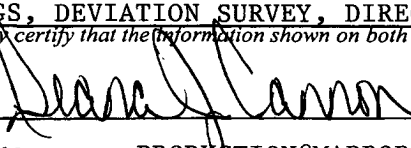


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505		State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 Revised June 10, 2003	
		WELL API NO.		30-015-33456	
		5. Indicate Type of Lease		STATE ☒ FEE ☐	
		State Oil & Gas Lease No.		E-647	
WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____				RECEIVED DAD STATE NOV 17 2004 OOD-ARTESIA	
b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. WELL OVER BACK RESVR. ☐ OTHER					
2. Name of Operator				8. Well No.	
MARBOB ENERGY CORPORATION				42	
3. Address of Operator				9. Pool name or Wildcat	
PO BOX 227, ARTESIA, NM 88211-0227				ARTESIA; GLORIETA-YESO (OIL)	
4. Well Location					
Unit Letter <u>I</u> : <u>1916</u> Feet From The <u>SOUTH</u> Line and <u>1190</u> Feet From The <u>EAST</u> Line					
Section <u>25</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>EDDY</u> County					
10. Date Spudded	11. Date T.D. Reached	12. Date Compl. (Ready to Prod.)	13. Elevations (DF& RKB, RT, GR, etc.)	14. Elev. Casinghead	
8/7/04	8/20/04	10/30/04	3674' GL		
15. Total Depth	16. Plug Back T.D.	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools	Cable Tools
4580'	4380'			0 - 4580'	
19. Producing Interval(s), of this completion - Top, Bottom, Name				20. Was Directional Survey Made	
3997' - 4247' YESO				YES	
21. Type Electric and Other Logs Run				22. Was Well Cored	
DLL, CSNG				NO	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	515'	12 1/4"	350 SX, CIRC	NONE
5 1/2"	17#	4578'	7 7/8"	1120 SX, CIRC	NONE
24. LINER RECORD			25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE
					2 7/8"
					3892'
26. Perforation record (interval, size, and number)			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
4392' - 4410' (10 SHOTS)			DEPTH INTERVAL		
3997' - 4247' (20 SHOTS)			AMOUNT AND KIND MATERIAL USED		
			4392' - 4410' ACDZ W/ 1000 GAL 15% NEFE HCL		
			3997' - 4247' ACDZ W/ 2000 GAL 15% NEFE HCL		
28. PRODUCTION					
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)		Well Status (Prod. or Shut-in)	
11/2/04		PUMPING		PROD	
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF
11/15/04	24			153	213
Water - Bbl.	Gas - Oil Ratio				
466					
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.
29. Disposition of Gas (Sold, used for fuel, vented, etc.)					Test Witnessed By
SOLD					JONATHAN GRAY
30. List Attachments					
LOGS, DEVIATION SURVEY, DIRECTIONAL SURVEY					
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief					
Signature		Printed Name		Title	
		DIANA J. CANNON		PRODUCTION ANALYST	
E-mail Address		Date			
PRODUCTION@MARBOB.COM		11/16/04			

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt 606'	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates 784'	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers 1033'	T. Devonian	T. Menefee	T. Madison
T. Queen 1685'	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres 2351'	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 3839'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T. RUSTLER 310'	T. Wingate	T.
T. Wolfcamp	T. BOWERS 1404'	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....
No. 3, from.....to.....
No. 4, from.....to.....

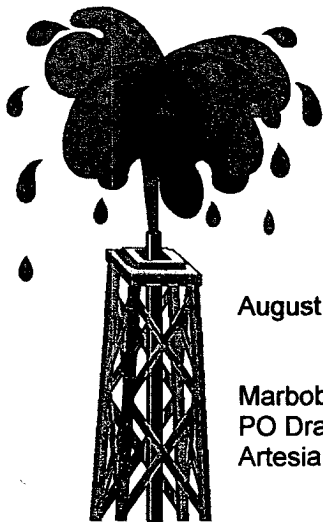
IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology



Artesia Fishing Tool Co., Inc.

Oil Well Drilling Contractors
PO Box 1370 Artesia, NM 88211-1370
505/746-6651 746-3518 fax 748-2205

August 24, 2004

AUG 25 2004

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

RE: DAD State #42
1650' FSL & 990' FEL
Sec. 25, T17S, R28E
Eddy County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION
250'	1°
521'	2°
611'	2 1/4°

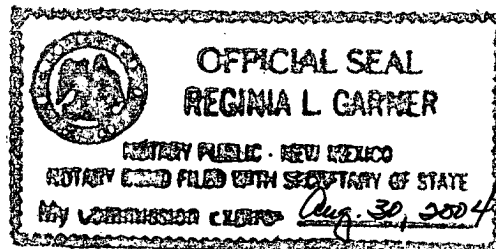
Deviation drilling survey supplied by another company

Very truly yours,

Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 24th day of August, 2004.

Notary Public

04-1291

Serving Southeast New Mexico and West Texas Since 1974

Pathfinder

Survey Report

Page 1
Job No: J-WT-0408-0101
Date: 9/3/2004
Time: 3:22 pm
Wellpath ID: # 42
Date Created: 8/9/2004
Last Revision: 9/3/2004

Calculated using the Minimum Curvature Method
Computed using PDS VER2.2.6
Vertical Section Plane: 116.20 deg.

