

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. 30-015-34935 5. Indicate Type of Lease STATE ☐ FEE ☒ State Oil & Gas Lease No.
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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 RESVRO ☐ OTHER ☐ 2. Name of Operator MARBOB ENERGY CORPORATION 3. Address of Operator PO BOX 227, ARTESIA, NM 88211-0227 4. Well Location Unit Letter H : 2310 Feet From The NORTH Line and 1060 Feet From The EAST Line Section 4 Township 22S Range 27E NMPM EDDY County	7. Lease Name or Unit Agreement Name COMPADRES FEE 8. Well No. 2 9. Pool name or Wildcat ESPERANZA; DELAWARE

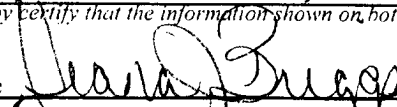
10. Date Spudded 7/25/06	11. Date T.D. Reached 8/2/06	12. Date Compl. (Ready to Prod.) 8/20/06	13. Elevations (DF& RKB, RT, GR, etc.) 3100' GL	14. Elev. Casinghead
15. Total Depth 5370'	16. Plug Back T.D. 5304'	17. If Multiple Compl. How Many Zones? 0	18. Intervals Drilled By Rotary Tools	Cable Tools 0 - 5370'
19. Producing Interval(s), of this completion - Top, Bottom, Name 5168' - 5193' DELAWARE				20. Was Directional Survey Made YES
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	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	423'	12 1/4"	375 SX	NONE
5 1/2"	17#	5334'	7 7/8"	1150 SX	NONE

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	5069'	

26. Perforation record (interval, size, and number) 5168' - 5193' (48 SHOTS)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 5168'-5193' FRAC W/ 83K# SAND & 63134 GAL FLUID

28. PRODUCTION							
Date First Production 8/21/06		Production Method (Flowing, gas lift, pumping - Size and type pump) PUMPING			Well Status (Prod. or Shut-in) PRODUCING		
Date of Test 8/27/06	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 8	Gas - MCF 0	Water - Bbl. 28	Gas - Oil Ratio
Flow Tubing Press.	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 OWEN PUCKETT
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 DIANA J. BRIGGS	Title PRODUCTION ANALYST
E-mail Address PRODUCTION@MARBOB.COM		Date 9/13/06

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	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	1734'	T. Todilto	T.
T. Drinkard	T. Bone Springs	5202'	T. Entrada	T.
T. Abo	T.		T. Wingate	T.
T. Wolfcamp	T.		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

From	To	Thickness In Feet	Lithology