

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5 LEASE DESIGNATION AND SERIAL NO

NMNM-97113

1a Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other		6 INDIAN ALLOTTEE OR TRIBE NAME							
b Type of Completion ☒ New Well ☐ Workover ☐ Deepen ☐ Plug Back ☐ Diff Resvr		7 UNIT AGREEMENT							
Other									
2 Name of Operator Marbob Energy Corporations		8 FARM OR LEASE NAME Hot Seat Federal Com #2							
3 Address P.O. Box 227 Artesia, NM 88211-0227		3a Phone No (include area code) 575-748-3303							
4 Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 990' FNL & 660' FEL, Unit A At top prod Interval reported below Same At total depth Same		9 API WELL NO 30-015-35776							
10 FIELD NAME Chosa Draw; Morrow (Gas)		11 SEC T, R, M, OR BLOCK AND SURVEY OR AREA 35 T 24S R 25E							
12 COUNTY OR PARISH Eddy		13 STATE NM							
14 Date Spudded 1/6/08		15 Date T D Reached 2/3/08							
16 Date Completed 3/21/08 ☐ D & A ☒ Ready to Prod		17 ELEVATIONS (DF, RKB, RT, GR, etc)* 3594' GR 3611' KB							
18 Total Depth MD 11900' TVD 11900'		19 Plug back T D MD 11165' TVD 11165'							
20 Depth Bridge Plug Set MD 11200' TVD									
21 Type Electric & other Logs Run (Submit a copy of each) DLL, DSN		22 Was well cored? ☒ No ☐ Yes (Submit analysis) Was DST run? ☒ No ☐ Yes (Submit report) Directional Survey? ☐ No ☒ Yes (Submit copy)							
23 Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/ Grade	Wt (#/ft)	Top (MD)	Bottom(MD)	Stage Cement Depth	No of Sks & Type of Cement	Slurry Vol (Bbl)	Cement Top*	Amount Pulled
17-1/2"	13-3/8"	48#	0	237'		300 sx		0	None
12-1/4"	9-5/8"	36#	0	1505'		650 sx		0	None
8-3/4"	5-1/2"	17#	0	11870'		2740 sx		540' (CBL)	None
24 Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-3/8"	11101'	11085'							
25 Producing Intervals				26 Perforation Record					
Formation	Top	Bottom	Perforated Interval	Size	No of Holes	Perf Status			
A) Morrow	11124'	11129'	11478-11497'		17	Closed-CMT RTNR @ 11455'			
B)			11403-11436'		34	Closed-CIBP @ 11375'			
C)			11214-11297'		72	Closed-CIBP @ 11200'			
D)			11124-11129'		24	Open			
27 Acid, Fracture Treatment, Cement Squeeze, Etc									
Depth Interval		Amount and Type of Material							
11478-11497'		Acidz w/1000 gal Clay Safe H acid; Sqz w/150 sx P							
11403-11436'		Acidz w/2000 gal Clay Safe H acid							
11214-11297'		Acidz w/1500 gal 7-1/2% Morrow acid							
11124-11129'		Acidz w/750 gal 7-1/2% NEFE Morrow acid; Frac w/8966 XL fluid, 70 tons CO2, 101140# Versa Prop							
9-5/8" x 5-1/2" Annulus		Sqz w/1300 sx 50/50 Poz C							
28 Production- Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr API	Gas Gravity	Production Method
4/2/08	4/6/08	24	→	8	1480	5			Flowing
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil Bbl	Gas MCF	Water Bbl	Gas Oil Ratio	Well Status	Producing
			→						
28a Production- Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil Bbl	Gas MCF	Water Bbl	Gas Oil Ratio	Well Status	
			→						

* See instructions and spaces for additional data on page 2)

28b Production- Interval C									
Date First Produced	Test Date	Hours Tested	Test Production	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr API	Gas Gravity	Production Method
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil Bbl	Gas MCF	Water Bbl	Gas Oil Ratio	Well Status	

28c Production- Interval D									
Date First Produced	Test Date	Hours Tested	Test Production	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr API	Gas Gravity	Production Method
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil Bbl	Gas MCF	Water Bbl	Gas Oil Ratio	Well Status	

