

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUN 17 2008

OCD-ARTESIA

FORM APPROVED

OMB NO 1004-0137

Expires July 31, 2010

LEASE DESIGNATION AND SERIAL NO

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NMNM104646

| | | | |
|---|--|---|--|
| 1a Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | 6 INDIAN ALLOTTEE OR TRIBE NAME | |
| b Type of Completion <input type="checkbox"/> New Well <input type="checkbox"/> Workover <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff' Resvr | | 7 UNIT AGREEMENT | |
| Other _____ Re-Entry _____ | | | |
| 2 Name of Operator Marbob Energy Corporation | | 8 FARM OR LEASE NAME Michalada Federal #5-D | |
| 3 Address PO Box 227 Artesia, NM 88211-0227 | | 9 API WELL NO 30-015-27910 | |
| 3a. Phone No. (include area code) 575-748-3303 | | | |
| 4 Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 460 FNL 989 FEL, Unit A Lat. _____ Long. _____ At top prod Interval reported below _____ Same _____ At total depth _____ Same _____ | | 10 FIELD NAME Delaware | |
| 14 Date Spudded 3/24/2008 | | 11 SEC T R. M. OR BLOCK AND SURVEY OR AREA Sec. 4 T 22S R 25E | |
| 15 Date TD Reached 4/3/2008 | | 12 COUNTY OR PARISH Eddy | |
| 16 Date Completed 5/31/08 <input checked="" type="checkbox"/> D & A <input type="checkbox"/> Ready to Prod | | 13 STATE NM | |
| 17 ELEVATIONS (DF, RKB, RT, GR, etc)* | | 17 ELEVATIONS (DF, RKB, RT, GR, etc)* | |
| 18 Total Depth MD 4350' TVD 4350' | | 20 Depth Bridge Plug Set. MD 1800' TVD 1800' | |
| 19 Plug back TD. MD 0 TVD 0 | | | |
| 21 Type Electric & other Logs Run (Submit a copy of each) None | | 22 Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) | |

| 23 Casing and Liner Record (Report all strings set in well) | | | | | | | | | |
|---|-------------|-----------|----------|------------|----------------------|----------------------------|------------------|-------------|---------------|
| Hole Size | Size/ Grade | Wt (#/ft) | Top (MD) | Bottom(MD) | Stage Cementer Depth | No of Sks & Type of Cement | Slurry Vol (Bbl) | Cement Top* | Amount Pulled |
| 14 3/4" | 11 3/4" | 42# | 0 | 259' | | 200 sx | | 0 | None |
| 11" | 8 5/8" | 24# | 0 | 2017' | | 880 sx | | 0 | None |
| 7 7/8" | 5 1/2" | 15 5# | 0 | 4230' | | 565 sx | | 0 | None |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

| 24 Tubing Record | | | | | | | | | |
|------------------------|----------------|-------------------|---------------------|----------------|-----------------------|--------------------|----------------|-------------------|--|
| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | |
| | | | | | | | | | |
| | | | | | | | | | |
| 25 Producing Intervals | | | | | 26 Perforation Record | | | | |
| Formation | Top | Bottom | Perforated Interval | Size | No of Holes | Perf Status | | | |
| A) | | | 1585' - 4128' | | 180 | Closed-D&A 5/31/08 | | | |
| B) | | | | | | | | | |
| C) | | | | | | | | | |
| D) | | | | | | | | | |

| 27 Acid, Fracture Treatment, Cement Squeeze, Etc. | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|
| Depth Interval | Amount and Type of Material | | | | | | | | |
| 1952' - 3121' | Sqz w/ 200 sx P+ cmt | | | | | | | | |
| 1585' - 4128' | Acidz w/ 7500 gal NE Fe 7 1/2% HCl | | | | | | | | |
| 3460' - 3553' | Frac w/ 11905 gal fluid & 15000# sand. | | | | | | | | |
| | | | | | | | | | |

| 28 Production- Interval A | | | | | | | | | |
|---------------------------|--------------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil Bbl | Gas MCF | Water Bbl | Oil Gravity Corr API | Gas Gravity | Production Method |
| | | | → | | | | | | |
| Choke Size | Flow Press Flwg SI | Csg Press | 24 Hr Rate | Oil Bbl | Gas MCF | Water Bbl | Gas Oil Ratio | Well Status | |
| | | | → | | | | | | |

| 28a Production- Interval B | | | | | | | | | |
|----------------------------|--------------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil Bbl | Gas MCF | Water Bbl | Oil Gravity Corr API | Gas Gravity | Production Method |
| | | | → | | | | | | |
| Choke Size | Flow Press Flwg SI | Csg Press | 24 Hr Rate | Oil Bbl | Gas MCF | Water Bbl | Gas Oil Ratio | Well Status | |
| | | | → | | | | | | |

* See instructions and spaces for additional data on page 2)

| | | | | | | | | | |
|---------------------|--------------------------|--------------|----------------------|---------|---------|-----------|-------------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil Bbl | Gas MCF | Water Bbl | Oil Gravity Corr API | Gas Gravity | Production Method |
| Choke Size | Tbg. Press Flwg SI | Csg. Press | 24 Hr Rate → | Oil Bbl | Gas MCF | Water Bbl | Gas. Oil Ratio | Well Status | |

| | | | | | | | | | |
|---------------------|-----------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil Bbl | Gas MCF | Water Bbl | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size | Tbg. Press Flow SI | Csg. Press | 24 Hr. Rate → | Oil Bbl | Gas MCF | Water Bbl | Gas Oil Ratio | Well Status | |

30 Summary of Porous Zones (include Aquifers)

31 Formation (Log) Markers

| Formation | Top | Bottom | Descriptions Contents, Etc | Name | Top |
|-----------|-----|--------|----------------------------|------|----------------|
| | | | | | Measured Depth |
| | | | | | TD 4350' |


4/7/08 - CIBP + 35' cmt set @ 4210'
4/11/08 - CIBP set @ 4090'
4/15/08 - CIBP set @ 3960'
4/16/08 - CIBP set @ 3800'
5/22/08 - CIBP set @ 3400'
5/27/08 - CIBP set @ 1800'

POOH w/ rods & tbg Drill out BP @ 1800' Push down to 2100' Circ hole w/ 9# plug mud Pump 60 sx cmt plug. WOC Tag plug @ 1602'
Re-spot 40 sx plug Tag @ 1187' Called Kent w/ BLM & was told to proceed w/ job Pump 50 sx cmt from 310' to surface Cut off wellhead
& anchors Install dry hole marker

☐ Electrical/ Mechanical Logs (1 full set required) ☐ Geologic Report ☐ DST Report ☐ Directional Survey

☒ Sundry Notice for plugging and cement verification ☐ Core Analysis ☐ Other

Name (please print) Diana J. Briggs Title Production Analyst

Signature  Date 16-Jun-08

(Form 3160-4, page 2)