Submit 3 Copies To Appropriate District Office
District I
1625 N French Dr , Hobbs, NM 88240
District II
1301 W. Grand Ave., 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-103
May 27, 2004

WELL API NO. 30-015-34353

7. Indicate Type of Lease STATE ☐ FEE ☒

7. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

7. Lease Name or Unit Agreement Name: Walterscheid 23

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number: 1

2. Name of Operator: Marbob Energy Corporation

AUG 03 2007
OCD-ARTESIA

9. OGRID Number: 14049

3. Address of Operator: PO Box 227, Artesia, NM 88211-0227

10. Pool name or Wildcat: Cass Draw; Delaware

4. Well Location
Unit Letter M : 1050 feet from the South line and 660 feet from the West line
Section 23 Township 23S Range 27E NMPM Eddy County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*: 3136' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ **Depth to Groundwater** _____ **Distance from nearest fresh water well** _____ **Distance from nearest surface water** _____

Pit Liner Thickness: _____ **mil** **Below-Grade Tank: Volume** _____ **bbls; Construction Material** _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☒	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
OTHER:	☐			OTHER:	☐		

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Marbob Energy Corporation proposes to plug & abandon this well as follows:

1. Pick up CIBP, set @ 5325', spot 25 sx Class "C" on top, pull up to 5000' & fill csg full of 10 ppg BW plug mud containing 25 sx salt gel per 100 bbls (105 bbls to fill well bore w/ tbg in hole).
2. Cut csg above free point using chemical or jet cutter. TOOH & lay down 5 ½" csg.
3. RIH open ended & spot 50 sx Class "C" w/ 2% CaCl2 @ 2300' (top of Delaware). Pull up hole 300' – 400', WOC couple of hours then tag plug. If top of plug is not @ least 2200', another plug will be set.
4. Spot 50 sx Class "C" w/ 2% CaCl2 @ 493' (13 3/8" surf csg shoe @ 443'). Pull up hole 300' – 400', WOC couple of hours then tag plug. If top of plug is not @ least 393', another plug will be set.
5. Spot 25 sx Class "C" w/ 2% CaCl2 from 60' to surface.
6. Cut off wellhead & install OCD spec dry hole marker.

Notify OCD 24 hrs. prior to any work done.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.**

SIGNATURE Diana J. Briggs TITLE Production Analyst DATE 7/31/07

Type or print name Diana J. Briggs E-mail address: production@marbob.com Telephone No. (505) 748-3303

For State Use Only

APPROVED BY: [signature] TITLE CO DATE 8/6/07

Conditions of Approval (if any):

Walterscheid 23-1
M-23-23S-27E
Eddy Co., NM
Plugging Procedure
24 July 07

Basic Data:

13-3/8" @ 443' Circ. Cmt.
9-5/8" @ 5750' Circ. Cmt. DV@ 3030'
5.5"/17ppf/L80/LTC Burst=7740 psi, 6192 psi at 80% Nom. ID=4.892" Drift ID=4.767"
5.5"/20ppf/L80/LTC Burst=9190 psi, 7352 psi at 80% Nom. ID=4.778" Drift ID=4.653"

Objective: Plug and abandon well.

Procedure:

1. Lay down rods, unseat TAC, and TOOH. Pick up CIBP, set at 5325', spot 25 sx Class "C" on top, pull up to 5000' and fill casing full of 10 ppg BW plug mud containing 25 sx salt gel per 100 bbls (105 bbls to fill well bore with tubing in hole).

2. Weld lift sub onto 5.5" casing, remove slips, RU free point, determine free point and cut casing above free point using chemical or jet cutter. RU casing handling equipment and BOP with 5.5" rams and TOOH laying down 5.5" casing.

Note: If free point is not close to TOC 4512', procedure will be modified—let's discuss.

3. RIH open ended and spot 50 sx Class "C" with 2% CaCl2 at 2300' (top of Delaware). Pull up hole 300-400', WOC couple of hours then tag plug. If top of plug is not at least 2200', another plug will be set.

Note: Plug across 5.5" casing stub is unnecessary because stub is inside the 9-5/8" intermediate casing and the 5.5" casing is cemented on the outside from the 9-5/8" shoe at 5750' to 4512' per cement bond log. There is also a CIBP + 25 sx cement inside the 5.5" casing below the 5.5" stub.

4. Spot 50 sx. Class "C" with 2% CaCl2 at 493' (13-3/8" surface casing shoe at 443'). Pull up hole 300-400', WOC couple of hours then tag plug. If top of plug is not at least 393', another plug will be set.

