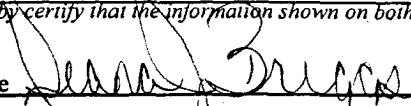


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-33630 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. VO-7066
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. WELL OVER BACK RESVR. ☐ OTHER _____		7. Lease Name or Unit Agreement Name BISCUIT STATE
2. Name of Operator MARBOB ENERGY CORPORATION		8. Well No. 1
3. Address of Operator PO BOX 227, ARTESIA, NM 88211-0227		9. Pool name or Wildcat CORRAL CANYON; DELAWARE
4. Well Location Unit Letter P : 330 Feet From The SOUTH Line and 330 Feet From The EAST Line Section 7 Township 25S Range 30E NMPM EDDY County		
10. Date Spudded 1/12/05	11. Date T.D. Reached 1/31/05	12. Date Compl. (Ready to Prod.) 3/2/05
13. Elevations (DF& RKB, RT, GR, etc.) 3179' GL		14. Elev. Casinghead
15. Total Depth 7445'	16. Plug Back T.D. 7375'	17. If Multiple Compl. How Many Zones?
18. Intervals Drilled By		19. Producing Interval(s), of this completion - Top, Bottom, Name 7121' - 7263' DELAWARE
20. Was Directional Survey Made NO		21. Type Electric and Other Logs Run DLL, CSNG
22. Was Well Cored NO		
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
8 5/8"	24#	766'
5 1/2"	17#	7417'
24. LINER RECORD		
SIZE	TOP	BOTTOM
25. TUBING RECORD		
SIZE	DEPTH SET	PACKER SET
2 7/8"	7304'	
26. Perforation record (interval, size, and number) 7121' - 7263' (16 SHOTS)		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	
7121'-7263'	ACDZ W/ 1000 GAL 15% HCL ACID	
7121'-7263'	FRAC W/ 30K# 16/30 BROWN SAND	
28. PRODUCTION		
Date First Production 3/4/05		Production Method (Flowing, gas lift, pumping - Size and type pump) PUMPING
Well Status (Prod. or Shut-in) PROD		
Date of Test 3/7/05	Hours Tested 24	Choke Size
Prod'n For Test Period	Oil - Bbl 15	Gas - MCF 0
Flow Tubing Press.	Water - Bbl. 145	Gas - Oil Ratio
Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.
Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD		Test Witnessed By SHANE GRAY
30. List Attachments LOGS, DEVIATION 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 DIANA J. BRIGGS Title PRODUCTION ANALYST Date 3/15/05
E-mail Address PRODUCTION@MARBOB.COM		

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	2144'	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt		T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	3358'	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates		T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers		T. Devonian	T. Menefee	T. Madison
T. Queen		T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg		T. Montoya	T. Mancos	T. McCracken
T. San Andres		T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta		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 7334'	T. Entrada	T.
T. Abo		T. BELL CANYON 3560'	T. Wingate	T.
T. Wolfcamp		T. CHERRY CANYON 4500'	T. Chinle	T.
T. Penn		T. BRUSHY CANYON 6040'	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

From	To	Thickness In Feet	Lithology

L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS

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

February 8, 2005

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

FEB 12 2005

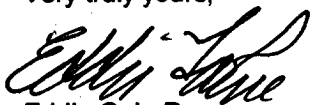
RE: Biscuit State #1
330' FSL & 330' FEL
Sec. 7, T25S, R30E
Eddy County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION	DEPTH	DEVIATION	DEPTH	DEVIATION
245'	1°	2351'	1 3/4°	3462'	3°
475'	3/4°	2444'	2°	3559'	2 1/4°
897'	1 1/4°	2536'	1°	3648'	1 1/2°
1085'	3/4°	2628'	1°	4113'	3/4°
1331'	1°	2721'	2°	4601'	1/2°
1578'	3/4°	2815'	2°	5078'	3/4°
1827'	1 1/4°	2907'	3°	5601'	1°
2013'	1 3/4°	3029'	3°	6077'	1°
2169'	2°	3123'	3°	6757'	2 3/4°
2258'	2°	3279'	3°	7445'	1 3/4°

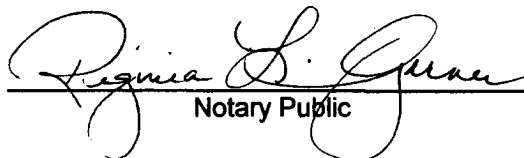
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 8th day of February, 2005.


Notary Public