29 Disposition of Gas (Solid, used for fuel, vented, etc.)

30 Summary of Porous Zones (include Aquifers)				31 Formation (Log) Markers	
Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.					
Formation	Top	Bottom	Descriptions Contents, Etc	Name	Top Measured Depth
				Bottom of Salt	1250'
				Bell Canyon	1424'
				Cherry Canyon	2424'
				Brushy Canyon	4078'
				Bone Spring	5228'
				Wolfcamp	8414'
				Strawn	10333'
				Atoka	10672'
				Upper Morrow	11078'
				Morrow Clastics	11275'
				Lower Morrow	11544'
					TD 11900'

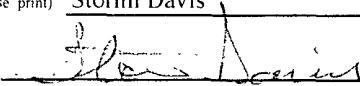
32 Additional remarks (include plugging procedure)

33 Indicate which items have been attached by placing a check in the appropriate boxes

☒ Electrical/ Mechanical Logs (1 full set required)	☐ Geologic Report	☐ DST Report	☒ Directional Survey
☐ Sundry Notice for plugging and cement verification	☐ Core Analysis	☒ Other	

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Stormi Davis Title Production Assistant

Signature  Date 4/29/08

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

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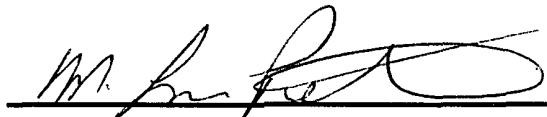
OPERATOR: Marbob Energy Corp.
WELL/LEASE: Hot Seat Federal Com. # 2
COUNTY: Eddy County, NM
Sec 35 T24S R25S

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STATE OF NEW MEXICO
DEVIATION REPORT

<u>Depth</u>	<u>Deviation</u>	<u>Depth</u>	<u>Deviation</u>
142	1/4	1,253	1 3/4
203	1/4	1,317	1 4/7
506	3/4	1,348	1 4/7
751	3	1,444	7/8
840	3	1,584	3/4
931	3	1,835	3/4
1,025	4 1/4	2,093	1/2
520	1/2	2,856	3/4
584	4/5	3,330	1/2
552	1/2	3,830	3/4
615	1 1/2	4,313	1/2
680	1 2/5	4,793	1/2
712	1 2/5	5,270	3/4
744	1 3/4	5,745	3/4
776	1 2/3	6,224	1
807	1 3/4	6,732	1
840	1 2/3	7,239	1
871	1 1/3	7,748	0
903	1 2/9	8,257	1
998	1 6/7	8,755	1 1/2
935	1 2/9	8,987	1 1/2
1,043	1 3/4	9,241	1 1/2
1,062	1 3/4	9,741	3/4
1,094	1 2/3	10,227	3/4
1,126	1 2/3	10,637	3/4
1,158	1 2/3	11,137	1
1,189	1 1/2	11,626	1
1,221	1 2/3	11,875	3/4
1,285	1 4/7		

Patriot Drilling, LLC



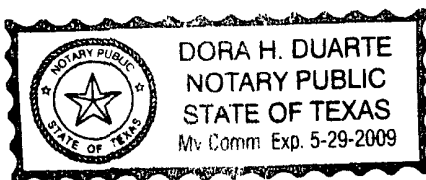
M. Leroy Peterson, Executive Vice-
President

The foregoing instrument was acknowledged before me on this 5th day of March,
2008 by M. Leroy Peterson, Executive Vice-President of Patriot Drilling, LLC.

My Commission Expires: 5/29/2009



Dora H. Duarte
Notary Public for Midland Co., Texas





DIRECTIONAL SURVEY REPORT

MARBOB ENERGY

HOT SEAT FED COM #2

EDDY COUNTY, NEW MEXICO

PREPARED BY: CODY MEBANE

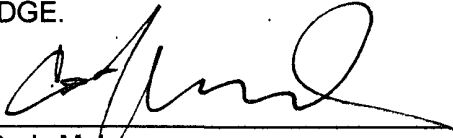
Pathfinder Energy Services, Inc.
6213 W. County Road 112 • Midland, TX • 79706
(432)681-6000

DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY:
A) JOHN OVERTON
3. POSITION OF SAID PERSON(S): (A-F) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 01/11/08 TO 01/14/08
5. STATE IN WHICH SURVEY WAS PERFORMED: NEW MEXICO
6. LOCATION OF WELL: EDDY COUNTY, NM
7. TYPE OF SURVEY(S) PERFORMED: MWD
8. COMPLETE IDENTIFICATION OF WELL:

MARBOB ENERGY CORPORATION.
HOT SEAT FED COM #2
EDDY COUNTY, NM
RIG: PATRIOT #3
9. SURVEY CERTIFIED FROM: 552 TO 1464 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE DISPLACED AT 22.79 FEET ON A BEARING OF 59.62 DEGREES FROM THE CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 1506 FEET, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.


Cody Mebane
M/LWD SERVICE COORDINATOR

PathFinder Energy Services, Inc.

BHL Report

Page 01/01
Tie-in Date: 01/11/2008
Date Completed: 01/14/2008

MARBOB ENERGY
HOT SEAT FED COM #2
EDDY COUNTY, NM
Rig: Patriot #3
PathFinder Office Supervisor: Cody Mebane
PathFinder Field Engineers: John Overton

Survey Horiz. Reference: WELLHEAD
Ref Coordinates: LAT: 32.10.41.6100 N LON: 104.21.34.4808 W
GRID Reference: NAD27 new mexico east Transverse Mercator
Ref GRID Coord: X: 491880.0687 Y: 428559.7399
North Aligned To: GRID NORTH
Total Magnetic Correction: 8.35° EAST TO GRID
Vertical Section Plane: 0.00
Survey Vert. Reference: 22.00' Kelly Bushing To Ground
Altitude: 3594.00' Ground To MSL

Measured Depth	1506.00	(feet)
Inclination	0.88	(deg)
Azimuth	115.49	(deg)
True Vertical Depth	1505.68	(feet)
Vertical Section	11.53	(feet)
Survey X cord	491899.86	(feet)
Survey Y cord	428571.23	(feet)
Survey Lat	32.17825659 N	(deg)
Survey Lon	104.35951403 W	(deg)
Rectangular Corr. N/S	11.53 N	(feet)
Rectangular Corr. E/W	19.66 E	(feet)
Closure Distance	22.79	(feet)
Direction of Closure	59.62	(deg)
Dogleg Severity	0.00	(deg/100ft)

PathFinder Energy Services, Inc.