Survey Reference: WELLHEAD
Reference World Coordinates: Lat. 32.8038 N - Lon. 104.1242 W
Reference GRID System: UTM Zone: 13, Cent. Merid.: 105.00 W
Reference GRID Coordinates: (m.): 3629934.09 N 581998.50 E
North Aligned to: TRUE NORTH
Vertical Section Reference: WELLHEAD
Closure Reference: WELLHEAD
TVD Reference: WELLHEAD

MARBOB ENERGY
DAD STATE #42
EDDY CO., NM
RIG: L&M #2

DECLINATION = 8.89° EAST TO TRUE
KBH = 20' ROTARY TO GROUND

PATHFINDER OFFICE SUPERVISOR:
JEFF WYNN
PATHFINDER FIELD ENGINEER:
ERIC ORTEGA

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	T O T A L Rectangular Offsets (ft)		Closure Dist. (ft)	Dir. (deg.)	DLS (dg/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00 N	0.00 E	0.00@	0.00	0.00
Tied into Totco Inclination. Assumed Azimuth.										
250.00	1.00	269.66	249.99	250.00	-1.95	0.01 S	2.18W	2.18@	269.66	0.40
500.00	2.00	268.96	499.90	250.00	-7.78	0.11 S	8.72W	8.73@	269.31	0.40
The Following are Pathfinder MWD Surveys.										
589.00	1.67	269.66	588.85	89.00	-10.32	0.14 S	11.57W	11.58@	269.30	0.37
622.00	1.41	268.96	621.84	33.00	-11.11	0.15 S	12.46W	12.46@	269.30	0.79
653.00	0.79	268.41	652.83	31.00	-11.64	0.16 S	13.06W	13.06@	269.28	2.00
685.00	0.26	182.74	684.83	32.00	-11.81	0.24 S	13.28W	13.28@	268.95	2.54
715.00	0.97	114.71	714.83	30.00	-11.53	0.42 S	13.05W	13.06@	268.17	3.02
746.00	1.85	105.22	745.82	31.00	-10.77	0.66 S	12.33W	12.35@	266.95	2.93
777.00	2.64	105.75	776.80	31.00	-9.58	0.98 S	11.16W	11.20@	264.97	2.55
808.00	3.43	106.36	807.75	31.00	-7.97	1.44 S	9.58W	9.69@	261.47	2.55
839.00	3.92	107.94	838.69	31.00	-6.00	2.03 S	7.69W	7.95@	255.24	1.61
871.00	4.48	110.76	870.60	32.00	-3.68	2.81 S	5.48W	6.15@	242.88	1.86
902.00	5.01	112.50	901.50	31.00	-1.12	3.75 S	3.09W	4.86@	219.51	1.77
933.00	5.36	116.82	932.37	31.00	1.68	4.92 S	0.55W	4.95@	186.40	1.69
965.00	5.54	118.93	964.23	32.00	4.72	6.35 S	2.13 E	6.69@	161.42	0.84
996.00	5.80	118.84	995.08	31.00	7.78	7.83 S	4.82 E	9.19@	148.39	0.84
1027.00	6.16	117.61	1025.91	31.00	11.00	9.35 S	7.66 E	12.09@	140.67	1.23
1059.00	6.68	116.29	1057.71	32.00	14.58	10.97 S	10.85 E	15.43@	135.32	1.69
1121.00	7.56	114.27	1119.23	62.00	22.26	14.25 S	17.80 E	22.80@	128.67	1.48
1183.00	7.56	113.04	1180.69	62.00	30.41	17.52 S	25.27 E	30.75@	124.73	0.26
1245.00	7.74	113.74	1242.14	62.00	38.65	20.79 S	32.85 E	38.88@	122.34	0.33
1307.00	7.56	114.10	1303.58	62.00	46.90	24.14 S	40.39 E	47.06@	120.86	0.30
1370.00	7.21	114.27	1366.06	63.00	54.99	27.46 S	47.78 E	55.11@	119.88	0.56
1432.00	7.65	112.51	1427.54	62.00	63.00	30.64 S	55.14 E	63.08@	119.06	0.80

