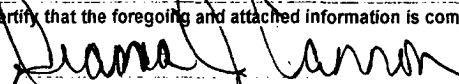


Oil Cons.
N.M. Div-2
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1001 W. Grant Avenue
Artesia, NM 88210FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995
5. LEASE DESIGNATION AND SERIAL NO.

NMLC028395B

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL:		OIL WELL ☒	GAS WELL ☐	DRY ☐	Other ☐		
b. TYPE OF COMPLETION:		NEW WELL ☒	WORK OVER ☐	DEEP-EN ☐	PLUG BACK ☐	DIFF. RESVR. ☐	Other ☐
2. NAME OF OPERATOR MARBOB ENERGY CORPORATION						3. ADDRESS AND TELEPHONE NO. PO BOX 227, ARTESIA, NM 88211-0227 (505) 748-3303	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 990 FSL 230 FWL, UNIT M At top prod. interval reported below SAME At total depth SAME						14. PERMIT NO. DATE ISSUED APR 26 2004 OCD-ARTESIA	
15. DATE SPUDDED 3/14/04		16. DATE T.D. REACHED 3/24/04		17. DATE COMPL. (Ready to prod.) 4/13/04		18. ELEVATIONS (DF, RKB, RT, GE, ETC.)* 3692' GL	
20. TOTAL DEPTH, MD & TVD 5230'		21. PLUG, BACK T.D., MD & TVD 5213'		22. IF MULTIPLE COMPL., HOW MANY*		23. INTERVALS DRILLED BY ROTARY TOOLS 0 - 5230'	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)* 4641' - 4908' YESO						25. WAS DIRECTIONAL SURVEY MADE NO	
26. TYPE ELECTRIC AND OTHER LOGS RUN DLL, CSNG						27. WAS WELL CORED NO	
28. CASING RECORD (Report all strings set in well)							
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD		AMOUNT PULLED	
13 3/8" H40	48#	382'	17 1/2"	470 SX, CIRC		NONE	
8 5/8" J55	24#	1342'	12 1/4"	570 SX, CIRC		NONE	
5 1/2" J55	17#	5226'	7 7/8"	900 SX		NONE	
29. LINER RECORD							
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 7/8"	4635'	
31. PERFORATION RECORD (Interval, size and number) 4641' - 4908' (20 SHOTS)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. DEPTH INTERVAL (MD) 4641' - 4908' AMOUNT AND KIND OF MATERIAL USED ACDZ W/ 2000 GAL 15% HCL ACID			
33. * PRODUCTION							
DATE FIRST PRODUCTION 4/18/04		PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) PUMPING				WELL STATUS (Producing or shut-in) PROD	
DATE OF TEST 4/20/04	HOURS TESTED 24	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL--BBL. 178	GAS--MCF. 416	WATER--BBL. 213	GAS-OIL RATIO 560
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SOLD				TEST WITNESSED BY LENNEL HAWKINS			
35. LIST OF ATTACHMENTS LOGS, DEVIATION SURVEY							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records							
SIGNED 				TITLE PRODUCTION ANALYST		DATE 4/21/04	

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.

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OCD-ARTESIA

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
YATES	1456'				
QUEEN	2358'				
SAN ANDRES	3084'				
GLORIETA	4556'				

APR 05 2004

L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS

PO BOX 1370 ARTESIA, NEW MEXICO 88211-1370
(505) 746-4405 746-3518 748-2205

April 1, 2004

Marbob Energy Corporation
PO Drawer 227
Artesia, NM 88211-0227

RE: Lee Federal #32
990' FSL & 230' FWL
Sec. 17, T17S, R31E
Eddy County, New Mexico

Gentlemen:

The following is a Deviation Survey for the above captioned well.

DEPTH	DEVIATION	DEPTH	DEVIATION
269'	1/4°	2920'	1°
360'	1°	3441'	3/4°
531'	1/2°	3936'	1 1/4°
1024'	1°	4407'	1 1/4°
1316'	1 3/4°	4897'	1 1/2°
1585'	3/4°	5216'	2°
2085'	3/4°	5230'	2°
2543'	3/4°		

RECEIVED

APR 26 2004

OED-ARTESIA

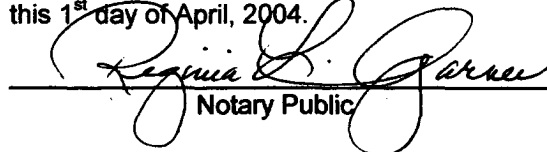
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 1st day of April, 2004.


Notary Public