5. Spot 25 sx. Class "C" with 2% CaCl2 from 60' to surface.

6. Cut off wellhead and install OCD spec dry hole marker.

Cement Properties: 14.8 ppg, 1.32 cfps

Kbc/walterscheid 23-1 bs del wo

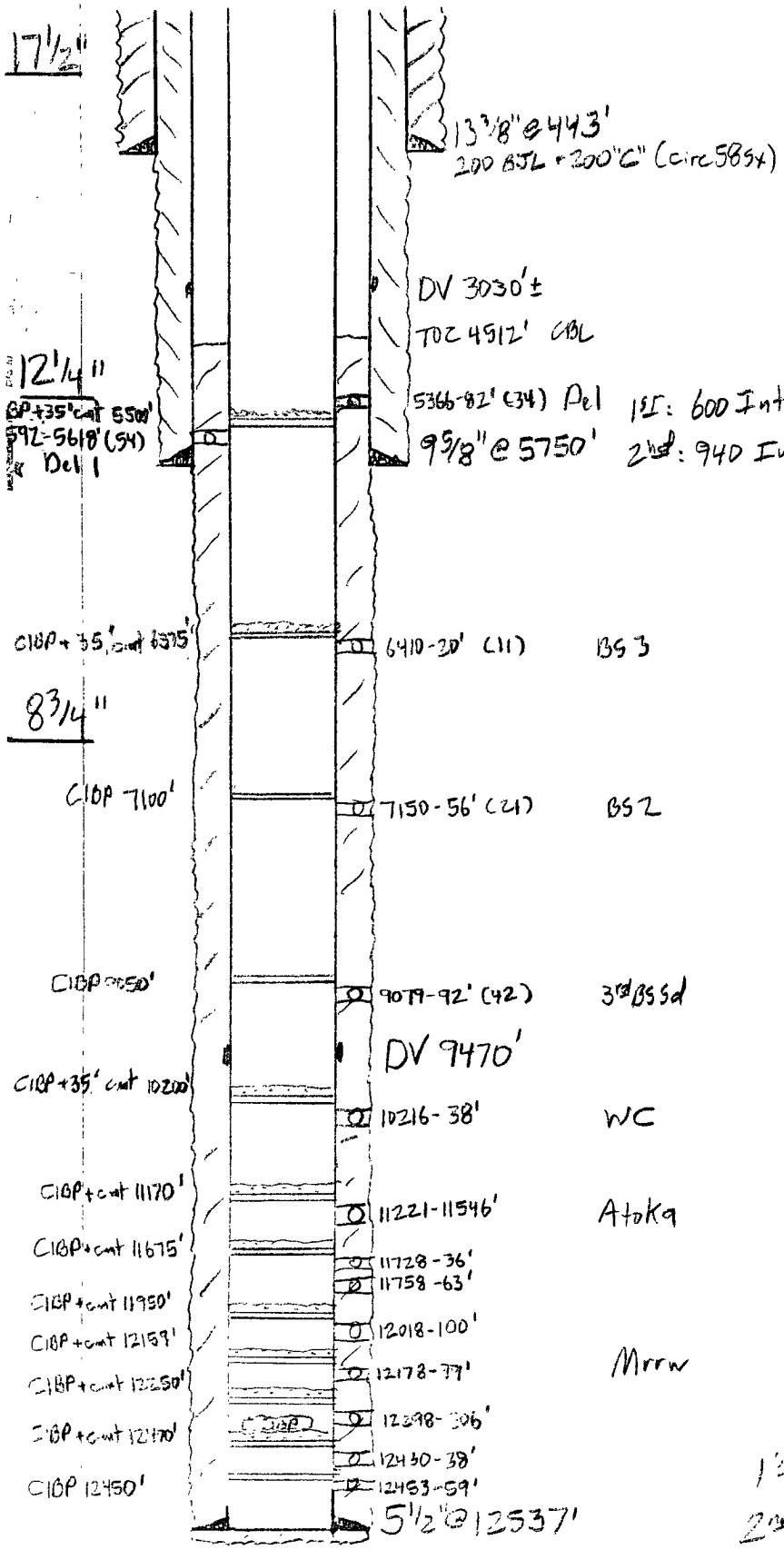
Well: Waltersheid 23-1

Location: 1050' FSL, 660' FWL
M-23-23S-27E
Eddy NM
30-015-34353

Zero: 13.5' AGL
KB: 3149.5'
GL: 3136'

Casing Program:

Size	Wt.	Grade	Conn.	Depth
13 3/8"	48	H40	STC	443'
9 5/8"	40	J55	LTC	5750'
5 1/2"	17,20	L80	LTC	12537'
				CTop 1950' is 20 off
2 7/8	6.5	L80	EUE	



BEFORE

1st: 1075 sx Prem H
2nd: 300 Interfile H + 740 sx Prem H

Well: Walterscheid 23-1

Location: 1050' FSL, 660' FWL
M-23-23s-27e
Eddy NM
30-015-34353

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KB: 3149.5'
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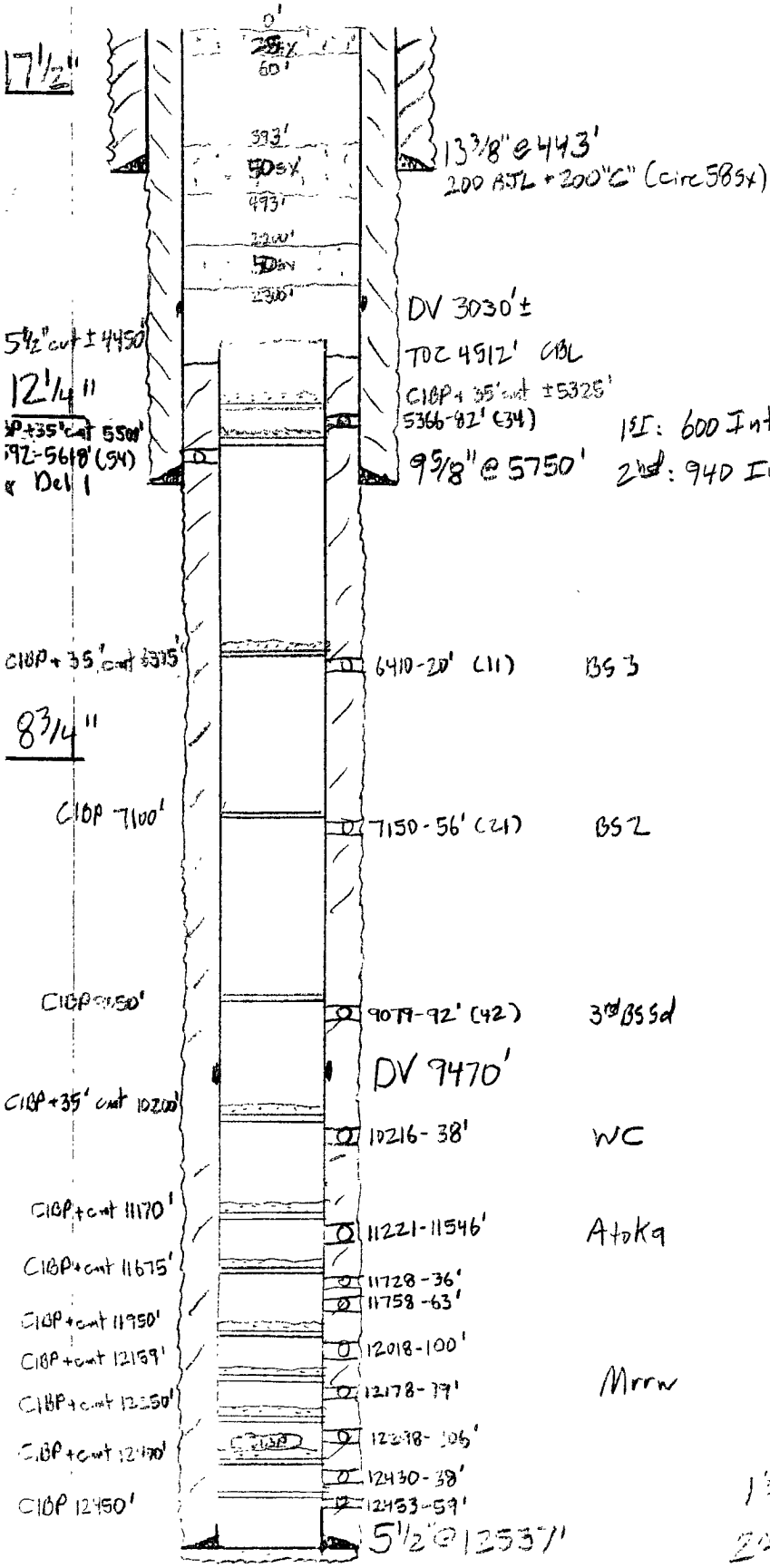

AFTER

1st: 1075 Super H
2nd: 300 InterFil H + 710 Super H