Pathfinder

Survey Report

Page 2
Date: 9/3/2004
Wellpath ID: # 42

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	T O T A L Rectangular Offsets (ft) (ft)		Closure Dist. (ft)	Dir. (deg.)	DLS (dg/100ft)
1493.00	8.35	113.48	1487.95	61.00	71.48	33.96 S	62.95 E	71.53@	118.34	1.17
1585.00	8.09	111.19	1579.00	92.00	84.60	38.96 S	75.12 E	84.62@	117.41	0.45
1644.00	8.00	112.60	1637.42	59.00	92.83	42.04 S	82.78 E	92.84@	116.92	0.37
1706.00	7.74	122.80	1698.84	62.00	101.29	45.96 S	90.27 E	101.29@	116.98	2.29
1769.00	6.86	126.58	1761.33	63.00	109.20	50.50 S	96.86 E	109.23@	117.54	1.59
1800.00	6.60	120.86	1792.12	31.00	112.80	52.51 S	99.87 E	112.84@	117.74	2.32
1832.00	6.77	117.70	1823.90	32.00	116.52	54.33 S	103.12 E	116.56@	117.78	1.27
1893.00	7.03	115.85	1884.46	61.00	123.84	57.63 S	109.66 E	123.89@	117.72	0.56
1955.00	7.74	116.03	1945.94	62.00	131.81	61.12 S	116.83 E	131.85@	117.62	1.15
2017.00	7.47	114.53	2007.40	62.00	140.02	64.62 S	124.25 E	140.05@	117.48	0.54
2109.00	8.00	116.82	2098.56	92.00	152.40	70.00 S	135.40 E	152.43@	117.34	0.67
2170.00	7.91	116.12	2158.97	61.00	160.84	73.76 S	142.96 E	160.87@	117.29	0.22
2233.00	7.49	114.89	2221.41	63.00	169.28	77.40 S	150.58 E	169.30@	117.20	0.72
2295.00	8.00	113.30	2282.84	62.00	177.63	80.80 S	158.21 E	177.65@	117.06	0.89
2357.00	8.35	113.22	2344.21	62.00	186.43	84.28 S	166.30 E	186.44@	116.88	0.56
2420.00	8.35	114.10	2406.54	63.00	195.57	87.96 S	174.68 E	195.58@	116.73	0.20
2483.00	8.09	114.54	2468.89	63.00	204.57	91.67 S	182.89 E	204.58@	116.62	0.42
2553.00	8.09	113.57	2538.20	70.00	214.42	95.68 S	191.89 E	214.42@	116.50	0.20
2607.00	7.74	114.45	2591.68	54.00	221.85	98.70 S	198.68 E	221.85@	116.42	0.69
2670.00	7.39	113.30	2654.14	63.00	230.13	102.06 S	206.26 E	230.13@	116.33	0.61
2730.00	7.47	112.51	2713.63	60.00	237.88	105.08 S	213.41 E	237.88@	116.22	0.22
2793.00	7.39	113.39	2776.10	63.00	246.01	108.26 S	220.91 E	246.01@	116.11	0.22
2853.00	7.47	114.27	2835.60	60.00	253.76	111.39 S	228.01 E	253.77@	116.04	0.23
2914.00	7.65	114.18	2896.07	61.00	261.79	114.69 S	235.33 E	261.79@	115.98	0.30
3007.00	7.65	113.66	2988.24	93.00	274.16	119.71 S	246.65 E	274.16@	115.89	0.07
3038.00	7.83	112.69	3018.96	31.00	278.32	121.35 S	250.48 E	278.33@	115.85	0.72
3100.00	7.83	113.30	3080.38	62.00	286.76	124.65 S	258.26 E	286.77@	115.76	0.13
3162.00	8.09	113.13	3141.78	62.00	295.33	128.03 S	266.15 E	295.34@	115.69	0.42
3257.00	6.95	116.91	3235.96	95.00	307.75	133.26 S	277.42 E	307.77@	115.66	1.31
3320.00	6.68	115.06	3298.52	63.00	315.23	136.54 S	284.14 E	315.24@	115.67	0.55
3413.00	6.33	116.56	3390.92	93.00	325.76	141.12 S	293.63 E	325.78@	115.67	0.42
3505.00	7.56	115.15	3482.24	92.00	336.89	145.96 S	303.64 E	336.90@	115.67	1.35
3535.00	7.47	116.64	3511.99	30.00	340.81	147.67 S	307.17 E	340.82@	115.68	0.72
3628.00	7.12	116.29	3604.23	93.00	352.62	152.94 S	317.74 E	352.63@	115.70	0.38
3723.00	7.03	116.29	3698.51	95.00	364.32	158.12 S	328.23 E	364.33@	115.72	0.09
3816.00	7.03	115.68	3790.81	93.00	375.70	163.11 S	338.46 E	375.71@	115.73	0.08
3910.00	6.77	115.59	3884.13	94.00	386.99	167.99 S	348.65 E	387.01@	115.73	0.28
4002.00	6.42	114.10	3975.52	92.00	397.56	172.44 S	358.23 E	397.57@	115.70	0.42
4095.00	7.83	113.66	4067.80	93.00	409.08	177.10 S	368.78 E	409.10@	115.65	1.52
4189.00	7.56	113.04	4160.95	94.00	421.65	182.09 S	380.34 E	421.68@	115.58	0.30
4284.00	7.47	113.04	4255.14	95.00	434.06	186.95 S	391.77 E	434.09@	115.51	0.09
4374.00	7.03	111.28	4344.42	90.00	445.39	191.24 S	402.28 E	445.43@	115.43	0.55
4404.00	6.77	111.37	4374.20	30.00	448.98	192.55 S	405.64 E	449.02@	115.39	0.87
Straight Line Projection To Bit @ 4,450' MD.										
4580.00	6.77	111.37	4548.97	176.00	469.65	200.11 S	424.96 E	469.72@	115.22	0.00