

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.
30-015-35916

5. Indicate Type of Lease
STATE ☒ FEE ☐

State Oil & Gas Lease No.

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 RESVR ☐ OTHER ☐

2 Name of Operator
MARBOB ENERGY CORPORATION

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

4 Well Location
Unit Letter G : 2160 Feet From The NORTH Line and 2240 Feet From The EAST Line
Section 25 Township 17S Range 28E NMPM EDDY County

10 Date Spudded
5/22/08

11. Date T D. Reached
6/4/08

12. Date Compl (Ready to Prod.)
6/26/08

13 Elevations (DF& RKB, RT, GR, etc.)
3682' GR

14. Elev. Casinghead

15 Total Depth
5600'

16. Plug Back T D
5563'

17. If Multiple Compl How Many
Zones?

18 Intervals
Drilled By

Rotary Tools
0-5600'

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name
3851-5243' YESO

20. Was Directional Survey Made
NO

21. Type Electric and Other Logs Run
DLL, DSN

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# | 363' | 12-1/4" | 350 SX | NONE |
| 5-1/2" | 17# | 5595' | 7-7/8" | 1450 SX | NONE |

24. LINER RECORD

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN |
|------|-----|--------|--------------|--------|
| | | | | |
| | | | | |

25. TUBING RECORD

| SIZE | DEPTH SET | PACKER SET |
|--------|-----------|------------|
| 2-7/8" | 3858' | |
| | | |

26 Perforation record (interval, size, and number)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|-----------------|-------------------------------|
| 4907-5243' (20) | ACDZ W/2000 GAL 15% |
| 4631-4790' (20) | ACDZ W/2000 GAL 15% |
| 3851-4020' (20) | ACDZ W/2000 GAL 15% |

28 PRODUCTION

Date First Production
6/27/08

Production Method (Flowing, gas lift, pumping - Size and type pump)
PUMPING

Well Status (Prod. or Shut-in)
PRODUCING

Date of Test
6/28/08

Hours Tested
24

Choke Size

Prod'n For
Test Period

Oil - Bbl
97

Gas - MCF
52

Water - Bbl.
168

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
JONATHAN GRAY

30. List Attachments
LOGS, INCLINATION REPORT

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: STORMI DAVIS Title: PRODUCTION ASSISTANT Date 7/16/08

E-mail Address: SDAVIS@MARBOB.COM

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 452' | T. Strawn | T. Kirtland-Fruitland | T. Penn. "C" |
| B. Salt 645' | T. Atoka | T. Pictured Cliffs | T. Penn. "D" |
| T. Yates 718' | T. Miss | T. Cliff House | T. Leadville |
| T. 7 Rivers 980' | T. Devonian | T. Menefee | T. Madison |
| T. Queen 1567' | T. Silurian | T. Point Lookout | T. Elbert |
| T. Grayburg | T. Montoya | T. Mancos | T. McCracken |
| T. San Andres 2254' | T. Simpson | T. Gallup | T. Ignacio Otzte |
| T. Glorieta 3700' | 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 | T. Todilto | T. |
| T. Drinkard | T. Bone Springs | T. Entrada | T. |
| T. Abo | T. Rustler 378' | T. Wingate | T. |
| T. Wolfcamp | T. Bowers | T. Chinle | T. |
| T. Penn | T. Penrose 1794' | T. Permian | T. |
| T. Cisco (Bough C) | T. Yeso 3764' | T. Penn "A" | T. |

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 3, from..... to.....

No. 2, 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 |
|------|----|----------------------|-----------|
| | | | |

TEACO DRILLING INC.

P.O. BOX 1500 (505) 3910699 FAX (505) 391- 3824 HOBBS, NEW MEXICO 88241

INCLINATION REPORT

DATE: 6/9/2008

WELL NAME AND NUMBER NB TWEEN STATE #3
LOCATION EDDY COUNTY
OPERATOR: MARBOB ENERGY CORPORATION
DRILLING CONTRACTOR: TEACO DRILLING INC

THE UNDERSIGNED HEREBY CERTIFIES THAT HE IS AN AUTHORIZED REPRESENTATIVE OF THE DRILLING CONTRACTOR WHO DRILLED THE ABOVE DESCRIBED WELL AND THAT HE HAS CONDUCTED DEVIATION TEST AND OBTAINED THE FOLLOWING RESULTS:

| DEGREE | DEPTH | DEGREE | DEPTH | DEGREE | DEPTH |
|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>1</u> | <u>293</u> | <u>1</u> | <u>2486</u> | <u>2</u> | <u>5050</u> |
| <u>0.75</u> | <u>522</u> | <u>1.5</u> | <u>2957</u> | <u>3.5</u> | <u>5240</u> |
| <u>0.25</u> | <u>722</u> | <u>1.75</u> | <u>3211</u> | <u>3.25</u> | <u>5360</u> |
| <u>0.5</u> | <u>961</u> | <u>1.5</u> | <u>3371</u> | <u>2.25</u> | <u>5490</u> |
| <u>1</u> | <u>1405</u> | <u>1.25</u> | <u>3621</u> | <u>2.5</u> | <u>5557</u> |
| <u>1.5</u> | <u>1691</u> | <u>1.5</u> | <u>3879</u> | | |
| <u>2</u> | <u>1819</u> | <u>1.5</u> | <u>4133</u> | | |
| <u>1.25</u> | <u>1915</u> | <u>1</u> | <u>4381</u> | | |
| <u>1.25</u> | <u>2042</u> | <u>1</u> | <u>4640</u> | | |
| <u>1</u> | <u>2262</u> | <u>1</u> | <u>4860</u> | | |

DRILLING CONTRACTOR:
TEACO DRILLING INCORPORATED

BY: Bob Wegner
BOB WEGNER
DRILLING SUPERINTENDENT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 9th DAY OF June, 2008

MY COMMISSION EXPIRES: 3/10/11

James H. Hume