOB ENERGY CORPORATION	8. Well No. 1
3. Address of Operator P.O. BOX 227, ARTESIA, NM 88210	9. Pool name or Wildcat VACUUM ATOKA MORROW NORTH

4. Well Location
Unit Letter I : 1900 Feet From The SOUTH Line and 660 Feet From The EAST Line
Section 15 Township 17S Range 35E NMPM LEA County

10. Date Spudded 05/03/00	11. Date T.D. Reached 06/09/00	12. Date Compl. (Ready to Prod.) 07/02/00	13. Elevations (DF & RKB, RT, GR, etc.) 3938' GR	14. Elev. Casinghead
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15. Total Depth 12,627'	16. Plug Back T.D. 12,586'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools ☒ Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name 12122-12132 MORROW <i>Atoka</i>	20. Was Directional Survey Made No
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21. Type Electric and Other Logs Run DLL, CSNG	22. Was Well Cored No
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23. **CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	440'	17 1/2"	445 SX	CIRC 35 SX
8 5/8"	24#	4920'	12 1/4"	1675 SX	CIRC 175 SX
5 1/2"	17#	12626'	7 7/8"	2100 SX	CIRC 165 SX

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8"	12064'	

26. Perforation record (interval, size, and number) 12122-12132' 60 SHOTS	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	12122-12132'	FRAC 535 BBLs CO2 & WTR & 500 SX 20/40 INTERPRO SAND

28. **PRODUCTION**

Date First Production 07/03/00		Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING				Well Status (Prod. or Shut-in) PROD	
Date of Test 07/05/00	Hours Tested 24	Choke Size 16/64"	Prod'n For Test Period	Oil - Bbl. 22	Gas - MCF 1422	Water - Bbl. 0	Gas - Oil Ratio
Flow Tubing Press. 1600	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD	Test Witnessed By SHANE GRAY
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30. List Attachments
LOGS, DEVIATION SURVEY

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Robin Cockrum Printed Name ROBIN COCKRUM Title PRODUCTION ANALYST Date 07/07/00

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____ 11270.0	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____ 11654.0	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____ 11860.0	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 4750.0	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____ 6246.0	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____ 7853.0	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. MORROW _____ 12380.0	T. Wingate _____	T. _____
T. Wolfcamp _____ 9730.0	T. CHESTER _____ 12478.0	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permain _____	T. _____
T. Cisco (Bough C) _____ 11053.0	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from..... to No. 3, from ... to
No. 2, from..... to No. 4, from ... to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from	.....	.....	.....	to	...	.....	.....	.....	feet	.....	.....	.....	.....
No. 2, from	.....	.....	.....	to	...	.....	.....	.....	feet	.....	.....	.....	.....
No. 3, from	.....	.....	.....	to	...	.....	.....	.....	feet	.....	.....	.....	.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

OPERATOR: Marbob Energy Corp.
WELL/LEASE: Giles St. Com. #1
COUNTY: Lea

305-0090

STATE OF NEW MEXICO
DEVIATION REPORT

JUN 20 2000

196	3/4
440	1/4
936	1/4
1,364	1/2
1,863	3/4
2,122	1
2,372	1/4
2,799	1
3,272	1 1/4
3,746	1
4,245	1
4,744	1
4,920	1
5,419	3 1/4
5,544	1
5,637	1
6,143	3/4
6,642	1
7,124	3/4
7,416	3/4
7,892	1
8,364	1/2
8,833	3/4
9,320	1
9,799	1/2
10,265	3/4
10,744	3/4
11,110	3/4
11,607	3/4
12,141	3/4
12,627	3/4

By: Ray Peterson

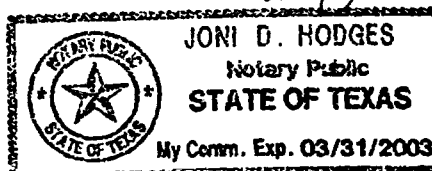
STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on this 13th day of June, 2000, by
Ray Peterson on behalf of UTI Drilling L.P.

