

Submit 1 Copy 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
October 13, 2009

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

WELL API NO. 30-015-37239
7. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
7. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Sausage SWD
8. Well Number 1
9. OGRID Number 14049
10. Pool name or Wildcat SWD; Delaware

SUNDRY NOTICES AND REPORTS ON WELLS (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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	RECEIVED DEC 10 2009 NMOCD ARTESIA
2. Name of Operator Marbob Energy Corporation	
3. Address of Operator P.O. Box 227, Artesia, NM 88211-0227	
4. Well Location Unit Letter <u>G</u> . <u>2310</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>7</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3182' GR	

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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
OTHER <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
	OTHER: Completion Operations (SWD) <input checked="" 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

10/15/09 MIRU. Tag DVT and drill out. Tag PBTD @ 7428'. Circulate hole clean w/2% KCL.

10/16/09 Log well from 7423-4000'. Set CIBP @ 6920'. Perforate Delaware 4452-6708' (627).

10/21/09 Acdz 4452-5438' w/9000 gal 15% NEFE. AIR 7.2 BPM, AIP 1900#, max press 2485#.

10/22/09 Frac 4452-6708' w/240200# 20/40 Premium brown sand & 205638 gal fluid. AIR 79.2 BPM, AIP 1673#, max press 3276#, ISIP 540#

10/27/09 Set 138 jts 3 1/2" Duoline 9.2# tbg & NP packer @ 4405'.

10/28/09 Ran MIT. Pressured up to 520# & charted for 30 mins. OCD representative Randy Dade witnessed.

11/12/09 Date of first injection. (SWD-1184)

Spud Date:

9/12/09

Rig Release Date:

9/23/09

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

SIGNATURE Stormi Davis TITLE Production Assistant DATE 12/9/09

Type or print name Stormi Davis E-mail address: sdavis@marbob.com PHONE. 575-748-3303

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE 1/20/10

Conditions of Approval (if any):