OCD-ARTESIA FORM APPROVED Form 3160-5 UNITED STATES OM B No 1004-0137 Expires: March 31, 2007 (April 2004) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5 Lease Serial No NMNM113927 SUNDRY NOTICES AND REPORTS ON WELLS o not use this form for proposals to drill or to re-enter an If Indian, Allottee or Tribe Name bandoned well. Use Form 3160 - 3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. Type of W Gas Well Other Well Name and No. Hang 'Em High Federal #1 2 Name of Operator Marbob Energy Corporation API Well No. 3b. Phone No. (include area code) 30-015-34294 3a. Address 505-748-3303 PO Box 227, Artesia, NM 88211-0224 10. Field and Pool, or Exploratory Area Cemetery; Morrow (Gas) 4 Location of Well (Footage, Sec., T, R, M., or Survey Description) 11. County or Parish, State 660 FNL 1980 FEL, Sec. 35-T19S-R25E, Unit B Eddy Co., NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Casing Repair Recomplete Other **New Construction** Subsequent Report Change Plans l Plug and Abandon ☐ Temporarily Abandon Final Abandonment Notice Plug Back Convert to Injection 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.) Marbob Energy Corporation proposes to perforate, acidize and test the following Atoka, Strawn, Canyon & Wolfcamp zones: Plug back methods will be determined based on results of previous zone(s). Atoka 9091' - 9169' (14 shots) 1000 gal NE Fe 7 1/2% HCl Morrow acid Strawn 8812' - 8833' (14 shots) 1000 gal NE Fe 15% HCl acid 1500 gal NE Fe 15% HCl acid Canyon 1 8534' - 8547' (6 shots) SEE ATTACHED FOR CONDITIONS OF APPROVAL Canyon 2 8397' - 8426' (6 shots) 1500 gal NE Fe 15% HCl acid 8216' - 8264' (11 shots) 2000 gal NE Fe 15% HCl acid Canvon 3 Canyon 4 1000 gal NE Fe 15% HCl acid 7900' - 7906' (7 shots) Wolfcamp 1000 gal NE Fe 15% HCl acid 6808' - 6814' (14 shots) I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title Production Analyst Diana J. Briggs 06/18/2007 Signatui THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title Date Approved by 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 Office which would entitle the applicant to conduct operations thereon. 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 anymatter within its jurisdiction.

SUNDRY NOTICE SPECIAL STIPULATIONS

- 1. Approval is granted for the plug back and testing presented in this sundry with the following stipulations:
- 2. The operator will provide information on how the formations will be separated for testing and abandonment.
- 3. A minimum of 35' of bailed cement or 50' of pumped cement is required on top of a CIBP when perfs are abandoned and the CIBP must be set between 50' and 100' of the top perforation.

Engineering can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 6/25/07