Survey Report

MARBOB ENERGY

HOT SEAT FED COM #2

EDDY COUNTY, NM

Rig:Patriot #3

PathFinder Office Supervisor: Cody Mebane

PathFinder Field Engineers: John Overton

Survey Horiz. Reference:WELLHEAD

Ref Coordinates: LAT:32.10.41.6100 N LON:104.21.34.4808 W

Reference:NAD27 new mexico east Transverse Mercator

Ref GRID Coord: X: 491880.0687 Y: 428559.7399

North Aligned To:GRID NORTH

Total Magnetic Correction: 8.35° EAST TO GRID

Vertical Section Plane: 0.00

Survey Vert. Reference: 22.00' Kelly Bushing To Ground

Altitude:3594.00' Ground To MSL

Survey Calculations by RX5 V5.11G using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)	DLS (dg/100ft)	
NO TIE IN PROVIDED. ASSUMING VERTICAL @ 500' MD.										
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00@ 0.00	0.00	
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
552.00	0.53	82.09	552.00	52.00	0.03	0.03 N	0.24 E	0.24@ 82.09	1.02	
584.00	0.79	73.13	584.00	32.00	0.12	0.12 N	0.60 E	0.61@ 78.85	0.87	
615.00	1.49	48.34	614.99	31.00	0.45	0.45 N	1.10 E	1.19@ 67.89	2.71	
648.00	1.58	54.05	647.98	33.00	1.00	1.00 N	1.79 E	2.05@ 60.82	0.54	
680.00	1.41	54.84	679.97	32.00	1.49	1.49 N	2.47 E	2.88@ 58.97	0.53	
712.00	1.41	52.03	711.96	32.00	1.95	1.95 N	3.10 E	3.67@ 57.78	0.22	
744.00	1.76	45.53	743.95	32.00	2.54	2.54 N	3.76 E	4.54@ 55.97	1.23	
776.00	1.67	33.31	775.93	32.00	3.27	3.27 N	4.37 E	5.46@ 53.15	1.18	
807.00	1.76	40.78	806.92	31.00	4.01	4.01 N	4.93 E	6.36@ 50.85	0.78	
839.00	1.67	31.03	838.90	32.00	4.78	4.78 N	5.49 E	7.28@ 48.93	0.95	
871.00	1.32	41.75	870.89	32.00	5.46	5.46 N	5.98 E	8.09@ 47.59	1.40	
903.00	1.23	30.32	902.89	32.00	6.03	6.03 N	6.39 E	8.79@ 46.68	0.84	
935.00	1.23	35.42	934.88	32.00	6.61	6.61 N	6.77 E	9.46@ 45.69	0.34	
998.00	1.85	37.09	997.85	63.00	7.97	7.97 N	7.77 E	11.13@ 44.28	0.99	
1043.00	1.76	48.60	1042.83	45.00	9.01	9.01 N	8.73 E	12.54@ 44.11	0.83	
1062.00	1.76	58.45	1061.82	19.00	9.35	9.35 N	9.20 E	13.12@ 44.52	1.59	
1094.00	1.67	70.14	1093.81	32.00	9.77	9.77 N	10.05 E	14.02@ 45.83	1.13	
1126.00	1.67	71.02	1125.80	32.00	10.08	10.08 N	10.93 E	14.87@ 47.33	0.08	
1158.00	1.67	66.18	1157.78	32.00	10.42	10.42 N	11.80 E	15.74@ 48.56	0.44	
1189.00	1.49	63.81	1188.77	31.00	10.78	10.78 N	12.58 E	16.56@ 49.40	0.62	
1221.00	1.67	75.06	1220.76	32.00	11.08	11.08 N	13.40 E	17.39@ 50.41	1.12	

PathFinder Energy Services, Inc.

Survey Report

MARBOB ENERGY
HOT SEAT FED COM #2
EDDY COUNTY, NM
RIG:Patriot #3

Page 02/02

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
1253.00	1.76	66.71	1252.74	32.00	11.40	11.40 N	14.30 E	18.29@	51.45	0.83
1285.00	1.58	71.54	1284.73	32.00	11.73	11.73 N	15.17 E	19.18@	52.29	0.71
1317.00	1.58	75.94	1316.72	32.00	11.98	11.98 N	16.02 E	20.00@	53.21	0.38
1348.00	1.58	76.38	1347.71	31.00	12.18	12.18 N	16.85 E	20.79@	54.13	0.04
1380.00	1.14	97.91	1379.70	32.00	12.24	12.24 N	17.59 E	21.43@	55.17	2.09
1412.00	1.23	109.34	1411.69	32.00	12.08	12.08 N	18.23 E	21.87@	56.46	0.79
1444.00	0.88	104.33	1443.69	32.00	11.91	11.91 N	18.79 E	22.25@	57.64	1.13
1464.00	0.88	115.49	1463.68	20.00	11.80	11.80 N	19.08 E	22.44@	58.26	0.86
STRAIGHT LINE PROJECTION TO BIT.										
1506.00	0.88	115.49	1505.68	42.00	11.53	11.53 N	19.66 E	22.79@	59.62	0.00

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

MARBOB ENERGY
HOT SEAT FED COM #2
EDDY COUNTY, NEW MEXICO
Rig: PATRIOT 3

Thu Jan 10 10:17:48 2008

Coordinates

Latitude: 32.178225 N (32 deg. 10 min. 41.6096 sec.)
Longitude: 104.359578 W (-104 deg. 21 min. 34.4793 sec.)
Elevation: 3594.00 feet.
Calculation Date: Jan/10/2008

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.0959 degrees
Total Magnetic Field: 0.48861 gauss
Magnetic Declination: 8.332340 degrees
Horizontal Intensity: 0.243597 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.332340 Degr.

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 491880.2000 feet
Y: 428559.7000 feet
True to Grid: (convergence) 0.013976 degrees
Magnetic to Grid: 8.346316 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 8.346316 Degr.