

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

Month - Year
APR 26 2007
OCD - ARTESIA, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **MARBOB ENERGY CORPORATION**

3a. Address
P O BOX 227, ARTESIA, NM 88211-0227

3b. Phone No. (include area code)
505-748-3303

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**SEC. 33-T21S-R26E, UNIT E
 2280 FNL 360 FWL, SW/4NW/4**

5. Lease Serial No.
NMNM113935

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NM 117465 DM

8. Well Name and No.
HACKBERRY 33 FEDERAL COM #1

9. API Well No.
30-015-34937

10. Field and Pool, or Exploratory Area
HAPPY VALLEY; MORROW

11. County or Parish, State
EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Downhole</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Commingling</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

SEE ATTACHED C-107A APPLICATION FOR DOWNHOLE COMMINGLING

THE PROPOSED ALLOCATION IS: **HAPPY VALLEY MORROW 78060 - OIL 25% - GAS 25%**
HAPPY VALLEY ATOKA 78055 - OIL 25% - GAS 25%
HAPPY VALLEY STRAWN 78075 - OIL 50% - GAS 50%

NEW ALLOCATIONS WILL BE SUBMITTED IF ACTUAL WELL PRODUCTION IS SIGNIFICANTLY DIFFERENT THAN THAT ABOVE.

**SUBJECT TO LIKE
APPROVAL BY STATE**

Subsequent required when DHC approved and started,

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

BRIAN COLLINS

Title **ENGINEER**

Signature

Brian Collins

Date

04/12/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved by

Title

Date

APR 25 2007

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Wesley M. Ingram

**WESLEY M. INGRAM
PETROLEUM ENGINEER**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

Engineering Summary
Form C-107A
Application for Downhole Commingling

Marbob Energy Corporation
Hackberry 33 Federal Com No. 1 (Unit E, Sec. 33-T21S-R26E)

Marbob Energy proposes to downhole commingle the Morrow (Happy Valley Morrow 78060), Atoka (Happy Valley Atoka 78055) and Strawn (Happy Valley Strawn 78075) in the captioned well. The Morrow was fracture treated and currently produces approximately 50 MCFD to sales. The best engineering estimate is that the Atoka will produce 50 MCFD and the Strawn will produce 100 MCFD and that all zones will decline at the same rate. The proposed zonal allocation is shown below.

Morrow Best engineering estimate is that zonal reserves will approximate the best engineering estimate of individual zone flow rates and that any condensate produced will be proportional to gas production.

$$\frac{50 \text{ MCFD}}{50+100+50 \text{ MCFD}} = 25\%$$

Atoka $\frac{50 \text{ MCFD}}{50+100+50 \text{ MCFD}} = 25\%$

Strawn $\frac{100 \text{ MCFD}}{50+100+50 \text{ MCFD}} = 50\%$

New allocations will be submitted if actual well production is significantly different than that above.