

Submit 3 Copies To Appropriate District
 Office
 District I
 1625 N French Dr, Hobbs, NM 88240
 District II
 1301 W Grand Ave., 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

Form C-103
 June 19, 2008

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

DEC 30 2008

WELL API NO. 30-015-33920
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Bar W Fee
8. Well Number 3
9. OGRID Number 14049
10. Pool name or Wildcat Esperanza; Delaware
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3080' GR

SUNDRY NOTICES AND REPORTS ON WELLS **WCD-ARTESIA**
 (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 L : 1650 feet from the South line and 330 feet from the West line
 Section 10 Township 22S Range 27E NMPM Eddy County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input checked="" type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. 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 recompletion.

Marbob Energy Corporation proposes to temporarily abandon the Bar W Fee #3 for economic reasons. The well produces approximately 3 BOPD & 220 BWPD and is uneconomic to produce due to low oil prices and the high cost of trucking the produced water to water disposal facilities (Gross Revenue = 3 BOPD x \$40/bbl = \$120/day, Water Hauling Expense = 220 BWPD x \$3/bbl = \$660/day). We plan to swab test individual Delaware zones and possibly cement squeeze them if they aren't oil productive. The well will end up with a CIBP or cement retainer set above the top perforation. We will circulate the casing with inhibited water and test to 500 psi for 30 minutes. When oil prices improve, we will return the well to production.

(See attached wellbore schematics)

Subsequent Report must include Chart & Detailed Description of work done.

Spud Date:

Rig Release Date:

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

SIGNATURE *Diana Briggs* TITLE Production Analyst DATE 12/30/08

Type or print name Diana Briggs E-mail address: production@marbob.com PHONE: (575) 748-3303

For State Use Only

APPROVED BY: *Gerry Guye* TITLE Gerry Guye DATE JAN 7 2009
Compliance Officer

Conditions of Approval (if any):

Bar W Fee #3
 1650' FSL & 330' FWL
 L-10-22s-27e
 Eddy Co., NM

BEFORE

Zero: 12' AGL
 KB: 3092
 GL: 3080

12-1/4" Hole

Casing Vol w/ NO tubing = 130 bbls.

Size	Wt	Gr	Conn	Depth
8-5/8"	24	J55	STC	425
5-1/2"	17	J55	LTC	5370
2-7/8"	6.5	J55	EUE	

7-7/8" Hole

8-5/8" @ 425'
 350 sx P+
 (Circ 100 sx)

DV Tool 3339'

○ Top Perf	3132		
○		13	Del 4
○ Btm Perf	3144		

○ Top Perf	3750		
○		15	Del 3
○ Btm Perf	4025		

○ Top Perf	4792		
○		17	Del 2
○ Btm Perf	4808		

○ Top Perf	5112		
○		31	Del 1
○ Btm Perf	5142		

1st. 400 sx PB Super H
 (circ 82 sx)

FC @ 5358'

TD @ 5370'

5-1/2" @ 5370'

2nd. 500 sx Int C+100 sx P+
 (TOC @ 500'-TS)

Bar W Fee #3
 1650' FSL & 330' FWL
 L-10-22s-27e
 Eddy Co., NM

AFTER

Zero: 12' AGL
 KB: 3092
 GL: 3080

12-1/4" Hole

Casing Vol w/ NO tubing = 130 bbls.

Size	Wt	Gr	Conn	Depth
8-5/8"	24	J55	STC	425
5-1/2"	17	J55	LTC	5370
2-7/8"	6.5	J55	EUE	

*Inhibited
Water*

7-7/8" Hole

8-5/8" @ 425'
 350 sx P+
 (Circ 100 sx)

CIP/CIR @ 13075'

DV Tool 3339'

○ Top Perf	3132		
○		13	Del 4
○ Btm Perf	3144		

○ Top Perf	3750		
○		15	Del 3
○ Btm Perf	4025		

○ Top Perf	4792		
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○ Top Perf	5112		
○		31	Del 1
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