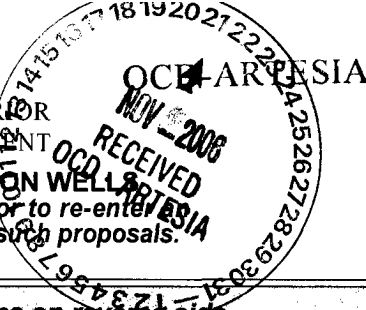


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.



FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Marbob Energy Corporation

3a. Address

P.O. Box 227, Artesia, NM 88211-0227

3b. Phone No. (include area code)

505-748-3303

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)

330' FSL & 660' FEL

BHL: 2310' FSL & 660' FEL

Sec 12, T19S - R31E

5. Lease Serial No.

NM 23002

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Malibu Federal #1

9. API Well No.

30-015-34784

10. Field and Pool, or Exploratory Area

Lusk Bone Springs

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operator, Footage & Dedicated Acres
	<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	

3. 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 recompleat 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 recompleat 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.)

Marbob Energy Corporation respectfully requests:

1. that the operator be changed from "Ray Westall" to "Marbob Energy Corporation".
2. that the footage be changed from "660' FSL & 660' FEL" to "330' FSL & 660' FEL with a BHL of 2310' FSL & 660' FEL".
3. that the dedicated acres be changed from "40" to "80" acres.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Nancy T. Agnew

Title Land Department

Signature

Nancy T. Agnew

Date 10/23/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

/s/ Don Peterson

Name (Printed/Typed)

/s/ Don Peterson

ACTING
Title FIELD MANAGER

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 CARLSBAD FIELD OFFICE

Date NOV 17 2006

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on next page)

DISTRICT-I

1625 N. FRENCH DR., HOBBBS, 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 Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Free Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-34784	Pool Code 41940	Pool Name Lusk Bone Springs
Property Code	Property Name MALIBU FEDERAL	Well Number 1
OGRID No. 14049	Operator Name MARBOB ENERGY CORPORATION	Elevation 3600'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	12	19-S	31-E		330	SOUTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

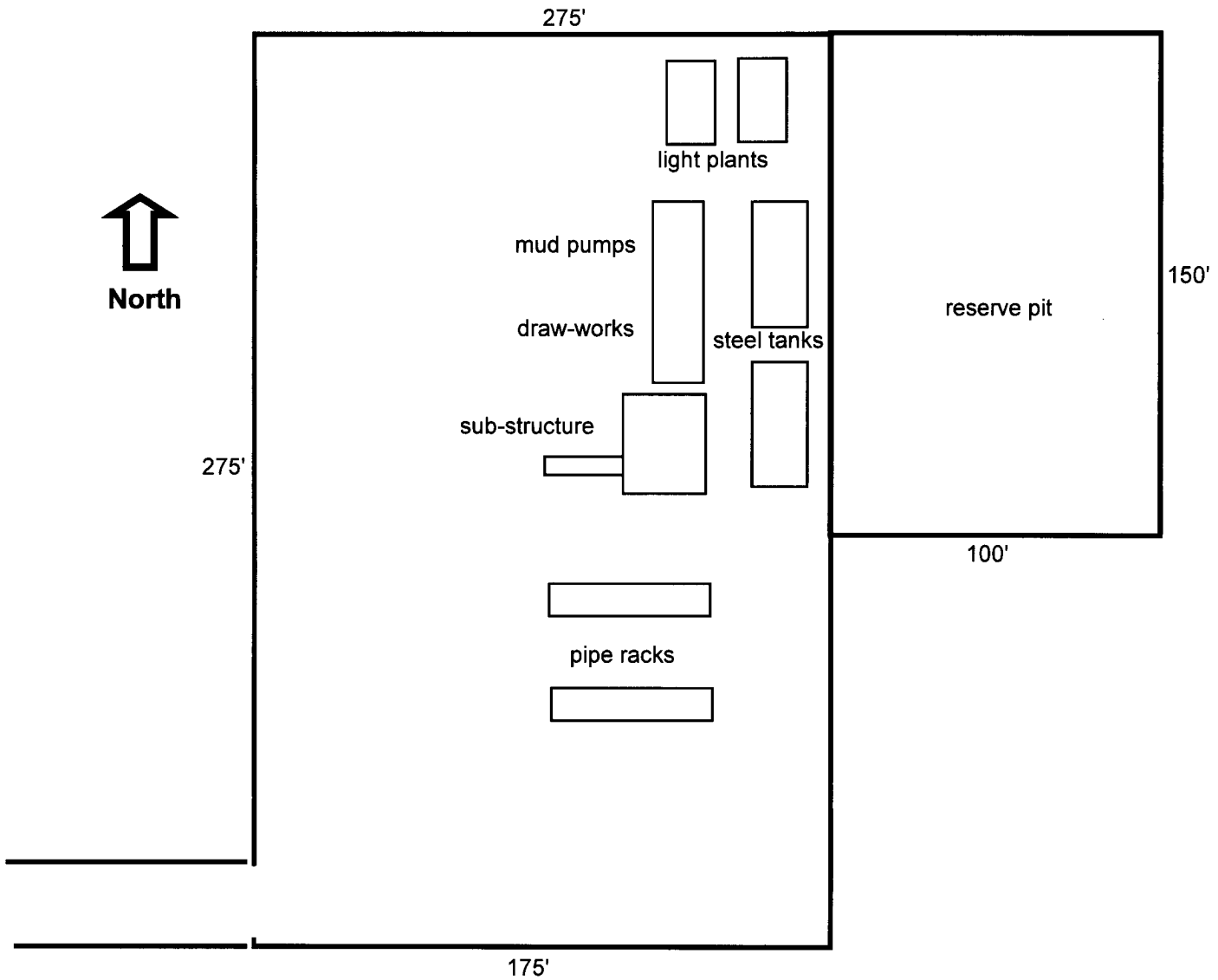
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	12	19-S	31-E		2310	SOUTH	660	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME SURFACE Y=607322.9 N X=659224.1 E</p> <p>LAT.=32.668564° N LONG.=103.815912° W</p> <p>BOTTOM HOLE Y=609302.7 N X=659209.5 E</p>		<p>PROJECT AREA</p> <p>B.H.</p> <p>PRODUCING AREA</p> <p>GR.AZ.=359°34'32"</p> <p>GR.DIST.=1980.0'</p> <p>SEE DETAIL</p> <p>330'</p> <p>660'</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Nancy T. Agnew</i> 10/23/06 Signature Date</p> <p>Nancy T. Agnew Printed Name</p>
<p>DETAIL</p> <p>3600.1' 3603.3'</p> <p>600'</p> <p>600'</p> <p>3597.6' 3599.7'</p>		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 17, 2006</p> <p>Date Surveyed JR</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>GARY EDSON</i> 10/19/06 06.11.1642</p> <p>Certificate No. GARY EDSON 12841</p>		

Well Site Lay-Out Plat



Malibu Federal #1
330' FSL & 660' FEL
BHL: 2310' FSL & 660' FEL
Sec 12-T19S-R31E
Eddy County, New Mexico

EXHIBIT THREE