My Commission Expires: 3/31/2003

Joni D. Hodges
Notary Public for Midland County, Texas



AFER32 AFE BUDGET / COST COMPARISON - GROSS
ACTUAL COSTS THROUGH 08/31/00
COMPANY 100 MARBOB ENERGY CORPORATION

PAGE 141
15:56:15 9/01/00
LAST UPDATE 8/31/2000

AFE# 500001
PROPERTY 5000-001 GILES STATE COM #1
AFE TYPE 1 NEW DRILLING
BUDGET TYPE TOTAL

NO. OF SUPPLEMENTS 000

BEGINNING DATE 4/01/1999 TOTAL DEPTH (ESTIMATE) 12,650
ENDING DATE 12/31/2000 PLUG BACK DEPTH

SPUD DATE 4/01/2000 ESTIMATED DRILLING TYPE 1 DEVELOPMENT
TOTAL DEPTH DATE CONTRACTOR
RIG RELEASE DATE FIELD

SEC 015 TWN 17S RNG 35E

STATE NM NEW MEXICO
COUNTY 025 LEA
OPERATOR 999100 MARBOB ENERGY CORPORATION

ACCOUNT	DESCRIPTION	DRY BUDGET	COMPLETED BUDGET	GROSS TOTAL BUDGET	GRS INCEPTION TO DATE COSTS	UNDER OR <COVER> AFE
530 110	LOCATION, ROADS, PITS, DAMAGES	17,000	5,000	22,000	22,963.30	963.30-
530 110	SITE PREPARATION--ROADS & LOC.	17,000	5,000	22,000	22,963.30	963.30- *
530 200	DRILLING-FOOTAGE, DAYWORK, MOBIL	275,200	25,000	275,200	331,189.54	55,989.54-
530 210	DRILLING--FOOTAGE CONTRACT	26,000	25,000	51,000	41,968.44	9,031.56
530 210	DRILLING--DAYWORK/MOBILIZATION	301,200	25,000	326,200	373,157.98	46,957.98- *
530 280	CEMENT AND CEMENTING--SURFACE	25,000		25,000	30,045.13	5,045.13-
530 285	CEMENT SUR. CSVG-MATERIALS	25,000		25,000	30,045.13	5,045.13- *
530 300	TESTING AND CORING	8,000	500	8,500		8,500.00
530 300	CORING & FORMATION TESTING	8,000	500	8,500		8,500.00 *
530 310	MUD LOGGING & GEOLOGICAL SVCS.	20,000		20,000	16,729.23	3,270.77
530 310	MUD LOGGING	20,000		20,000	16,729.23	3,270.77 *
530 100	STAKING, PERMITS, LEGAL FEES, ROW	17,500	4,500	22,000	976.30	21,023.70
530 100	PROFESSIONAL SERVICES	17,500	4,500	22,000	976.30	21,023.70 *
530 250	DRILLING--WATER, HAULING--FUEL	51,000	3,000	54,000	65,344.80	11,344.80-
530 250	FUEL, AND WATER	51,000	3,000	54,000	65,344.80	11,344.80- *
530 299	OTHER DRILLING COSTS/MATERIALS				4,934.64	4,934.64-
530 299	BITS, COREHEADS, RENTALS				4,934.64	4,934.64- *
530 220	EQUIP RNTL, MACHINERY/MAN HIRE	12,000	13,000	25,000	28,065.77	3,065.77-
530 220	MISCELLANEOUS SERVICES	12,000	13,000	25,000	28,065.77	3,065.77- *
530 950	DRILL/COM OVERHEAD CHARGE	5,000	1,500	6,500		6,500.00
530 955	DRILL/COM WELLSITE SUPERVISION	5,000	5,000	10,000		10,000.00
530 955	ADMINISTRATIVE, GEN EXPENSE	10,000	6,500	16,500		16,500.00 *

COMPLETION UNIT

AFE# 500001		NO. OF SUPPLEMENTS		000	
PROPERTY	5000-001 JILES STATE COM #1				
AFE TYPE	1 NEW DRILLING				
BUDGET TYPE	TOTAL				
ACCOUNT	DESCRIPTION	NO. OF SUPPLEMENTS	000	COMPLETED BUDGET	GRS INCEPTION TO DATE COSTS
COMPLETION UNIT					
530 450	COMPLETION UNIT			15,000	5,772.75
TOTAL	COMPLETION UNIT			15,000	5,772.75 *
CEMENT AND CEMENTING-PRJDUCT.					
530 400	CEMENT PRODUCTION CASING			30,000	42,295.89
TOTAL	CEMENT AND CEMENTING-PRODUCT.			30,000	42,295.89 *
PERFORATING AND LOGGING					
530 350	ELEC. LOGGING, WIRELINE, PERF.			5,000	42,780.43
TOTAL	PERFORATING AND LOGGING			5,000	42,780.43 *
FRAC AND/OR ACID TREATMENT					
530 410	FORMATION FRACTURING				72,014.64
530 420	FORMATION ACIDIZING				1,563.72
TOTAL	FRAC AND/OR ACID TREATMENT				73,578.36 *
FUEL, WATER, POWER					
530 905	COMPLETION WATER, POWER, FUEL				6,587.64
TOTAL	FUEL, WATER, POWER				6,587.64 *
BATTERY CONSTRUCTION					
530 910	BATTERY CONSTRUCT. SERV/MATERI				26,822.02
TOTAL	BATTERY CONSTRUCTION				26,822.02 *
COMPLETION TOOLS EQUIP RENTAL					
530 915	COMPLETION EQUIP RNTL/SERVICES			7,566	127,788.14
TOTAL	COMPLETION TOOLS EQUIP RENTAL			7,566	127,788.14 *
PROFESSIONAL SERVICES					
530 500	CONTRACT LABOR/PROFESSIONAL SV			7,000	10,000.00
TOTAL	PROFESSIONAL SERVICES			7,000	10,000.00 *
MISCELLANEOUS SERVICES					
530 900	MISCELLANEOUS IDC EXPENSES			10,000	40,725.00
TOTAL	MISCELLANEOUS SERVICES			10,000	40,725.00 *
TANGIBLE EQUIPMENT-DRILL/COMP					
134 200	SURFACE & INTERMEDIATE CASING				1,984.36
134 250	PRODUCTION CASING			95,000	95,918.47
134 300	TUBING & ATTACHMENTS			55,000	42,151.18
134 350	PUMPING WELL HOOK-UP			6,000	6,000.00
134 400	WELLHEAD EQUIPMENT			10,800	14,993.00
134 500	PUMPJACKS & PUMPS				.00
134 600	TREATER, SEPAR. EQ, METERS/ELEC			15,000	15,000.00
134 700	TANKS & STORAGE FACILITIES			15,000	4,903.80
134 900	MISCELLANEOUS L&W EQUIPMENT			22,000	6,763.17
TOTAL	TANGIBLE EQUIPMENT-DRILL/COMP			215,000	237,713.98 *

NO. OF SUPPLEMENTS 000

ACCOUNT	DESCRIPTION	COMPLETED BUDGET	GRS INCEPTION TO DATE COSTS	UNDER OR <OVER> AFE
	TOTALS FOR AFE	347,066	1,105,831.36	172,265.36- ** 0/E

GROSS
TOTAL BUDGET
933,566

GRS INCEPTION
TO DATE COSTS
1,105,831.36

UNDER OR
<OVER> AFE
172,265.36- ** 0/E