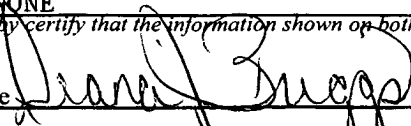


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003
		WELL API NO. 30-015-32473
		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
		State Oil & Gas Lease No. V-5196
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input checked="" type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER _____		7. Lease Name or Unit Agreement Name PECOS 32 STATE
2. Name of Operator MARBOB ENERGY CORPORATION		8. Well No. 3
3. Address of Operator PO BOX 227, ARTESIA, NM 88211-0227		9. Pool name or Wildcat MCMILLAN; ATOKA (GAS)
4. Well Location Unit Letter <u>N</u> : <u>990</u> Feet From The <u>SOUTH</u> Line and <u>1980</u> Feet From The <u>WEST</u> Line Section <u>32</u> Township <u>19S</u> Range <u>27E</u> NMPM <u>EDDY</u> County		
10. Date Spudded 2/2/05	11. Date T.D. Reached 3/1/05	12. Date Compl. (Ready to Prod.) 4/25/06
13. Elevations (DF& RKB, RT, GR, etc.) 3379' GL		14. Elev. Casinghead
15. Total Depth 10760'	16. Plug Back T.D. 10040'	17. If Multiple Compl. How Many Zones?
18. Intervals Drilled By		Rotary Tools 0 - 10760'
19. Producing Interval(s), of this completion - Top, Bottom, Name 9655' - 9666' (ATOKA)		20. Was Directional Survey Made NO
21. Type Electric and Other Logs Run NONE		22. Was Well Cored NO
23. EXISTING CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
13 3/8"	54.5#	251'
9 5/8"	36#	2205'
5 1/2"	17#	10703'
24. LINER RECORD		
SIZE	TOP	BOTTOM
25. TUBING RECORD		
SIZE	DEPTH SET	PACKER SET
2 3/8"	9598'	
26. Perforation record (interval, size, and number) 9655' - 9666' (28 SHOTS)		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	
9655'-9666'	ACDZ W/ 750 GAL CLAY SAFE H	
28. PRODUCTION		
Date First Production 4/27/06	Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING	Well Status (Prod. or Shut-in) PROD
Date of Test 4/28/06	Hours Tested 24	Choke Size
Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 165
Flow Tubing Press.	Casing Pressure	Water - Bbl. 0
Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF
		Water - Bbl.
29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD		Test Witnessed By OWEN PUCKETT
30. List Attachments NONE		
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief		
Signature 		Printed Name DIANA J. BRIGGS Title PRODUCTION ANALYST Date 5/15/06
E-mail Address PRODUCTION@MARBOB.COM		